

Metsäliitto Group Interim Report 1 January–30 September 2009 Stock Exchange Release
October 22, 2009
at 12.00 a.m. 1 (19)

Metsäliitto Group's operating result excluding non-recurring items EUR 9 million positive in July–September

Operating result excluding non-recurring items EUR -119 million in January– September

Result for January–September

- Sales EUR 3,647 million (1–9/2008: EUR 4,981 million).
- Operating result excluding non-recurring items was EUR -119 million (120).
Operating result including non-recurring items was EUR -186 million (208).
- Result before tax excluding non-recurring items was EUR -232 million (-43).
Result before tax including non-recurring items was EUR -310 million (44).

Result for July–September

- Sales EUR 1,155 million (7–9/2008: EUR 1,595 million).
- Operating result excluding non-recurring items was EUR 9 million (27).
Operating result including non-recurring items was EUR 7 million (19).
- Result before tax excluding non-recurring items was EUR -51 million (-28).
Result before tax including non-recurring items was EUR -53 million (-35).

Events in the third quarter

- Positive signs in the Group's core businesses: The result of M-real's Consumer Packaging business improved significantly – the demand for consumer packaging board increased and the operating rates were at a good level; strong profit development in the tissue paper business continued; the price of pulp increased considerably and its operating rates increased.
- Metsäliitto signed a letter of intent with UPM-Kymmene Corporation in July concerning the new ownership structure of Metsä-Botnia.
- M-real received a cash payment of EUR 190 million in August from Sappi as an early payment of its vendor notes in connection with the Graphic Papers transaction.

Events after the review period

- An agreement on the new ownership structure of Metsä-Botnia and the divestment of Metsä-Botnia's operations in Uruguay to UPM-Kymmene Corporation was signed on 22 October 2009.

"Positive signs can be seen in several of the Group's business operations which is reflected in the figures for the quarter. However, the forest industry is dependent on the general economic development, and therefore it is too early to speak about a clear turn of the market for the better."

Kari Jordan, President & CEO, Metsäliitto Group

Metsäliitto is an international forest industry group present in some 30 countries. Metsäliitto combines responsible forest economy and innovative technology to produce high-quality products and solutions from renewable Nordic wood in a sustainable and environmentally friendly way. The Group's five business areas are Wood Supply, Wood Products Industry, Pulp, Board and Paper, and Tissue Papers. Metsäliitto Group's sales total EUR 6.5 billion and it employs 16,000 persons.

Metsäliitto Group

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Metsäliitto Group

Income statement (Continuing operations)	2009 1-9	2008 1-9	2009 Q3	2008 Q3	2008 1-12
Sales	3 647	4 981	1 155	1 595	6 434
Other operating income	115	215	31	43	239
Operating expenses	-3 672	-4 702	-1 103	-1 524	-6 189
Depreciation and impairment losses	-277	-286	-76	-95	-482
Operating result	-186	208	7	19	2
Share of results in associates	-11	11	-1	8	6
Exchange gains and losses	1	1	4	0	19
Other net financial items	-113	-176	-63	-63	-260
Result before income tax	-310	44	-53	-35	-233
Income tax	19	-6	-6	2	60
Result from continuing operations	-291	39	-59	-33	-172

Metsäliitto Group

Profitability (Continuing operations)	2009 1-9	2008 1-9	2009 Q3	2008 Q3	2008 1-12
Operating result, EUR mill.	-186	208	7	19	2
- " -, excluding non-recurring items	-119	120	9	27	45
Return on capital employed, %	-4.8	6.1	1.3	2.7	0.5
- " -, excluding non-recurring items	-2.9	3.9	1.4	3.3	1.3
Return on equity, %	-25.1	2.3	-17.2	-6.1	-8.4
- " -, excluding non-recurring items	-18.3	-3.0	-16.6	-4.7	-6.4

Financial position	2009	2008	2009	2008	2008
	30.9.	30.9.	30.6.	30.6.	31.12.
Equity ratio, %	23.9	27.5	25.6	30.1	26.0
Net gearing ratio, %	180	162	162	147	149
Interest-bearing net liabilities, EUR mill.	2 363	3 373	2 348	3 421	2 666

Sales and Operating result 1-9/2009 (EUR mill.)	Wood Supply	Wood Products Industry	Pulp *) Industry	Board and Paper Industry	Tissue and Cooking Papers
Sales	809	613	898	1 826	661
Other operating income	6	4	22	86	5
Operating expenses	-804	-626	-933	-1 956	-563
Depreciation & impairment losses	-3	-29	-149	-171	-31
Operating result	8	-38	-162	-215	72
Non-recurring items	0	0	75	58	0
Operating result excl. non-recurring items	8	-38	-87	-157	72

*) Represents 100%. The Metsäliitto Group consolidates 53% of the Pulp Industry.

