CREDIT OPINION
24 November 2025

Update

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RATINGS

UPM-Kymmene

Domicile	Helsinki, Finland
Long Term Rating	Baa1
Type	LT Issuer Rating - Dom Curr
Outlook	Negative

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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UPM-Kymmene

Update following rating outlook change to negative

Summary

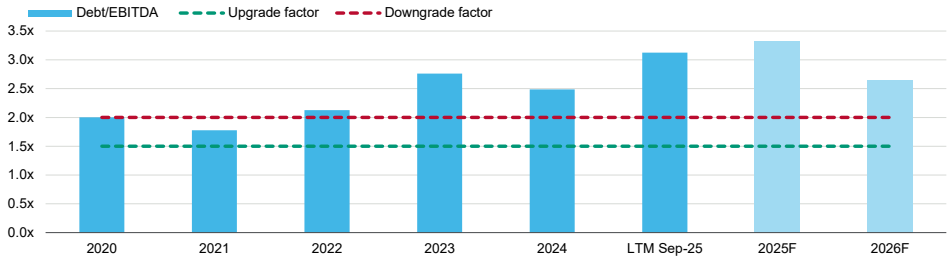
On 19 November 2025, we affirmed the Baa1 long-term issuer rating of UPM-Kymmene's (UPM), but changed the outlook to negative reflecting our concerns that leverage may remain elevated for longer than previously expected.

The rating is mainly supported by (1) the company's large-scale and global footprint; (2) market leading positions across its broadly diversified product portfolio; and (3) conservative financial policies including the target to maintain net leverage below 2.0x with a good headroom to that rate in absence of large-scale investments. However, the ratio is currently above the target rate at 2.4x in Q3 2025.

The rating is primarily constrained by (1) the sizeable, although reduced, exposure to the structurally declining graphic paper business (c. 25% of group sales); (2) largely commodity-like nature of some of the company's growing businesses that are subject to volatile market prices; and (3) a prolonged period of relatively weak credit metrics for the Baa1 rating category, with Moody's adjusted gross leverage (3.1x in Q3 2025) exceeding our quantitative downgrade trigger since 2022.

Exhibit 1

We see heightened risk that the leverage ratio will remain well above 2x over the next 12-18 monthsMoody's adjusted gross debt/ EBITDA



All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Credit strengths

» Broad diversification in terms of products and regions

» Market-leading positions across the product portfolio

» Conservative financial policies, commensurate with high investment-grade rating

Credit challenges

» Sizeable, although reduced, exposure to the structurally declining graphic paper business in mature markets

» The largely commodity-like nature of some of the company's structurally growing businesses, which pricing volatility may translate into material swings in credit metrics

» Relatively weak credit metrics point-in-time

Rating outlook

The negative outlook reflects our concern that UPM's credit metrics will remain weak for the Baa1 rating category, with Moody's-adjusted gross leverage expected to stay well above 2x over the next 12–18 months. Absent a broad-based market recovery in the coming quarters or decisive actions by the company to strengthen its balance sheet, negative pressure on the rating will increase.

Factors that could lead to an upgrade

Positive rating pressure could arise if:

» Portfolio transformation leads to reduced share of structurally declining graphic paper of below 25% of group sales;

» Moody's-adjusted gross debt/ EBITDA sustained below 1.5x;

» Moody's-adjusted retained cash flow/ net debt sustained above 35%;

» Moody's-adjusted EBITDA margin sustained above 20%.

Factors that could lead to a downgrade

Conversely, negative rating pressure could arise if:

» Moody's-adjusted gross debt/ EBITDA sustained above 2x;

» Moody's-adjusted retained cash flow/ net debt sustained below 25%;

» Moody's-adjusted EBITDA margin sustained below 15%;

» Deviation from the stated financial policy.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2
UPM-Kymmene

