CRAMO PLC

INTERIM REPORT
1.1.2014 – 30.6.2014

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FOR A GREAT DAY AT WORK

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Highlights of Q2/2014

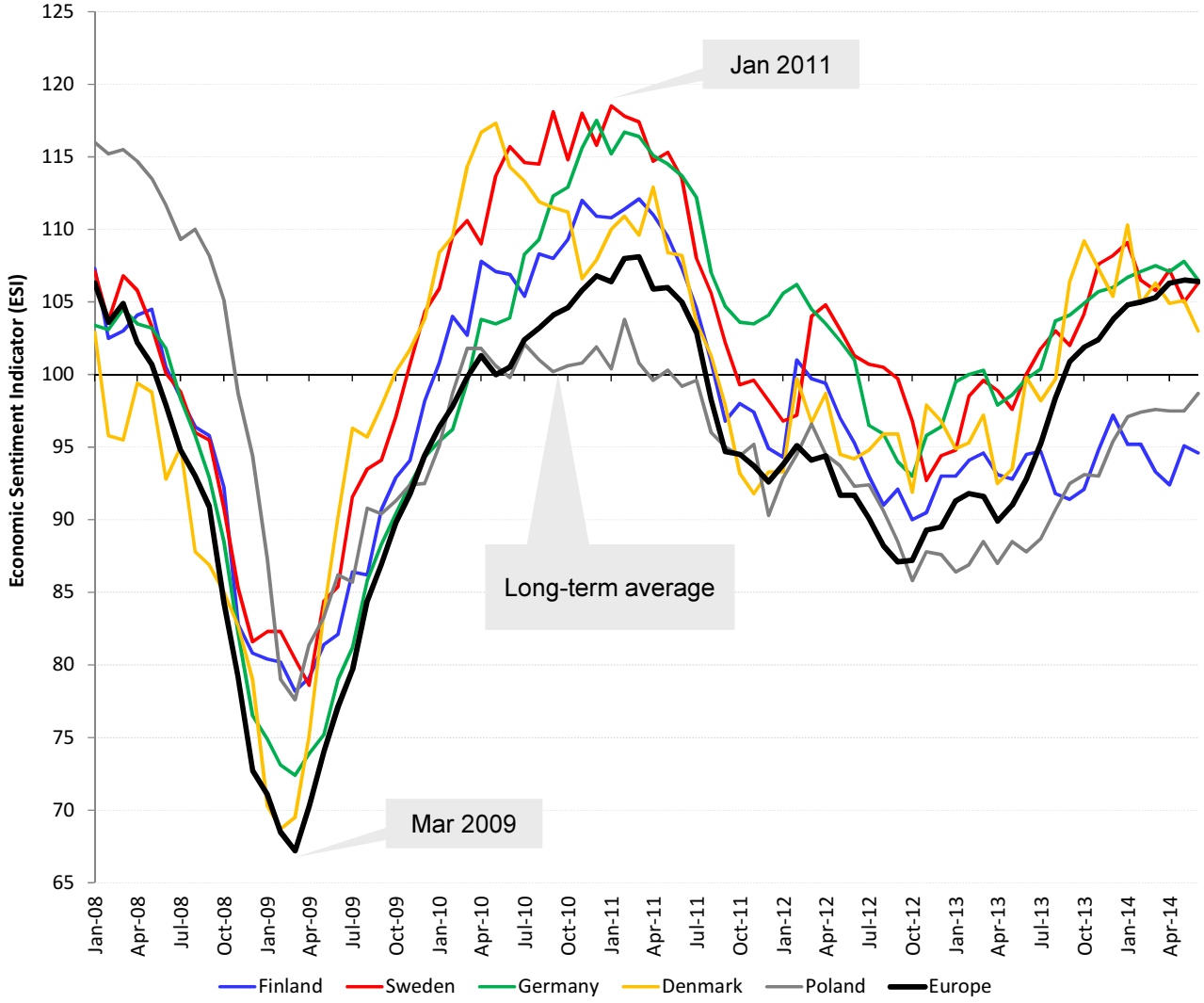
Challenging first half, performance improvement actions in place

- **4-6/2014 Highlights**
  - Sales EUR 159,8m (160,1m), down 0,2%. Sales change in local currencies was +3,5%
  - EBITA EUR 12,5m (16,5m); EBITA margin 7,8% (10,3%)
  - EPS* EUR 0,12 (0,19)
  - Cash flow from operating activities EUR 29,2m (25,2m) and cash flow after investments EUR -10,6m (8,4m)
  - Expansion in the modular space market in Germany through the C/S RaumCenter acquisition and a significant customer contract
  - Refinancing of EUR 375 million long-term loan facilities
- **1-6/2014 Highlights**
  - Sales EUR 300,0m (308,6m), down 2,8%. Sales change in local currencies, excl. restructuring in Russia, +2,2%
  - EBITA EUR 16,8m (22,9m); EBITA margin 5,6% (7,4%)
  - EPS* EUR 0,09 (0,15)
  - Return on equity (rolling 12 m.) 8,7% (8,0%)
  - Cash flow after investments EUR -21,4m (-10,5m)
  - Gearing 89,0% (92,4%)
- **Guidance for 2014 unchanged**
  - In 2014, Cramo Group's EBITA margin will continue to improve compared to 2013. Cramo Group's sales is also expected to grow in 2014, however, exact sales is exposed to changing exchange rates.