The figures are unaudited

METSÄLIITTO GROUP

INTERIM REPORT 1 JANUARY–30 SEPTEMBER 2009

Sales and result

Metsäliitto Group's sales for January–September were EUR 3,647 million (4,981).

Operating result excluding non-recurring items was EUR -119 million (120). Net non-recurring items amounted to EUR -67 million (88), EUR 65 million of which was already recognised during the first half of the year. Of the non-recurring costs, EUR 40 million was related to the closure of the Metsä-Botnia Kaskinen mill, EUR 29 million to the closure of the M-real Hallein paper mill and EUR 4 million to M-real's ongoing efficiency improvement programmes. A sales gain of EUR 8 million was recognised for the Vapo deal during the second quarter. Non-recurring items amounted to EUR -2 million during the third quarter.

The third-quarter operating result excluding non-recurring items was EUR 9 million positive (Q2/09: EUR -61 million and Q1/09: EUR -67 million). The result was improved by, among others, higher delivery volumes, increase in the price of sawn timber, decrease in the price of wood raw material, higher sales price of pulp and implemented cost-savings. The good profit development of the tissue paper business continued during the third quarter.

Metsäliitto Group's operating result including non-recurring items for January-September was EUR -186 million (1-9/2008: 208). Financial income amounted to EUR 28 million (17), results from associates were EUR -11 million (11) and financial expenses totalled EUR 141 million (193).

Net exchange gains/losses recognised in financial items were EUR 1 million (1). The US dollar strengthened on average 10% in January-September, the British pound weakened by 13% and the Swedish krona by 14% year-over-year.

Share of results in associated companies include a EUR 11 million non-recurring expense item related to the sale of Myllykoski Paper's Sunila shares. In the first quarter, M-real made a market repurchase with a nominal value of approximately EUR 60 million of its EUR 400 million bond, which matures in December 2010. A profit of approximately EUR 31 million for the purchase was recognised in financial income.

A loss of approximately EUR 30 million was recognised in financial items during the third quarter after Sappi Ltd had repaid its four-year debt of EUR 220 million early to M-real. The repayment price was 86.5% of the nominal value of the vendor notes, or approximately EUR 190 million.

The result before tax was EUR -310 million (44), and taxes, including changes in deferred tax liabilities, totalled EUR 19 million (-6). The result for continuing operations was EUR -291 million (39), the result for discontinued operations EUR -15 million (-276) and the result for the review period EUR -306 million (-237).

Of the period's results, EUR -140 million (-73) was attributable to parent company members and EUR -166 million (-164) to minority interests.

The Group's return on capital employed for continuing operations was -4.8% (6.1), and the return on equity was -25.1% (2.3). Excluding non-recurring items, return on capital employed was -2.9% (3.9) and return on equity was -18.3% (-3.0).

Balance sheet and financing

Metsäliitto Group's total liquidity at the end of September was EUR 1.7 billion (31 December 2008: 1.8). Of this, EUR 0.5 billion (0.6) was in liquid assets and investments, and EUR 1.2 billion (1.2) was in off-balance-sheet binding credit facilities. In addition, the Group can satisfy short-term financial needs with non-binding commercial paper schemes in Finland and abroad, as well as with credit limits amounting to approximately EUR 0.6 billion.

The Group's equity ratio in September was 23.9% and net gearing totalled 180% (31 December 2008: 26.0% and 149%, respectively). Interest-bearing net liabilities stood at EUR 2,363 million (31 December 2008: 2,666). The equity ratio of the parent company, Metsäliitto Cooperative, was 55.7% at the end of September and the net gearing ratio was 44% (31 December 2008: 54.6% and 45%, respectively).

EUR 84.7 million of Metsäliitto Cooperative's members' capital matured at the beginning of July. Members' capital has decreased by EUR 58.8 million in January-September. The actual members' capital has decreased by EUR 0.7 million and the additional capital A by EUR 58.9 million. The additional members' capital B has increased by EUR 0.8 million. At the end of September, Metsäliitto Cooperative had 127,118 members (31 December 2008: 129,267).