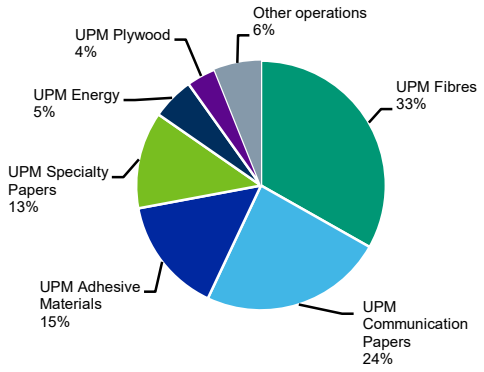
(in € billions)	2020	2021	2022	2023	2024	LTM Sep-25	2025F	2026F
Revenue	8.6	9.8	11.7	10.5	10.3	10.0	9.9	10.2
EBIT Margin	9.7%	13.5%	18.6%	8.2%	11.5%	8.0%	8.1%	11.2%
Debt / EBITDA	2.0x	1.8x	2.1x	2.8x	2.5x	3.1x	3.3x	2.7x
EBITDA / Interest Expense	27.5x	44.0x	30.7x	9.2x	10.7x	8.4x	6.8x	8.7x
RCF / Net Debt	44.3%	39.5%	28.3%	11.7%	18.5%	6.2%	6.6%	14.5%
EBITDA Margin	15.2%	18.2%	22.5%	13.4%	17.1%	14.0%	13.9%	16.9%
EBITA / Interest Expense	17.9x	33.1x	25.6x	5.9x	7.4x	5.0x	4.0x	5.8x
FCF / Debt	-22.9%	-29.9%	-32.4%	8.5%	-2.2%	-1.4%	-3.6%	0.4%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months. Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

Profile

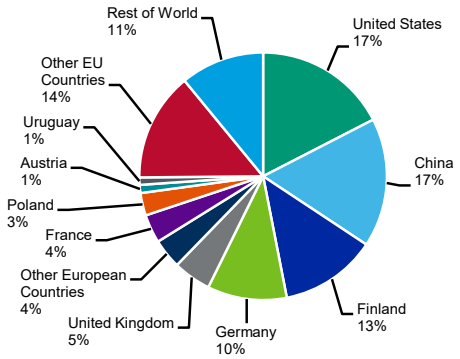
Headquartered in Helsinki, Finland, UPM-Kymmene (UPM) is one of the world's largest paper and forest products companies, with sales of around €10 billion in the last 12 months that ended September 2025. Apart from having leading positions in major graphic paper grades, such as newsprint, magazine and fine paper, UPM is active in the production of pulp and energy, biofuels and biochemicals, specialty papers and self-adhesive paper and label materials as well as wood products. UPM has also 1 million hectares owned and leased forest plantations in Finland, Uruguay and the US. The group has 54 production plants in 11 countries and around 15,800 employees. UPM is publicly listed with a current market capitalization of around €12.2 billion.

Exhibit 3
UPM's revenue breakdown by division (LTM Sep-25)



Excluding eliminations and reconciliations. LTM = Last 12 months.
Source: Company data

Exhibit 4
UPM's revenue breakdown by geography (2024)



Source: Company data

Detailed credit considerations

Diversified product portfolio with market-leading positions and a good vertical integration

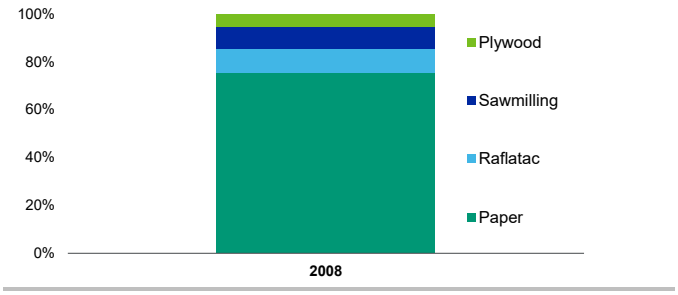
With group sales of around €10 billion for the 12 months that ended September 2025, UPM is one of the world's largest forest products companies, with a wide product portfolio and leading market positions across its six main business areas:

- **UPM Communication Papers** produces graphic paper for advertising, magazines, newspapers, and home and office across all major grades. With a total annual paper production capacity of 4.3 million tonnes manufactured in 10 paper mills, the company is the largest producer of graphic paper in Europe and is the leader, or among the leaders, in most of the grades in fairly consolidated markets, competing, for instance, with Sappi Limited (Sappi, Ba2 stable) in most of the grades. UPM is actively scaling down its production of paper reflecting the structurally declining demand trend. Recently, the company decided to close paper mills in Finland and Germany by the end of 2025, which will lead to 13% combined capacity reduction.
- **UPM Fibres** is primarily focused on northern softwood, birch and eucalyptus pulp along with offering certified sawn timber. With a total annual production capacity of 5.8 million tonnes produced in Finland and in Uruguay, UPM is the global #3 in the pulp market. With its investments in the pulp mill in Uruguay the company has increased its pulp capacity by over 50%. UPM has around 1.1 million ha of owned and leased forest plantations in Finland, Uruguay and the US to support its market position and delivery volumes.
- **UPM Energy** is the second-largest electricity producer in Finland through its hydro, nuclear and condensing power assets, with a total installed capacity of 1,951 megawatts.
- **UPM Raflatac** is the world's second-largest producer of self-adhesive label materials after Avery Dennison Corporation (Baa2 stable). It has a global presence, and focuses on relatively stable and growing markets such as food, personal care and pharmaceuticals. UPM owns 14 factories and 20 slitting and distribution terminals across all continents.
- **UPM Specialty Papers** UPM is the global market leader in label papers and release liners, and a competitive supplier in the office paper market in China, which is still growing structurally. UPM has an annual production capacity of 2 million tonnes.
- **UPM Plywood** offers plywood and veneer products, mainly for construction, vehicle flooring, parquet manufacturing and LNG shipbuilding, where the company has a particularly strong market position as a global #1 benefiting from strong barriers to entry. In Septermber 2025, UPM initiated a strategic review of its plywood business assessing a divestment, partial demerger or an IPO. The review is expected to be completed by the end of 2026.
- **UPM Biorefining**combines the company's new operations in biochemicals, which aim is to replace fossil-based raw materials in various applications such as textiles, PET bottles, packaging, pharmaceuticals etc. with wood-based renewable solutions. UPM has invested €1.2 billion into the construction of a biochemicals plant in Leuna, Germany with 220k ton capacity that is scheduled to start commercial production in H2 2025. Furthermore, UPM is active in biofuels having a 130k ton capacity in its plant in Lappeenranta, where wood-based renewable diesel is produced.

While traditionally focused on the mature European markets (54% of group sales in 2024), UPM has a truly global presence. Its rating also reflects the company's good level of backward integration into pulp, energy and wood, which helps it mitigate the impact of the inherent volatility in the key input costs on its profitability. The company's mills are generally efficient and well positioned in their respective cost curves.

One of the key factors supporting UPM's Baa1 rating is its successful ongoing diversification beyond graphic paper, the demand for which is subject to a secular decline, driven by digital substitution. Between 2013 and 2024, UPM progressively closed or converted over 7.6 million tonnes of graphic paper capacity to reflect the demand trend. At the same time, the company invested a sizeable amount of capital in other business areas with positive underlying growth and comparatively higher profitability. As a result, the proportion and importance of the graphic paper business decreased to just above 25% of the group's revenue in 2024 (dropped below 25% in 9M 2025) from almost 80% in 2008. In addition, during the same period, the group's EBIT, as reported by UPM, increased 2.4x times despite only a modest increase in revenue.

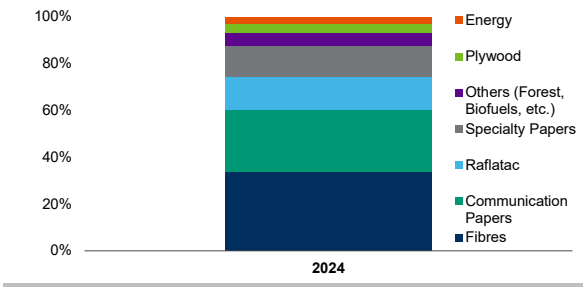
Exhibit 5
UPM's 2008 sales - Vertically integrated paper company



Sales	€9.5bn
EBIT	€513m
ROE	3.50%

Source: Company data

Exhibit 6
2024 sales of UPM's six separate businesses



Sales	€10.3 bn
EBIT	€1.2bn
ROE	8.3%

Source: Company data

Because of the fairly low maintenance capital spending of below €50 million per year needed for UPM Communication Papers, UPM is able to continue generating significantly positive FCF in the business, which the company reinvests in growth businesses. Segments such as labeling, specialty papers, pulp and wood products, have positive underlying fundamentals. The underlying demand growth in these segments ranges between 2% and 4% per year, supported by megatrends such as urbanization, e-commerce growth and parcel logistics, and increased consumption in emerging markets, as well as an increasing focus on climate change and sustainability. While we generally view diversification into these segments as credit positive, most of these businesses are sensitive to economic cycles and subject to volatile pricing. This is particularly true for pulp, where the volatility is driven by periods of oversupply that could happen even in a growing market, because new supply coming on-stream is often sizeable. This could lead to volatility in UPM's credit metrics, but the fairly wide portfolio provides some diversification. For instance, low pulp prices are negative for its pulp business but are positive for paper and labels.