Number of depots 06/2014: 348

* Undiluted EPS

Lead indicator: economic sentiment 2008-Q2/14

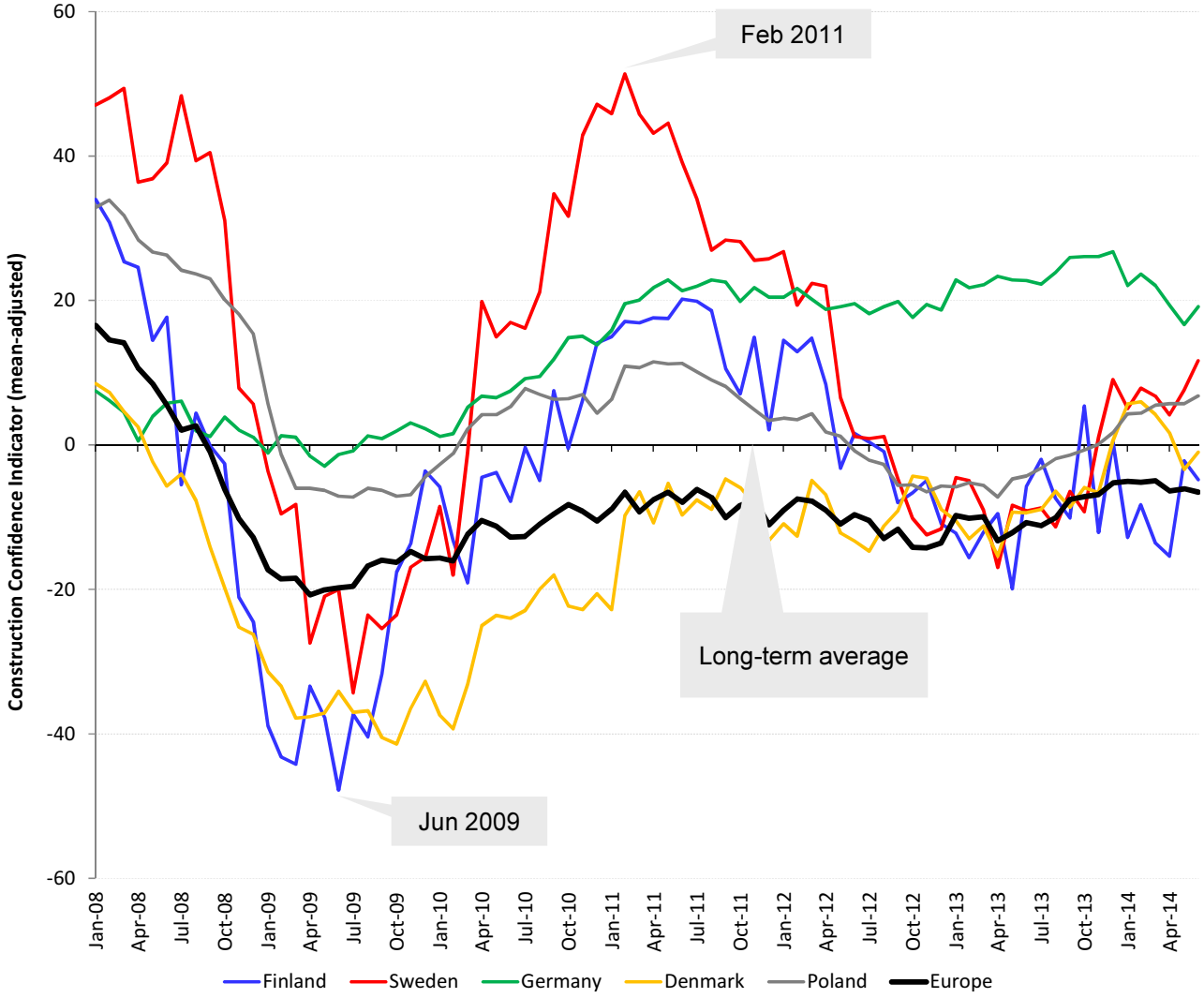


Highlights

- *Economic sentiment remaining positive and broadly stable in Europe*
  - *Although recovery has been delayed in H1/2014, construction and rental markets are late-cyclical and should benefit from the improved outlook with a certain delay*
- *Sentiment above long-term average in Sweden, Germany and Denmark*
- *Brightening sentiment in Poland*
- *Finland still moving more or less sideways below the long-term average*