The change in the fair value of investments available for sale in January-September was approximately EUR -101 million, based mainly on the decrease in the value of the Pohjolan Voima shares. The change in the fair value of the shares relates mainly to the decrease of the 12 month moving average value of Nord Pool electricity futures used in the valuation.

Personnel

The Group employed an average of 15,560 people (17,759) during January-September. At the end of September, the number of personnel in the Group was 14,391 (31 December 2008: 16,729). The parent company, Metsäliitto Cooperative, had a headcount of 2,917 at the end of September (31 December 2008: 3,217).

Investments

Metsäliitto Group's capital expenditure totalled EUR 116 million (190).

Business areas

Wood Supply

Wood Supply sales totalled EUR 809 million (1,372) in the review period and operating result amounted to EUR 8 million (26). The operating result does not include non-recurring items (1). Wood Supply Finland accounted for EUR 608 million (936) of the sales and EUR 5 million (21) of the operating result.

In Finland, wood trade was exceptionally slack, even though it picked up slightly towards the end of the period. During January-September, Metsäliitto bought around 40% of the amount purchased in the corresponding period the year before. The forest industry's overall January-September purchases from privately owned forests totalled approximately 7.5 million cubic metres (29.4).

Metsäliitto's purchases have been emphasised on roundwood and forest energy. In order to speed up roundwood trade, owner-members were paid a double bonus on wood from sales of renewal stands marked for cutting made between the beginning of August and the end of September.

An organisational restructuring of the supply and delivery unit was carried out in Northern Finland to adjust operations to decreased delivery volumes of wood.

In the Russian market, the demand for softwood log exceeded the supply, however, the demand for pulpwood remained low, except for birch pulpwood. Wood supply at the Metsä-Botnia Svir Timber sawmill was handled according to plans. Wood supplies from Russia to Finland remained low.

In the Baltic countries, the wood trade of private forest owners was at a standstill throughout the review period. Most of the wood was felled from state-owned forests. Metsäliitto's deliveries to Finland and Sweden decreased clearly, and the wood supply organisations were adjusted to match the new volumes.

In January-September, Wood Supply's overall delivery volumes to production units amounted to 18.3 million cubic metres (26.6).

As of the beginning of 2010, Metsäliitto Wood Supply will be organised into four business lines: Wood Supply Finland, International Wood Supply, Wood Energy and Forestry Services.

Wood Products Industry

The sales of Metsäliitto Wood Products Industry amounted to EUR 613 million (923), while the operating result was EUR -38 million (-19). The operating result does not include non-recurring items.

The operating result for the third quarter was EUR 3 million negative, yet noticeably better than for the previous quarters (Q2/09: EUR -10 million and Q1/09: EUR -25 million). The decrease in the operating loss is due to a decrease in the price of wood raw material, increase in the price of sawn timber, a revival in the demand for construction products and the implemented cost-saving programmes.

During the third quarter, the construction market began to pick up especially in the UK following government subsidies, low interest rates and revival of the real estate business. The production restrictions on sawn goods led to the price of sawn goods increasing at the end of the review period. The market share in light and cold-storage transport fleet could be increased with special products.

As part of the development programme related to energy efficient construction, Metsäliitto Wood Products Industry launched a new Kerto-framed passive roof element and a base plate.

Due to the poor availability of competitively priced wood raw material, summer shutdowns were continued at all operational sawmills. Many sawmills had to restrict production even in September.

Pulp

Pulp industry sales were EUR 614 million (929) in January–September, and the operating result excluding non-recurring items amounted to EUR -125 million (72). The non-recurring items recognised in the first quarter totalled EUR -75 million and were related to the closure of the Kaskinen mill. The operating result including non-recurring items was EUR -200 million (72).

The most significant factors burdening the result were the heavy deterioration of the market situation and the decrease in the price of pulp compared with the corresponding period the previous year. Foreign currency-denominated market prices for softwood pulp were, on average, 29% lower and for hardwood pulp 36% lower. The result was also decreased by production curtailment shutdowns at all mills in Finland.

Metsä-Botnia's result improved slightly compared to the previous period. The operating loss for the third quarter was EUR 20 million, while for the second quarter, operating loss was EUR 53 million.

The price of softwood pulp increased from USD 630 in June to USD 730 in September, and the price of hardwood pulp increased from USD 500 to USD 600.