Strategic transformation accelerates with the new pulp mill in Uruguay, the nuclear power plant in Finland and investments in the biochemicals business

UPM has completed its heaviest investment in Uruguay for a total of $3.5 billion, including a greenfield eucalyptus pulp mill near Paso de los Toros plus investments in port operations as well as other investments outside the mill. UPM holds a 91% ownership of the project and a local long-term partners owns the remaining 9%. The mill began its operations in April 2023 and reached its initial annual production capacity of 2.1 million ton of eucalyptus pulp in late 2024. UPM Paso de Los Toros is one of the most competitive mills in the world, though some further progress in cost optimization and efficiency is needed for it to reach the expected cash cost level of around $280 per ton of pulp.

Another milestone achieved in UPM's transformative growth plan is the ramp-up of Olkiluoto 3 (OL3) EPR nuclear power plant. While construction of the power plant started back in 2005 for a completion scheduled in 2009, several delays and setbacks led to the project only being connected to the grid in March 2022 and entering commercial operation in May 2023. UPM participates in the project through its ownership in Pohjolan Voima Oy (majority owned by UPM and Stora Enso Oyj) and has a 31% indirect share in the project. This project has increased UPM Energy's carbon-free electricity generation by around ⅓.

UPM's transformative growth strategy also includes investments in the biochemicals with the next-generation biochemicals refinery in Leuna, Germany with a total capacity of 220k tons. While the project was planned to be delivered by end of 2023 for a total investment of €750 million, it has been proactively pushed back with a revised total investment of €1,275 million in light of the inflationary pressure on construction materials and the scarcity of contractors. Now with a delayed start-up, the production and sales of semi-finished products are expected to start by the end of 2025, while glycol production and sales are expected in H1 2026. The full production and positive EBIT contribution is only expected to be reached by 2027. The project will produce a series of new 100% wood-based biochemical products spanning from bio-monoethylene glycol and lignin-based functional fillers to monopropylene glycol and industrial sugars, aiming to provide an alternative to fossil materials in various consumer-driven end uses.

Credit metrics weakened due to large investments in a weak market environment

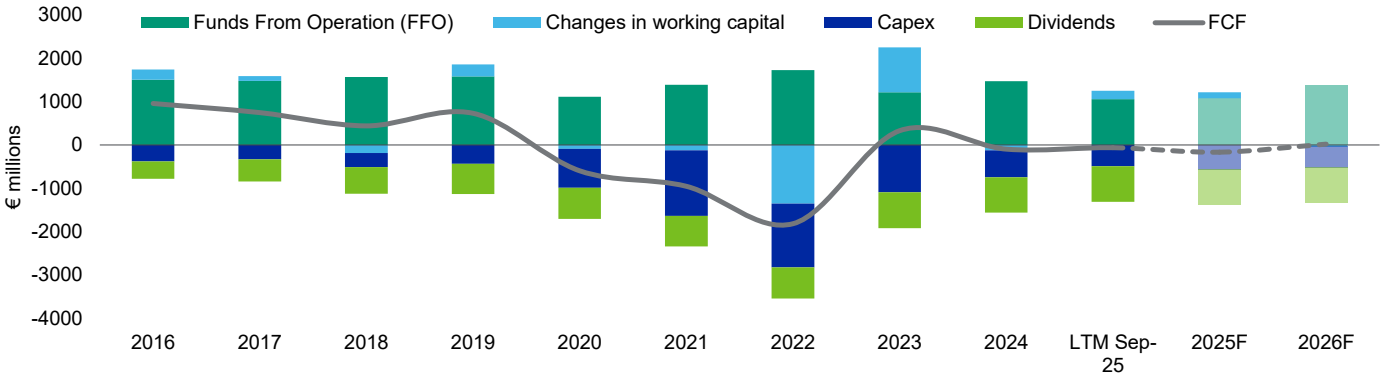
Today's rating action reflects a deterioration in UPM's credit metrics, driven by challenging market conditions, particularly in its pulp and graphic paper businesses. Moody's-adjusted gross leverage has remained above our quantitative downgrade threshold of 2x since 2022, primarily due to large-scale investments undertaken during 2021–2023. These investments include significant expansion in pulp operations in Uruguay and the development of a new biochemicals business in Germany, at a time when market conditions weakened across UPM's business lines.