Source: European Commission, July 2014

Lead indicator: construction confidence 2008-Q2/14

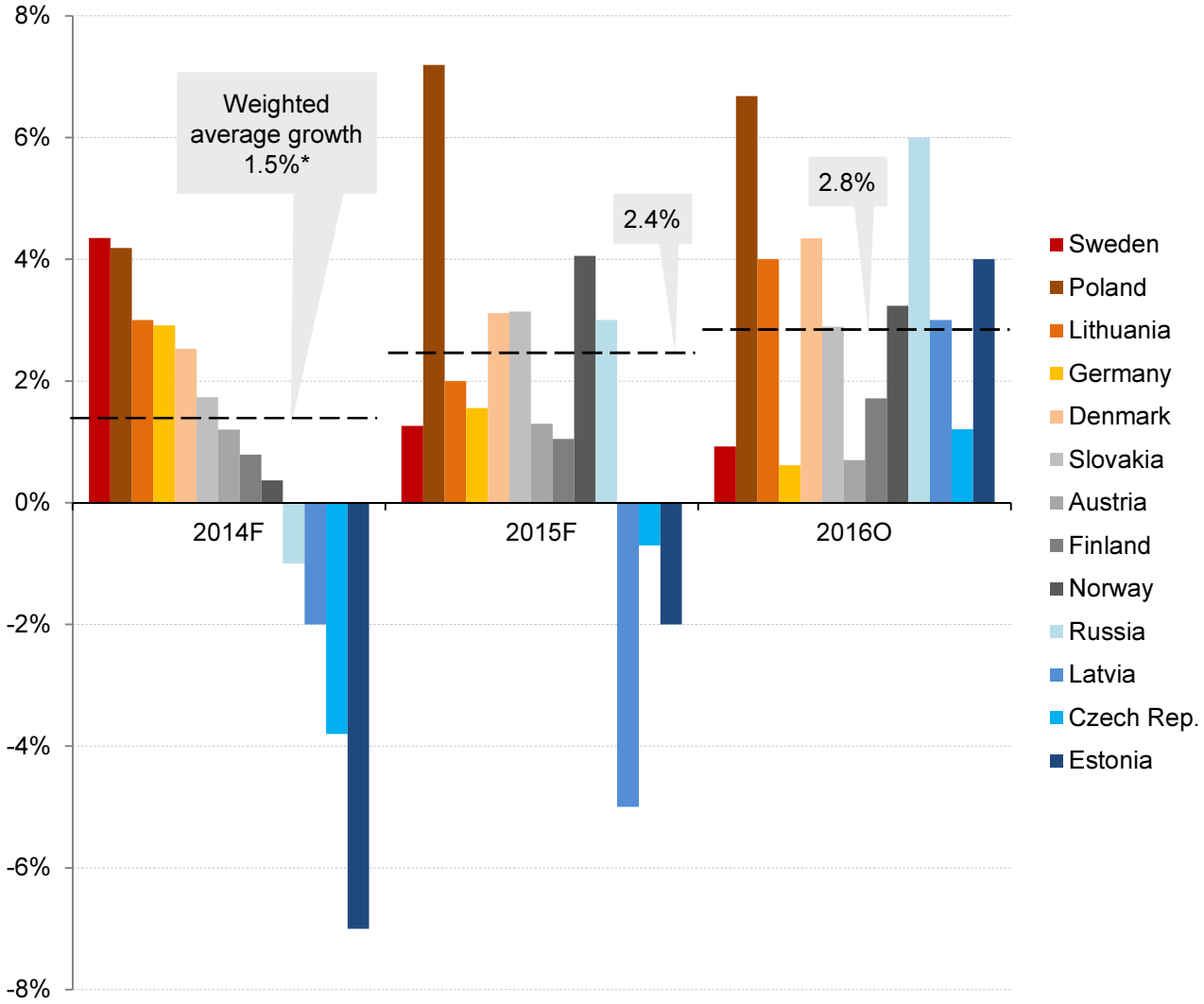


Highlights

- *While rental is a service business with a number of growth drivers, construction also plays an important role*
- *Construction confidence in Europe still below long-term average*
- *Construction confidence rising in Sweden and Poland*
- *Recent development in Germany and Denmark point to slight deterioration*
- *Finland still below long-term average*

Source: European Commission, July 2014

Strengthening construction outlook 2014-16



Highlights

- *Generally strengthening construction outlook in Cramo countries over 2014-16*
- *All Cramo countries expected to turn to growth by 2016*
- *In 2014, highest growth estimated in Sweden and Poland*
- *Highest gains in construction volume over 2014-16 expected to be seen in Poland, Denmark and Lithuania*