Metsäliitto signed a letter of intent on 15 July 2009 concerning the sale of Metsä-Botnia's operations in Uruguay to UPM-Kymmene Corporation. The companies also agreed that UPM would reduce its ownership in Metsä-Botnia to approximately 17%, with Metsäliitto getting a majority share in the company. The existing cooperation

agreements will, for their essential parts, remain in effect without changes even after the completed arrangement, and Metsä-Botnia will continue to act as a sales channel for the market pulp of both UPM and M-real.

M-real Group's financial statements include 30% of Pulp Industry's figures. Of the Pulp Industry's figures, 53% are consolidated into Metsäliitto Group's financial statements. Once the arrangement according to the letter of intent announced in July becomes final, the consolidation method of Metsä-Botnia will change. Metsä-Botnia will become an associate in M-real's consolidated financial statements and a subsidiary in Metsäliitto's consolidated financial statements and will consequently be fully consolidated into the Metsäliitto Group's figures. The transaction is expected to be closed latest during the first quarter of 2010.

Metsä-Botnia has processed the operations in Uruguay as discontinued operations in accordance with the IFRS 5 standard. The operations in Uruguay are not included in the result figures presented above. The operations in Uruguay have not been a separate segment in terms of Metsäliitto Group. Therefore, only the items related to the balance sheet of the operations in Uruguay have been reported as financial assets and liabilities available for sale.

Board and Paper

The sales of Board and Paper totalled EUR 1,826 million (2,514), and the operating result excluding non-recurring items was EUR -157 million (16).

M-real's net non-recurring items in January–September totalled EUR -58 million (84). Of these, EUR 22 million were related to the closure of the Metsä-Botnia Kaskinen mill, EUR 28 million to the closure of the Hallein paper mill and EUR 8 million to various profit improvement measures and cost provisions.

The operating result excluding non-recurring items decreased from last year's corresponding period due to the drop in delivery volumes following weaker demand, as well as the decrease in the values of product, wood and pulp inventories. The result was improved by price increases and cost savings.

The demand for consumer packaging board strengthened during the third quarter, and the operating rates were at a good level. In addition, the order volumes of uncoated fine paper improved during the third quarter. The demand for speciality papers continues to be below the normal level, but price level has mainly remained steady.

M-real's internal profit improvement programmes have proceeded according to plans. The implemented streamlining measures and decreases in production costs during

2009 help the company's profitability. The 2009 full-year result has been weighed down by the considerable operational expenses incurred from adjusting operations to a smaller scale and making them more profitable.

The operating result including non-recurring items was EUR -215 million (100) in January-September. Net interest and other financial expenses totalled EUR 59 million (108), results from associates were EUR -14 million (-1) and net exchange gains/losses recognised as financial items were EUR 4 million (2).

The financial income of the review period includes a profit of about EUR 31 million from repurchases of a EUR 400 million bond due in December 2010. A loss of approximately EUR -30 million has been booked in the financing expenses due to the premature repayment of the bond issued to Sappi. Results from associates include a EUR 11 million non-recurring expense item related to the sale of Myllykoski Paper's Sunila shares.

The result before tax was EUR -284 million (-7), earnings per share were EUR -0.83 (-0.05) and return on capital employed was -8.5% (4.9). Excluding non-recurring items, the result before taxes was EUR -215 million (-91), earnings per share were EUR -0.64 (-0.31) and the return on capital employed was -5.6% (1.3).

At the end of September, M-real's equity ratio was 28.5 % and net gearing amounted to 121% (31 December 2008: 30.8% and 90%, respectively). Some of M-real's loan agreements set a 120% limit on the company's net gearing ratio and a 30% limit on the equity ratio. At the end of September, net gearing calculated as defined in the loan agreements was approximately 94% and the equity ratio about 34%.

Tissue and Cooking Papers

The January–September sales of Metsä Tissue, which produces tissue and cooking papers, totalled EUR 661 million (695), and its operating result was EUR 72 million (33).

Sales were down some five per cent year-over-year. The decrease in sales was due to changes in exchange rates (-5%) and lower sales volumes (-2%). Metsä Tissue's cash flow development and liquidity are good.

The volumes of the company's own brands increased compared to the previous year. The development of Serla's sales in particular continued to be strong. Sales volumes of large-scale consumer operations improved during the third quarter, which is due, for instance, to the increased demand for hygiene products along with the spread of the H1N1 virus.

Metsä Tissue has invested in three new napkin machines and associated printing and packaging lines. The machines can produce both single-colour and high-class patterned napkins. The investment also enables increasingly flexible and reliable deliveries.