We had anticipated that leverage would begin to decline following the completion of these projects. However, the recent global drop in pulp prices, continued weakness across paper markets, and the delayed start-up of the biochemicals refinery in Leuna, Germany, have pushed leverage to 3.1x in Q3 2025. Moreover, we see heightened risk that the ratio will remain well above 2x over the next 12–18 months amid persistently challenging market conditions (Exhibit 1).

Although UPM's capital spending has fallen sharply - below €500 million (Moody's-adjusted) in the 12 months ended September 2025, compared with an average of €1,350 million during 2021–2023 - free cash flow (Moody's-adjusted) remains negative. This is largely due to continued high dividend distributions despite weaker earnings. In the same period, UPM paid €820 million in dividends, equivalent to roughly two-thirds of its operating cash flow (Moody's-adjusted).

Exhibit 7

FCF remains weak despite significantly lower investments Moody's adjusted cash flow metrics



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Sources: Moody's Financial Metrics™ and Moody's Ratings forecasts

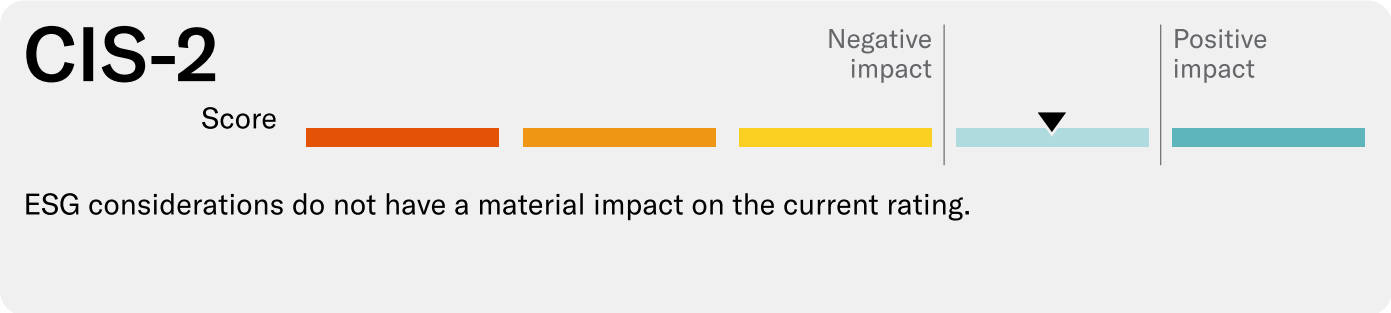
Financial policies are conservative, but adherence to targets is key

UPM operates under fairly conservative financial policies. Historically, the company maintained strong financial discipline, keeping net leverage below its self-imposed target of 2x for more than a decade. Moreover, its target is to maintain a good amount of cushion to the 2x rate through the cycle. However, in Q3 2025 the ratio increased to 2.4x, exceeding the target level without any meaningful counter measures from the company. Sustained adherence to conservative financial management and the generation of consistently positive free cash flow - absent major investment phases - are key prerequisites for maintaining the Baa1 rating.