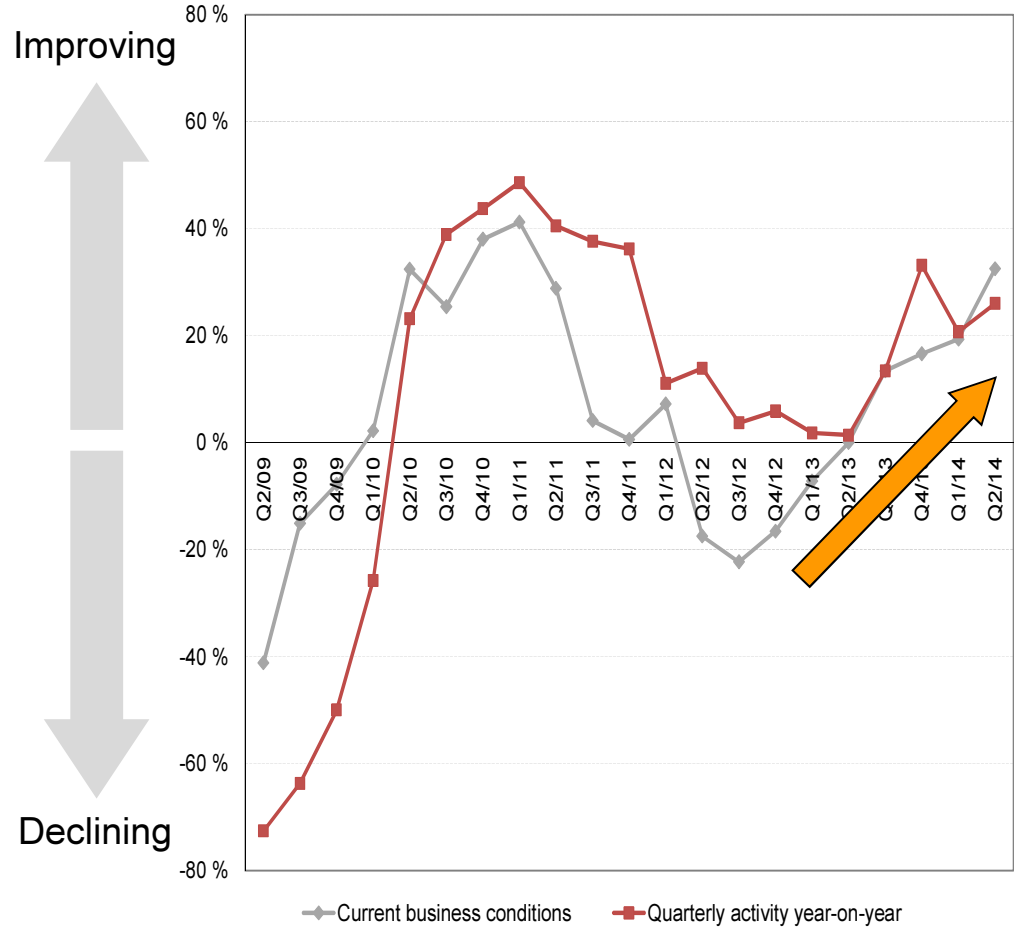
Source: Euroconstruct, June 2014

* Weighted by 2013 total construction volume of the countries

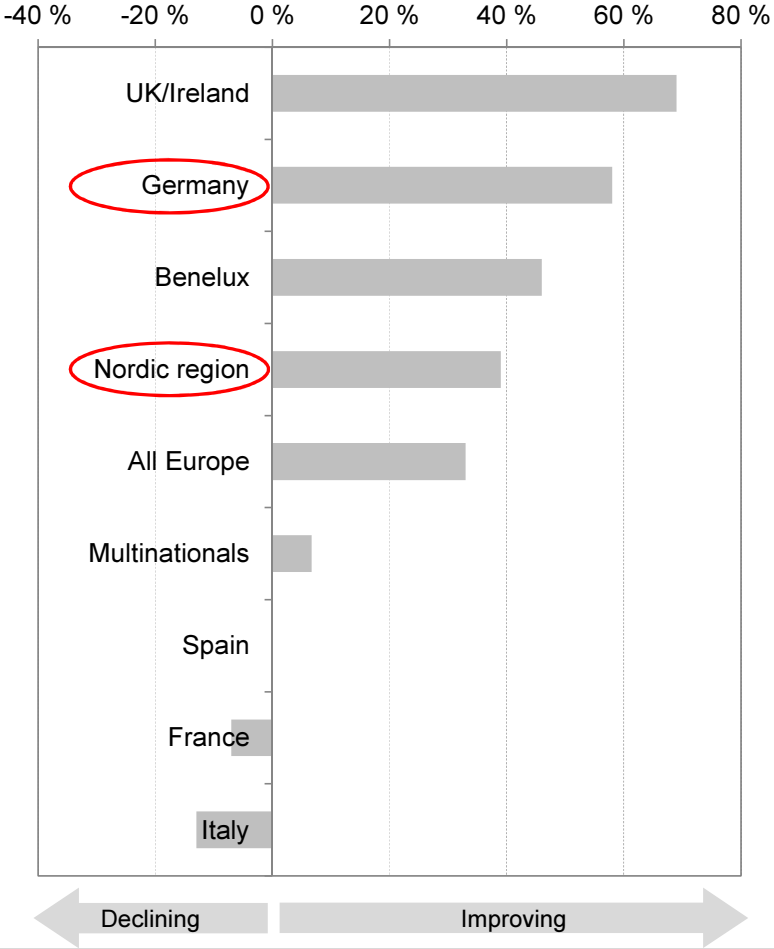
Positive confidence trend in European rental

Confidence in Europe's rental sector continued to improve in Q2/14
UK remains the most positive region, followed by Germany and Nordics

Current rental activity & conditions in Europe Q2/14

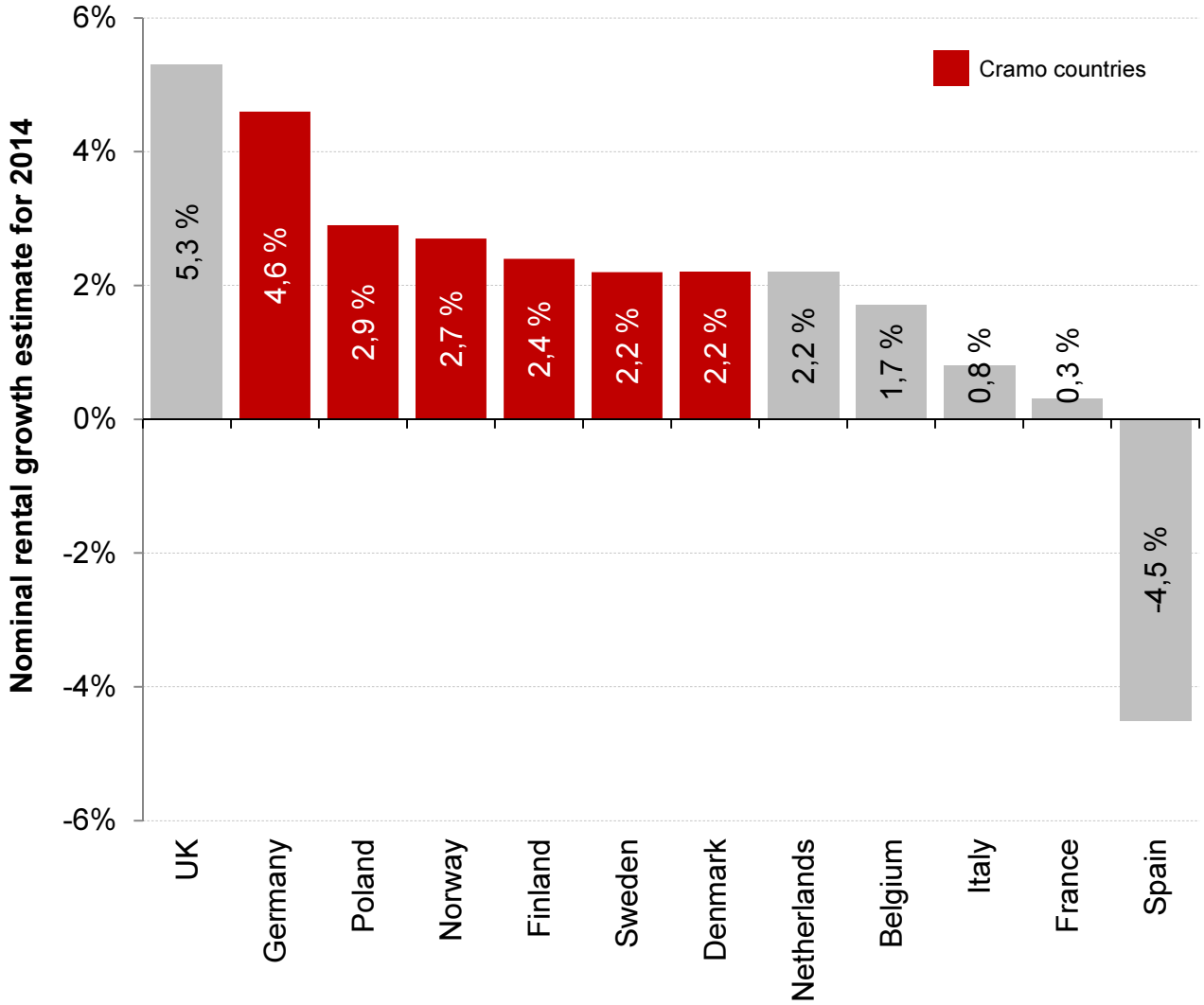


Current regional business conditions Q2/14



Source: ERA / IRN Rental Tracker Survey June 2009 – June 2014 (International Rental News/European Rental Association)