Baking and cooking products will be sold and marketed under the SAGA brand in the future. In addition a Swan-environmental-labelled toilet tissue for sensitive skin,

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Herbal Sensitive, was launched in Finland during the third quarter. A new four-ply Lambi Aloe Vera product with balm was launched in the Eastern European market.

Metsä Tissue has been streamlining its business and organisation during the autumn by moving from five business lines to three. After the reorganisations, the lines are Consumer, Away-from-Home and Baking & Cooking.

Risks and uncertainties

The estimates and statements in this interim report are based on current plans and estimates. They involve risks and uncertainties that may cause the results to differ from those expressed in such statements. The risks related to the Group's business have been explained more extensively in Metsäliitto Group's Annual report for 2008.

New ownership structure of Metsä-Botnia

Metsäliitto and UPM-Kymmene Corporation signed a letter of intent on 15 July 2009 concerning the sale of Metsä-Botnia's Uruguayan operations to UPM. The companies also agreed that UPM would reduce its ownership in Metsä-Botnia to approximately 17%, with Metsäliitto getting a majority share in the company. Among other things, the letter of intent includes Metsäliitto Group's shares in the Fray Bentos pulp mill and in Forestal Oriental, a company specialised in the cultivation of eucalyptus.

Following the arrangement, Metsäliitto Cooperative will own about 53% of Metsä-Botnia, M-real around 30% and UPM around 17%. Currently, Metsäliitto Cooperative has a 23%, M-real a 30% and UPM a 47% holding in Metsä-Botnia.

A definitive agreement still requires the Boards of both parties to approve it, negotiations with financing parties to be concluded and the competition authorities to give their approval. The transaction is expected to be closed latest during the first quarter of 2010.

Metsäliitto, M-real and UPM published stock exchange releases about the letter of intent on 15 July 2009. The Boards of the parties signed the actual agreement on 22 October 2009. A detailed stock exchange release about the arrangement has been published today.

Near-term outlook

Wood trade is expected to pick up towards the end of the year. In Finland, the demand for logging sites predominated by roundwood, forest energy and thinning areas providing summer harvesting continues to be good. The demand for pulpwood will increase, particularly in terms of birch pulpwood.

With regard to Wood Products Industry, there are signs of a revival in the construction market, which is reflected as an increase in the demand for engineered wood products. Nevertheless, sawn goods production must be restricted if availability

of wood raw material that is competitive in terms of price is not sufficient. The demand for plywood is not expected to improve significantly.

Globally, pulp stocks remained low during the third quarter, and there were even local shortages of hardwood pulp. Pulp prices continue to increase in October. However, the strong support measures by the United States and Canada for their own pulp industries are casting a shadow over the near-term market outlook. This results in reopening of closed mills and offers a competitive advantage.

M-real's third quarter was clearly better than the first half of the year. The fourth quarter is also expected to be noticeably better than the first half of the year in terms of profitability. Due to the weak result for the first six months, M-real's operating result for 2009 as a whole excluding non-recurring items will remain clearly below the year before.

The average demand for tissue and cooking papers is expected to remain rather stable. Sales of own brands in particular are expected to continue to grow. However, raw material prices and transport costs are expected to continue to increase. After the recent years' significant streamlining measures, growth is now pursued from various development projects.

Metsäliitto Group's operating result excluding non-recurring items in the third quarter improved significantly compared to the previous quarters of the year. The positive profit development will continue, but mainly for seasonal reasons, the operating result for the fourth quarter is estimated to fall below third-quarter levels. Metsäliitto Group's 2009 operating result excluding non-recurring items will be clearly weaker than last year.

Espoo, 22 October 2009

Metsäliitto Group
Board of Directors

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METSÄLIITTO GROUP

Condensed consolidated statement of comprehensive income	2009 1-9	2008 1-9	Change	2009 Q3	2008 Q3	2008 1-12
Continuing operations						
Sales	3 647	4 981	-1 334	1 155	1 595	6 434
Other operating income	115	215	-100	31	43	239
Operating expenses	-3 672	-4 702	1 030	-1 103	-1 524	-6 189
Depreciation and impairment losses	-277	-286	9	-76	-95	-482
Operating result	-186	208	-394	7	19	2
Share of results in associated companies	-11	11	-23	-1	8	6
Exchange gains and losses	1	1	0	4	0	19
Other net financial items	-113	-176	63	-63	-63	-260
Result before income tax	-310	44	-355	-53	-35	-233
Income tax	19	-6	25	-6	2	60
Result for the period from continuing operations	-291	39	-330	-59	-33	-172
Discontinued operations						
Result from discontinued operations	-15	-276	261	-2	-212	-338
Result for the period	-306	-237	-69	-61	-245	-511
Other comprehensive income						
Cash flow hedges	24	-11	35	10	-31	-55
Available for sale financial assets	-101	76	-177	27	5	97
Currency translation differences	-25	19	-43	-22	16	13
Other items	0	0	0	0	-1	-1
Income tax relating to components of other comprehensive income	23	-16	39	-8	12	-16
Other comprehensive income, net of tax	-78	68	-146	7	1	39
Total comprehensive income for the period	-384	-170	-214	-55	-244	-472