ESG considerations

UPM-Kymmene's ESG credit impact score is CIS-2

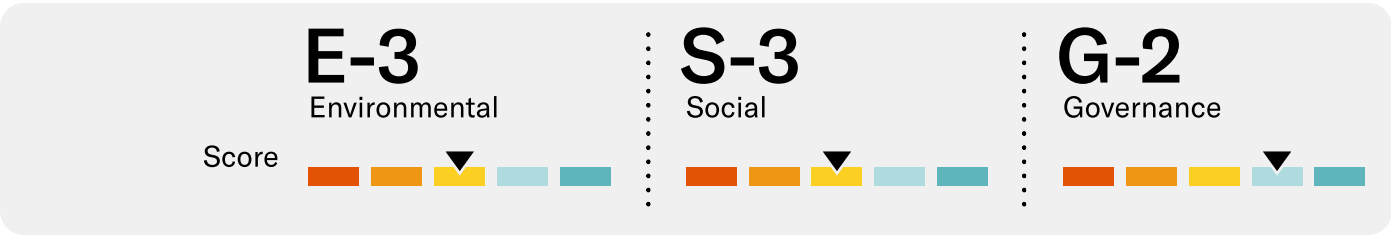
Exhibit 8
ESG credit impact score



Source: Moody's Ratings

UPM's **CIS-2** indicates that ESG considerations are not material to the rating. As a manufacturing company, UPM is more exposed to environmental and social risks, especially with regards to its still sizeable graphic paper exposure, which is suffering from a structural decline due to a shift to digital and online consumption. However, with less than 30% of group revenue now coming from paper production and our expectation that this share will continue to decline in coming years, those risks are no more material for the company's credit profile. The risks are further mitigated by UPM's conservative financial management and a good track-record of improving profitability at the group level while scaling down the paper production and diversifying its product portfolio.

Exhibit 9
ESG issuer profile scores



Source: Moody's Ratings

Environmental

UPM's **E-3** score reflects its exposure to environmental risks tied to manufacturing processes with potential future investments needed to reduce emissions and improve water management efficiency.

Social

UPM's **S-3** score reflects health & safety risks given the use of heavy equipment and machinery in its manufacturing facilities. The company is still exposed to the risks associated with a structural decline in graphic paper production, which contributes roughly 29% to the group's revenue. However, with less than 30% of group revenue now coming from paper production and our expectation that this share will continue to decline in coming years, those risks are no more material for the company's credit profile.

Governance

UPM's **G-2** score reflects its conservative financial policies and a track-record of maintaining strong balance sheet while diversifying its product portfolio beyond paper production. UPM is a public company with established governance structures and a high degree of board independence.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

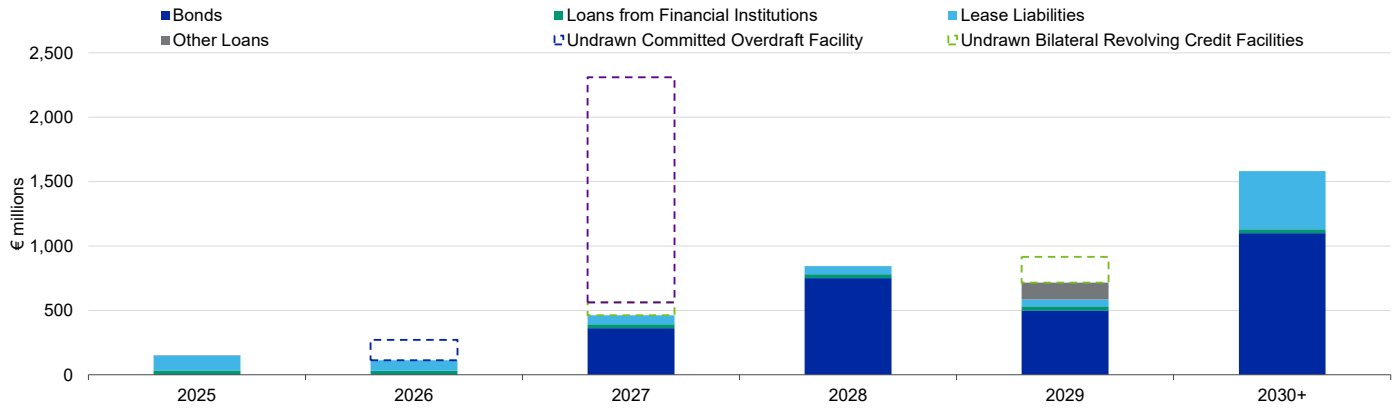
Liquidity analysis

UPM's liquidity profile is strong. The company reported €577 million of cash on balance sheet at the end of September 2025. In addition, the company had access to the €159 million rolling committed overdraft facility maturing in 2026, the €1 billion committed syndicated revolving credit facilities (RCF) maturing in 2027, the €750 million committed syndicated RCF maturing in 2027 as well the €300 million of bilateral RCFs. The company's liquidity profile is further supported by the well staggered debt maturing profile with very limited amount of debt maturing before 2027.