Rental growth expected in Cramo's main markets in 2014



Highlights

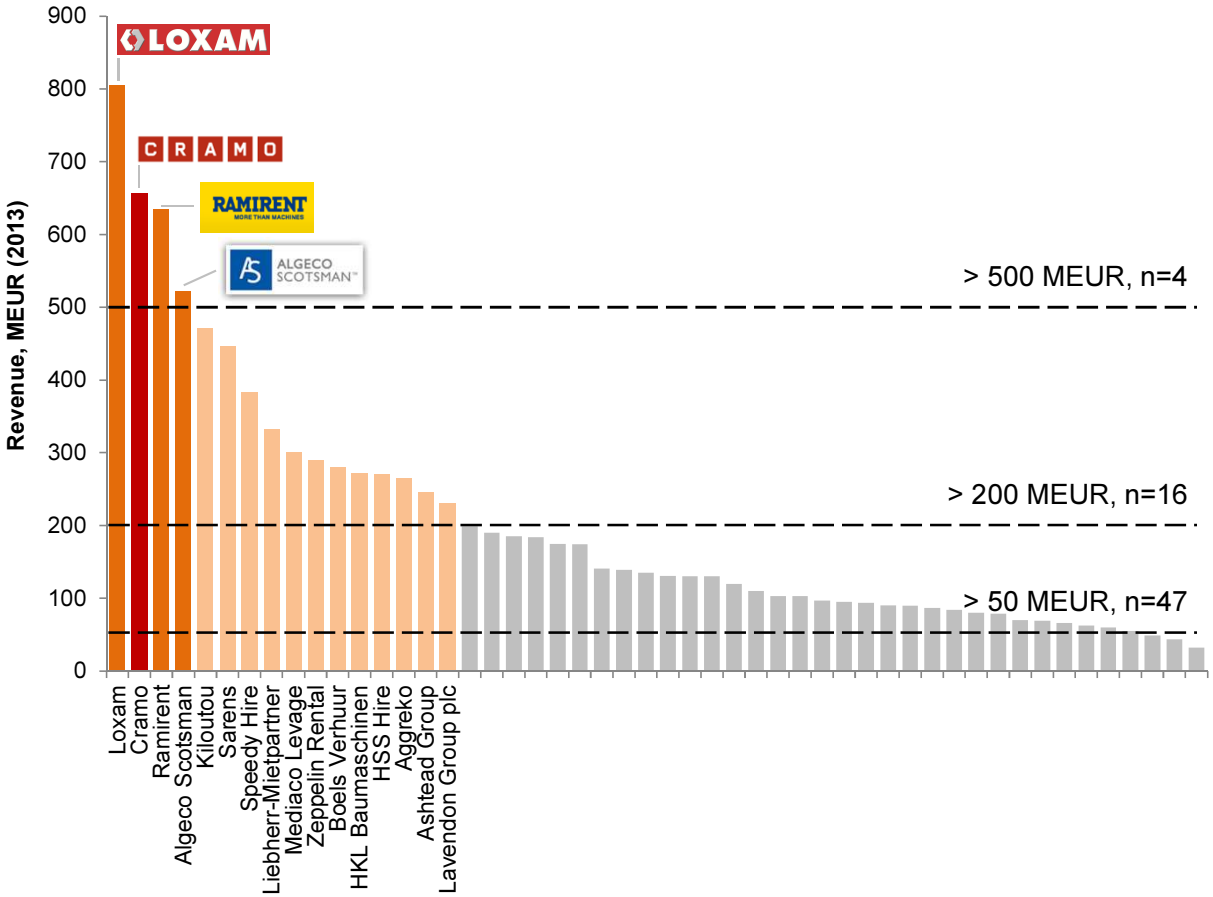
- *European Rental Association's rental market estimates for 2014 were updated in June*
- *Updated growth estimates show minor changes to previous projections*
- *That is, all Cramo's main markets are expected to grow between 2% and 5% in 2014*