Result attributable to:

Members of parent company	-140	-73	-67	-20	-92	-213
Minority interest	-166	-164	-2	-41	-153	-297
	-306	-237	-69	-61	-245	-511

Total comprehensive income attributable to:

Members of parent company

Result attributable to:	-178	-40	-138	-22	-91	-199
Minority interest	-206	-130	-76	-33	-154	-272
	-384	-170	-214	-55	-244	-472

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	2009	2008	2008
Condensed consolidated balance sheet	30.9.	30.9.	31.12.
ASSETS			
Non-current			
Goodwill	168	219	176
Other intangible assets	73	101	88
Tangible assets	2 110	3 047	2 958
Biological assets	5	95	103
Investments in associated companies	101	144	139
Available for sale investments	355	443	493
Non-current financial assets	10	23	234
Deferred tax receivables	70	53	61
	2 892	4 125	4 252
Current			
Inventories	619	1 020	943
Accounts receivables and other receivables	800	1 176	1 085
Cash and cash equivalents	470	218	619
	1 889	2 414	2 647
Assets classified as held for sale	722	1 065	-
Total assets	5 503	7 605	6 899
MEMBERS' FUNDS AND LIABILITIES			
Members' funds			
Members' funds	834	1 247	1 104
Minority interest	478	837	682
	1 312	2 085	1 786
Non-current liabilities			
Deferred tax liabilities	258	391	328
Post-employment benefit obligations	124	136	131
Provisions	82	50	111
Borrowings	2 373	2 809	2 854
Other liabilities	16	22	26
	2 852	3 408	3 449
Current liabilities			
Current borrowings	327	673	690
Accounts payable and other liabilities	776	1 034	974
	1 103	1 706	1 664
Liabilities classified as held for sale	235	406	-
Total liabilities	4 191	5 520	5 113
Total members' funds and liabilities	5 503	7 605	6 899

Unaudited

EUR mill.	Equity attributable to members of parent company							Minority interest	Total
	Members' capital	Share premium account	Translation differences	Fair value and other reserves	Retained earnings	Total			
Members' funds 1.1.2008	574	30	-7	148	583	1 328	978	2 306	
Dividends paid					-36	-36	-13	-50	
Change in members' capital	-5					-5		-5	
Change in share premium account						0		0	
Change in fair value reserve						0		0	
Transfer from unrestricted to restricted equity				6	-6	0		0	
Business arrangements						0	3	3	
Total comprehensive income for the period			12	21	-73	-40	-130	-170	
Members' funds 30.9.2008	570	30	5	175	468	1 247	837	2 085	
Members' funds 1.1.2009	585	30	-5	165	329	1 104	682	1 786	
Dividends paid					-34	-34	-1	-35	
Change in members' capital	-59					-59		-59	
Change in share premium account						0		0	
Change in fair value reserve						0		0	
Transfer from unrestricted to restricted equity						0		0	
Business arrangements			2	-2		0	4	4	
Total comprehensive income for the period			-13	-25	-140	-178	-206	-384	
Members' funds 30.9.2009	526	30	-15	138	155	834	478	1 312	

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	2009	2008	2008
Condensed consolidated cash flow statement	1-9	1-9	1-12
Result for the period	-306	-237	-511
Total adjustments	339	549	832
Change in working capital	173	-89	88
Cash flow arising from operations	206	223	410
Net financial items	-9	-150	-239
Income taxes paid	6	-57	-58
Net cash flow arising from operating activities	204	16	113
Investments in tangible and intangible assets	-116	-190	-272
Divestments of assets and other	346	170	511
Net cash flow arising from investing activities	229	-20	239
Change in members' funds	-59	-2	-1
Change in long-term loans and other financial items	-438	-146	-101
Dividends paid	-40	-55	-55
Net cash flow arising from financing activities	-536	-203	-157
Changes in cash and cash equivalents	-103	-206	195
Cash and cash equivalents at beginning of period	619	428	428
Translation difference	-1	0	-4
Changes in cash and cash equivalents	-103	-206	195
Cash and cash equivalents in assets classified as held for sale	-45	-3	-
Cash and cash equivalents at end of period	470	218	619