Exhibit 10

Debt maturity profile

As of 30 September 2025



Source: Company data

Rating methodology and scorecard factors

We use our Paper and Forest Products Industry rating methodology, as the primary methodology for analysing UPM. The scorecard indicated outcome, based on the most recent financial metrics, is two notches below the actual assigned rating. Even assuming some improvement over the next 12-18 months, the grid outcome still indicates a notch lower rating. While grid outcomes can be volatile in cyclical sectors, they nevertheless point to clearly negative rating pressure.

Exhibit 11

UPM-Kymmene

Paper and Forest Products Industry Scorecard [1][2]	Current LTM September 30 2025		Moody's 12-18 Month Forward View [3]	
	Measure	Score	Measure	Score
Factor 1: Scale (10%)				
a) Revenue (USD Billion)	11.0	Baa	11.0 - 11.7	Baa
Factor 2: Business Profile (35%)				
a) Product Diversification	A	A	A	A
b) Geographic Diversification	A	A	A	A
c) Market Characteristics	Ba	Ba	Ba	Ba
d) Fiber and Energy Cost Profile	Baa	Baa	Baa	Baa
Factor 3: Profitability And Efficiency (10%)				
a) EBIT Margin	8.0%	B	10.0% - 12.0%	Ba
Factor 4: Leverage And Coverage (30%)				
a) Debt / EBITDA	3.1x	Ba	2.5x - 3.0x	Baa
b) EBITDA / Interest Expense	8.4x	Baa	7.5x - 9.0x	Baa
c) RCF / Net Debt	6.2%	Caa	12.0% - 16.0%	B
Factor 5: Financial Policy (15%)				
a) Financial Policy	Baa	Baa	Baa	Baa
Ratings				
Indicated Outcome before Notching Adjustments		Ba1		Baa3
Notching Adjustments		0.5		0.5
a) Scorecard-Indicated Outcome		Baa3		Baa2
b) Actual Rating Assigned				Baa1

[1] All ratios are based on 'Adjusted' financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
[2] As of September 30, 2025(LTM)
[3] This represents Moody's Forward View; not the view of the issuer; and unless noted in the text, does not incorporate significant acquisitions and divestitures
Source: Moody's Financial Metrics™; Moody's Projections

Appendix

Exhibit 12

Peer comparison

UPM-Kymmene

	UPM-Kymmene Baa1 Negative			Mondi Plc Baa1 Negative			Weyerhaeuser Company Baa2 Stable			Metsa Board Corporation Baa3 Negative			Stora Enso Oyj Baa3 Stable		
	FY	FY	LTM	FY	FY	LTM	FY	FY	LTM	FY	FY	LTM	FY	FY	LTM
(in $ millions)	Dec-23	Dec-24	Sep-25	Dec-23	Dec-24	Jun-25	Dec-23	Dec-24	Sep-25	Dec-23	Dec-24	Sep-25	Dec-23	Dec-24	Sep-25
Revenue	11,311	11,187	11,034	7,927	8,024	8,257	7,674	7,124	7,072	2,100	2,098	2,022	10,161	9,791	10,390
Operating Profit	993	1,272	867	826	576	552	1,284	812	655	105	85	(36)	265	860	824
EBITDA	1,514	1,910	1,548	1,316	1,076	1,071	1,872	1,380	1,202	245	197	74	1,005	1,470	1,480
Total Debt	4,273	4,543	5,142	2,300	2,154	3,375	5,587	5,772	6,166	495	554	656	6,773	6,558	7,173
Cash & Cash Equivalents	698	924	678	1,759	288	197	1,164	684	401	322	189	250	2,722	2,070	2,618
EBIT / Interest Expense	5.7x	7.2x	4.8x	6.3x	4.9x	4.1x	4.5x	2.9x	2.2x	9.1x	4.4x	-2.1x	2.0x	3.3x	3.1x
Debt / EBITDA	2.8x	2.5x	3.1x	1.7x	2.1x	2.9x	3.0x	4.2x	5.1x	2.0x	2.9x	8.4x	6.6x	4.7x	4.6x
RCF / Net Debt	11.7%	18.5%	6.2%	154.4%	-11.3%	20.3%	5.6%	8.2%	6.4%	-20.8%	16.4%	9.2%	-0.1%	12.1%	12.4%
FCF / Debt	8.5%	-2.2%	-1.4%	3.8%	-60.9%	-14.6%	-8.4%	-6.0%	-12.4%	-25.1%	-41.4%	-1.9%	-12.8%	-9.8%	-11.0%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 13