Source: European Rental Association, ERA Convention, June 2014

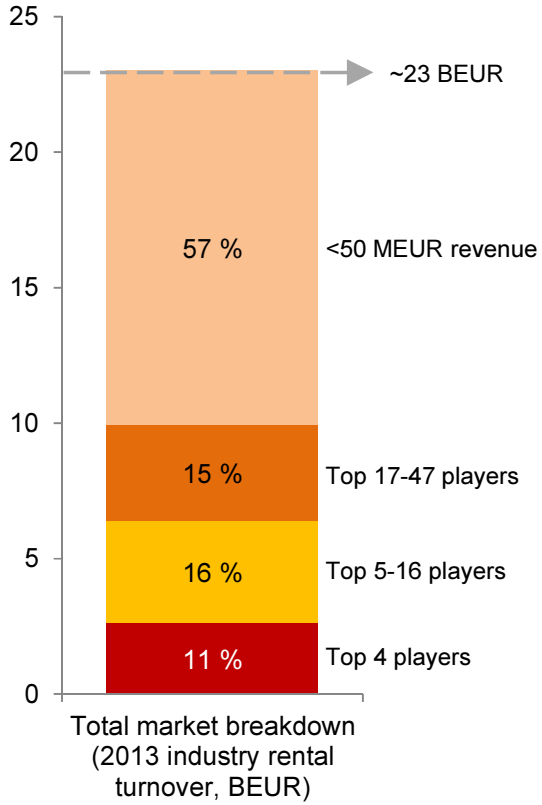
European Rental market still fragmented

Cramo was #2 in Europe in 2013 – plenty of consolidation potential

Rental operators in the European equipment rental market



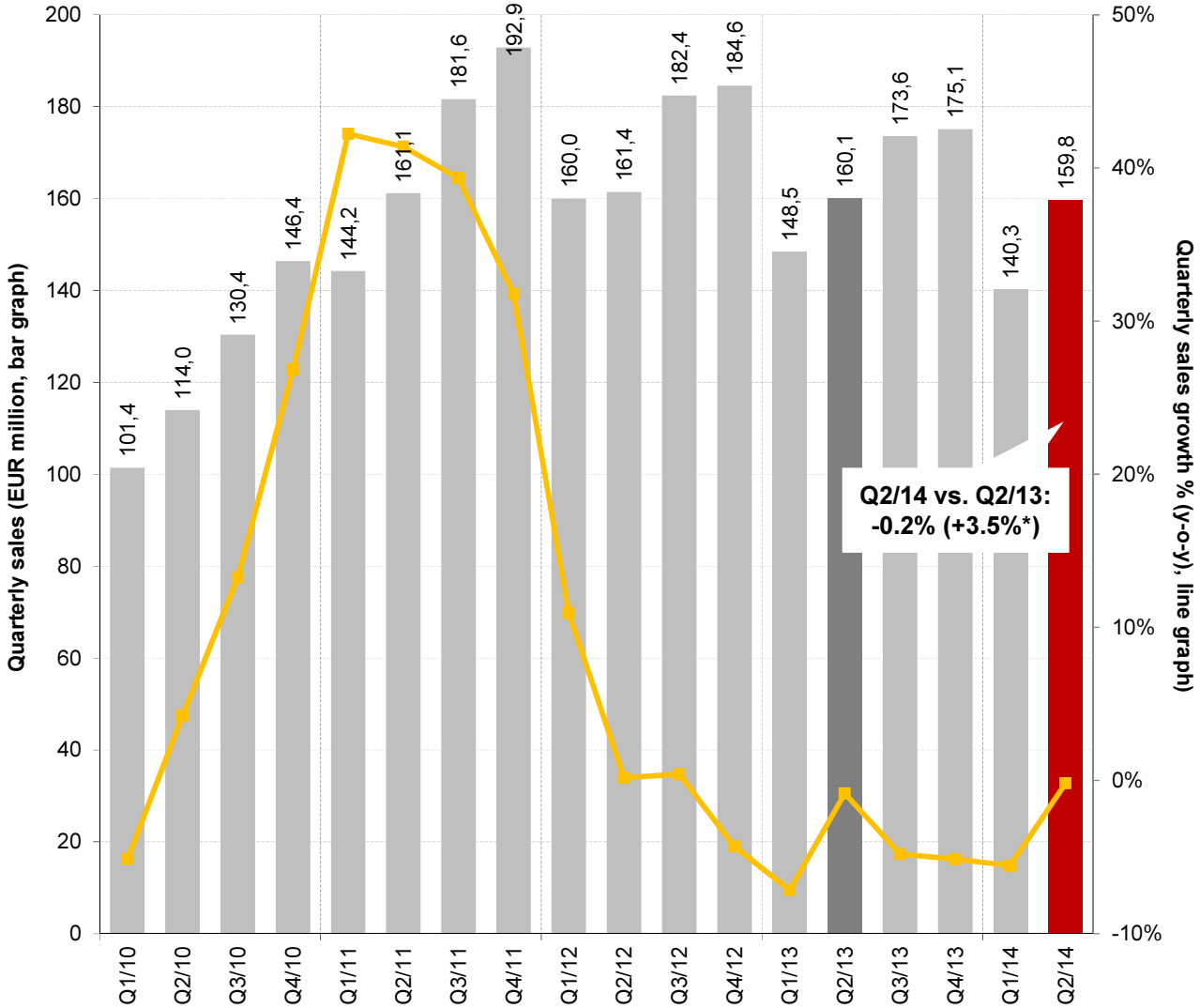
Overall European market



Source: European Rental Association, The European Equipment Rental Industry 2013 Report, October 2013; ERA Convention, June 2014 and International Rental News, June 2014