Unaudited

BUSINESS SEGMENTS

Wood Supply	1-9/09	1-9/08	Q3/09	Q3/08	1-12/08
Sales	809	1 372	232	412	1 734
EBITDA	11	30	0	5	35
- " -, excl. non-recurring items	11	29	0	6	33
Depreciation and impairment	-3	-4	-1	-1	-5
Operating result	8	26	-1	4	30
- " -, excl. non-recurring items	8	25	-1	5	28
Investments	1	4	1	1	4
Personnel at end of period	951	1 260	951	1 260	1 140

Wood Products Industry	1-9/09	1-9/08	Q3/09	Q3/08	1-12/08
Sales	613	923	188	279	1 162
EBITDA	-9	13	7	-6	-18
- " -, excl. non-recurring items	-9	13	7	-6	-11
Depreciation and impairment	-29	-32	-10	-11	-57
Operating result	-38	-19	-3	-16	-74
- " -, excl. non-recurring items	-38	-19	-3	-16	-53
Investments	7	29	4	13	36
Personnel at end of period	3 804	4 298	3 804	4 298	4 199

Pulp Industry	1-9/09	1-9/08	Q3/09	Q3/08	1-12/08
Sales	898	1 232	313	421	1 591
EBITDA	-13	324	25	136	347
- " -, excl. non-recurring items	5	324	25	136	347
Depreciation and impairment	-149	-103	-23	-34	-138
Operating result	-162	221	2	102	209
- " -, excl. non-recurring items	-87	221	2	102	209
Investments	45	78	26	34	99
Personnel at end of period	1 633	1 873	1 633	1 873	1 815

The Metsäliitto Group consolidates 53% of the Pulp Industry (M-real 30% and Metsäliitto Cooperative 23%).

Board and Paper Industry	1-9/09	1-9/08	Q3/09	Q3/08	1-12/08
Sales	1 826	2 514	618	826	3 236
EBITDA	-44	272	27	49	254
- " -, excl. non-recurring items	-7	188	26	60	192
Depreciation and impairment	-171	-172	-50	-57	-315
Operating result	-215	100	-24	-8	-61
- " -, excl. non-recurring items	-157	16	-22	3	-35
Investments	55	89	23	38	128
Personnel at end of period	5 649	6 679	5 649	6 679	6 546

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Tissue and Cooking Papers	1-9/09	1-9/08	Q3/09	Q3/08	1-12/08
Sales	661	695	226	235	930
EBITDA	103	74	42	26	98
- " -, excl. non-recurring items	103	75	42	27	99
Depreciation and impairment	-31	-42	-11	-13	-56
Operating result	72	33	31	13	42
- " -, excl. non-recurring items	72	34	31	14	44
Investments	18	17	8	7	33
Personnel at end of period	3 216	3 245	3 216	3 245	3 222

Other operations	1-9/09	1-9/08	Q3/09	Q3/08	1-12/08
Sales	167	228	3	60	315
EBITDA	22	25	0	8	29
- " -, excl. non-recurring items	22	19	0	3	24
Depreciation and impairment	-10	-15	0	-5	-20
Operating result	13	10	0	3	9
- " -, excl. non-recurring items	13	4	0	-3	4
Investments	24	33	1	13	48
Personnel at end of period	395	1 292	395	1 292	1 204

Other operations include Vapo Group (49,9%) until end of June 2009 and Metsäliitto's service and holding functions.

Internal sales and eliminations	1-9/09	1-9/08	Q3/09	Q3/08	QI-IV/08
Sales	-1 327	-1 984	-425	-637	-2 534
EBITDA	20	-243	-16	-105	-261
- " -, excl. non-recurring items	-1	-242	-16	-105	-259
Depreciation and impairment	116	81	18	27	109
Operating result	136	-162	2	-78	-152
- " -, excl. non-recurring items	71	-161	3	-78	-150

Metsäliitto Group	1-9/09	1-9/08	Q3/09	Q3/08	1-12/08
Sales	3 647	4 981	1 155	1 595	6 434
EBITDA	90	494	83	114	484
- " -, excl. non-recurring items	124	407	84	122	425
Depreciation and impairment	-277	-286	-76	-95	-482
Operating result	-186	208	7	19	2
- " -, excl. non-recurring items	-119	120	9	27	45
Investments	116	190	42	80	272
Personnel at end of period	14 391	17 205	14 391	17 205	16 729

EBITDA = Operating result before depreciation and impairment losses.