Moody's-adjusted debt reconciliation

UPM-Kymmene

(in € millions)	2020	2021	2022	2023	2024	LTM Sep-25
As reported debt	**2,042**	**2,652**	**5,034**	**3,383**	**3,913**	**3,902**
Pensions	720	634	495	485	474	474
Non-Standard Adjustments	(157)	(104)	80	-	-	-
Moody's-adjusted debt	**2,605**	**3,182**	**5,609**	**3,868**	**4,387**	**4,376**

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 14

Moody's-adjusted EBITDA reconciliation

UPM-Kymmene

(in € millions)	2020	2021	2022	2023	2024	LTM Sep-25
As reported EBITDA	**1,302**	**2,079**	**2,503**	**1,211**	**1,750**	**1,385**
Pensions	(1)	1	66	16	15	15
Unusual Items	-	(291)	69	173	-	-
Moody's-adjusted EBITDA	**1,301**	**1,789**	**2,638**	**1,400**	**1,765**	**1,400**

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 15

Overview on selected historical and forecasted Moody's-adjusted financial data

UPM-Kymmene

(in € millions)	2020	2021	2022	2023	2024	LTM Sep-25	2025F	2026F
INCOME STATEMENT								
Revenue	8,580	9,814	11,720	10,460	10,339	9,976	9,925	10,223
EBITDA	1,301	1,789	2,638	1,400	1,765	1,400	1,381	1,729
EBIT	830	1,326	2,180	860	1,184	795	800	1,148
Interest Expense	47	41	86	151	165	166	203	198
BALANCE SHEET								
Cash & Cash Equivalents	1,720	1,460	2,067	632	892	577	721	845
Total Debt	2,605	3,182	5,609	3,868	4,387	4,376	4,587	4,587
Net Debt	885	1,722	3,542	3,236	3,495	3,799	3,866	3,742
CASH FLOW								
Funds from Operations (FFO)	1,108	1,386	1,724	1,214	1,467	1,056	1,074	1,363
Cash Flow From Operations (CFO)	1,020	1,259	373	2,251	1,343	1,246	1,216	1,324
Capital Expenditures	(900)	(1,507)	(1,469)	(1,087)	(619)	(489)	(562)	(485)
Dividends	(716)	(705)	(720)	(835)	(820)	(820)	(820)	(820)
Retained Cash Flow (RCF)	392	681	1,004	379	647	236	254	543
RCF / Debt	15.0%	21.4%	17.9%	9.8%	14.7%	5.4%	5.5%	11.8%
(RCF - CAPEX) / Debt	-19.5%	-26.0%	-8.3%	-18.3%	0.6%	-5.8%	-6.7%	1.3%
Free Cash Flow (FCF)	(596)	(953)	(1,816)	329	(96)	(63)	(166)	20
FCF / Debt	-22.9%	-29.9%	-32.4%	8.5%	-2.2%	-1.4%	-3.6%	0.4%
PROFITABILITY								
Change in Sales (YoY)	-16.2%	14.4%	19.4%	-10.8%	-1.2%	-2.6%	-4.0%	3.0%
EBIT Margin	9.7%	13.5%	18.6%	8.2%	11.5%	8.0%	8.1%	11.2%
EBITDA Margin	15.2%	18.2%	22.5%	13.4%	17.1%	14.0%	13.9%	16.9%
INTEREST COVERAGE								
EBIT / Interest Expense	17.5x	32.6x	25.4x	5.7x	7.2x	4.8x	4.0x	5.8x
EBITDA / Interest Expense	27.5x	44.0x	30.7x	9.2x	10.7x	8.4x	6.8x	8.7x
LEVERAGE								
Debt / EBITDA	2.0x	1.8x	2.1x	2.8x	2.5x	3.1x	3.3x	2.7x
Net Debt / EBITDA	0.7x	1.0x	1.3x	2.3x	2.0x	2.7x	2.8x	2.2x

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Ratings

Exhibit 16

Category	Moody's Rating
UPM-KYMMENE	
Outlook	Negative
Issuer Rating -Dom Curr	Baa1
Senior Unsecured	Baa1

Source: Moody's Ratings

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