Q2 / 2014
Group performance

Cramo quarterly sales development



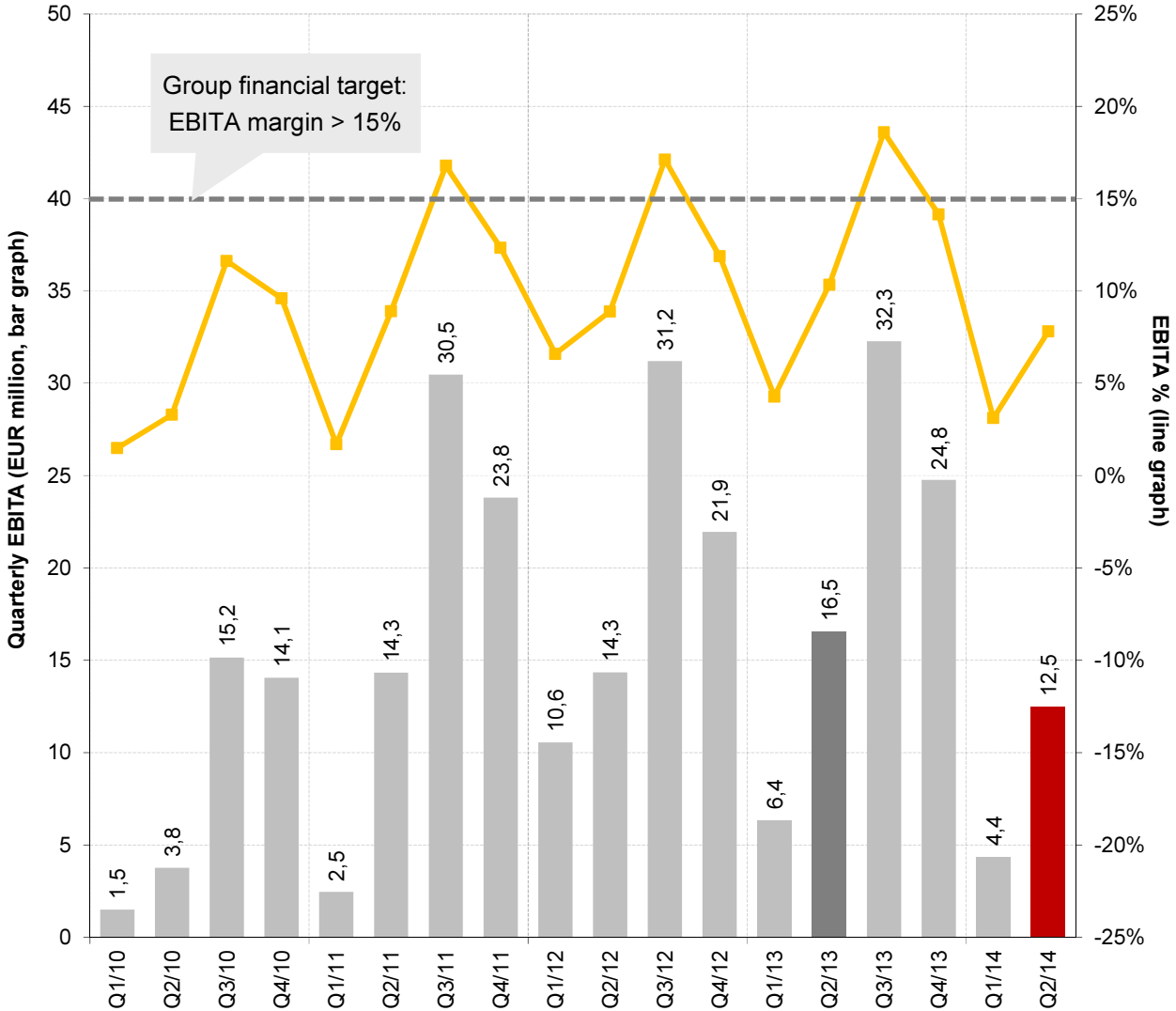
Highlights

- *Q2/2014 sales EUR 159.8m, year-on-year sales growth -0.2%*
- *In local currencies, sales increased by 3.5%*
  - *Weakening of SEK and NOK continued to adversely impact sales growth*
- *The challenging market situation started to improve during Q2, but at a slower pace than anticipated*
  - *H1/2014 sales growth in local currencies, excluding restructuring in Russia, 2.2%*
- *Demand for rental services is expected to improve during the rest of the year*

* Change in local currencies

Group financial target: Sales growth faster than the market
IRN Europe top 50 → 2007: 16%; 2008: 8%; 2009: -20%; 2010: 4%; 2011: 6%; 2012: 6%, 2013: -2%