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Quarterly data	2009 Q3	2009 Q2	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1
Sales							
Wood Supply	232	251	327	362	412	474	487
Wood Products Industry	188	224	202	239	279	329	315
Pulp Industry	313	282	303	359	421	413	398
Board and Paper Industry	618	585	623	722	826	829	859
Tissue and Cooking Papers	226	217	218	234	235	231	230
Other operations	3	73	90	87	60	77	91
Internal sales and eliminations	-425	-418	-485	-550	-637	-677	-670
Group sales	1 155	1 213	1 278	1 453	1 595	1 676	1 710
Operating result							
Wood Supply	-1	4	5	4	4	12	10
Wood Products Industry	-3	-10	-25	-55	-16	-1	-2
Pulp Industry	2	-42	-122	-13	102	44	75
Board and Paper Industry	-24	-73	-117	-161	-8	71	37
Tissue and Cooking Papers	31	22	19	10	13	11	9
Other operations	0	3	10	-1	3	1	6
Elimineringar	2	40	94	10	-78	-32	-52
Group operating result	7	-56	-137	-206	19	105	84
- % of sales	0.6	-4.6	-10.7	-14.2	1.2	6.3	4.9
Share of results in associated companies	-1	-8	-2	-6	8	2	2
Exchange gains and losses	4	-1	-2	18	0	-2	2
Other net financial items	-63	-30	-20	-84	-63	-51	-62
Result before income tax	-53	-95	-163	-277	-35	54	26
Income tax	-6	7	19	66	2	-1	-7
Result for the period from continuing operations	-59	-88	-144	-211	-33	53	19
Result from discontinued operations	-2	-3	-10	-62	-212	-45	-19
Result for the period	-61	-91	-153	-273	-245	8	0

Unaudited

Change in tangible assets	1-9/09	1-9/08	1-12/08
Book value at beginning of period	2 958	4 021	4 021
Company acquisitions	1	4	4
Investments	105	180	255
Decrease	-256	-99	-686
Assets classified as held for sale	-434	-646	-
Depreciation and impairment charges	-262	-268	-438
- " - , discontinued operations	-	-149	-149
Translation differences and other changes	-2	4	-49
Book value at end of period	2 110	3 047	2 958

In 2009 Assets classified as held for sale include the tangible assets of Metsä-Botnia's operations in Uruguay and in 2008 the tangible assets of M-real's Graphic Papers business.

In 2008 Depreciation and impairment charges of discontinued operations include the depreciation and impairment charges of the Graphic Papers business.

Commitments	Q3/09	Q3/08	Q4/08
On own behalf (incl. leasing liabilities)	344	317	318
On behalf of associated companies	5	3	3
On behalf of others	6	2	4
Total	354	322	325

Commitments related to fixed assets	Q3/09	Q3/08	Q4/08
Payments due under 1 year	8	0	0
Payments due in subsequent years	3	1	1

Open derivative contracts	Q3/09	Q3/08	Q4/08
Interest rate derivatives	974	1 527	1 158
Currency derivatives	2 010	2 607	2 346
Other derivatives	379	253	232
Total	3 363	4 387	3 735

The market value of open derivative contracts at the end of the review period was EUR -45 million (12/08: EUR 33 million). Open derivative contracts also include closed contracts to a total amount of EUR 668 million (12/08: EUR 787 million).

Accounting policies

The Financial Statements Bulletin was prepared in accordance with the IAS 34 standard Interim Financial Reporting and the accounting policies presented in Metsäliitto Group's Annual Report.

The Group has adopted the following standards from the beginning of 2009:

IAS 1 (Revised), 'Presentation of Financial Statements'. The revised standard is aimed at improving users' ability to analyse and compare the information given in financial statements by separating changes in equity of an entity arising from transactions with owners from other changes in equity. Non-owner changes in equity are presented in the statement of comprehensive income.

IFRS 8, 'Operating Segments'. The new standard replaces IAS 14. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The segments reported by the Group as from Jan 1, 2009 are Wood Supply, Wood Products Industry, Pulp Industry, Board and Paper Industry, Tissue and Cooking Papers and Other operations. The figures for the comparative periods have been changed according to the new segments.