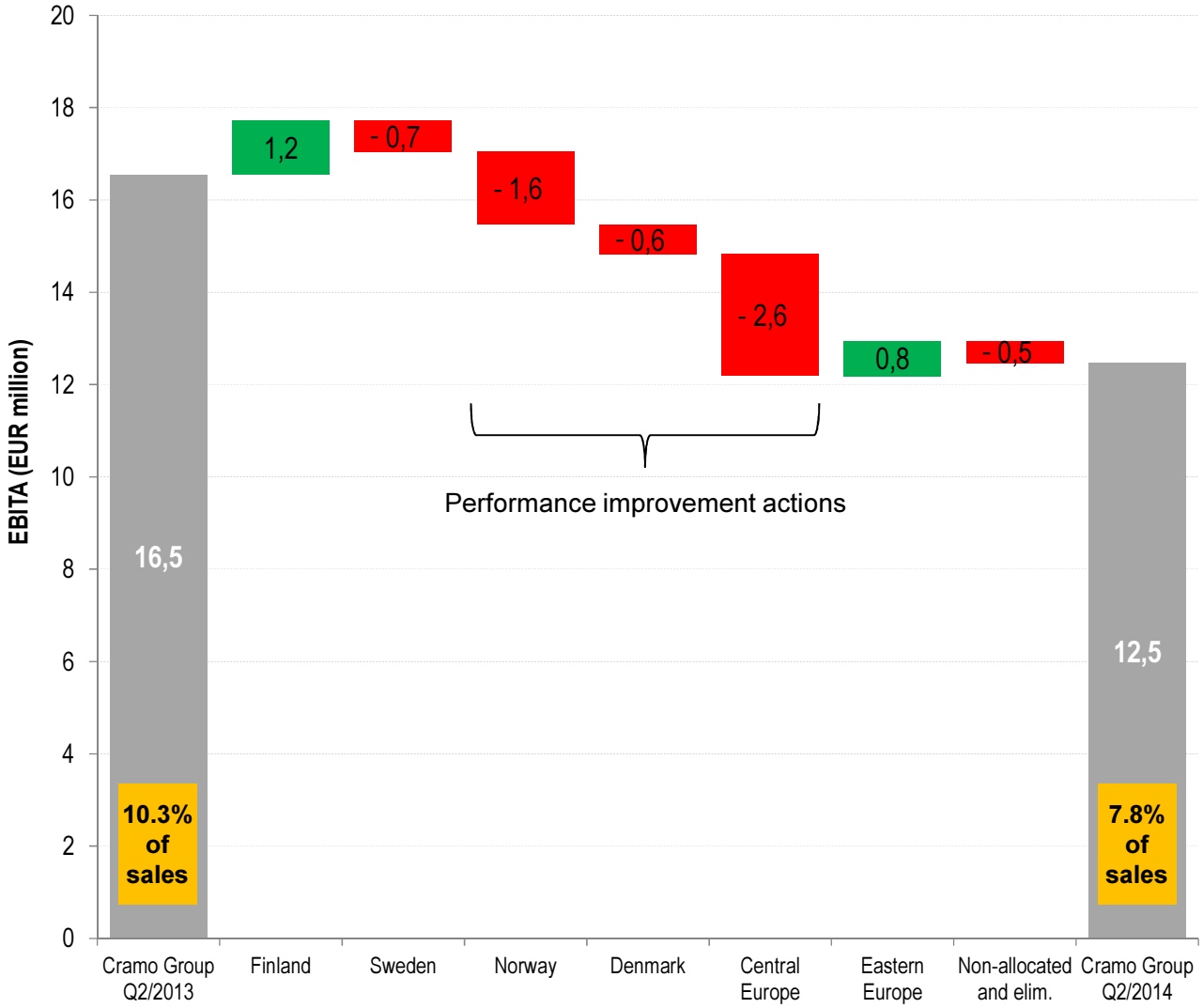
Cramo quarterly EBITA development



Highlights

- *Q2/14 EBITA amounted to EUR 12.5 (16.5) million, or 7.8 (10.3) % of sales*
- *Good profitability in Finland and Sweden, improving profitability in Eastern E.*
- *Weakened market situation in Norway, restructuring provisions booked. Result below expectations in Central E. and Denmark, performance improvement actions in place*
- *Modular space continued to perform strongly in Q2/14*
- *Despite challenging H1/14, Cramo's expectations of profit development during H2 are positive*

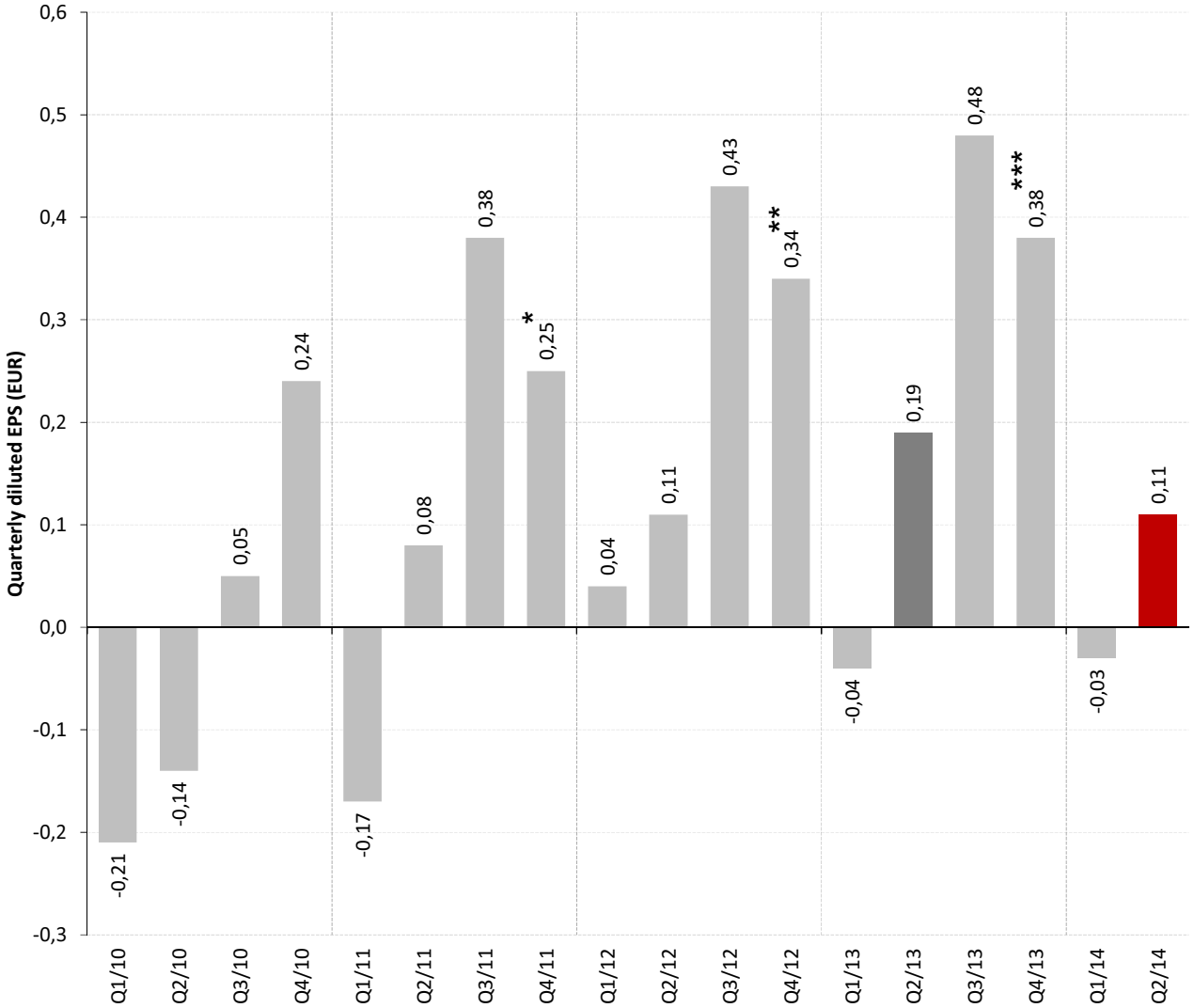
EBITA bridge Q2/2013 → Q2/2014 by segments



Conclusions

- *Profitability developed favourably in FIN and EE*
- *Good result achieved also in SWE. Cost base reduced to ensure performance improvement going forward*
- *Weakened market situation in Norway, restructuring provisions booked in Q2*
- *Result in CE weakened by the transition program, utilisation rates of fleet not at expected level in Q2. Perf. improvement actions*
- *Good sales development in DK, but result behind expectations. High direct costs in Q2. Performance improvement actions*

Cramo EPS performance (diluted)

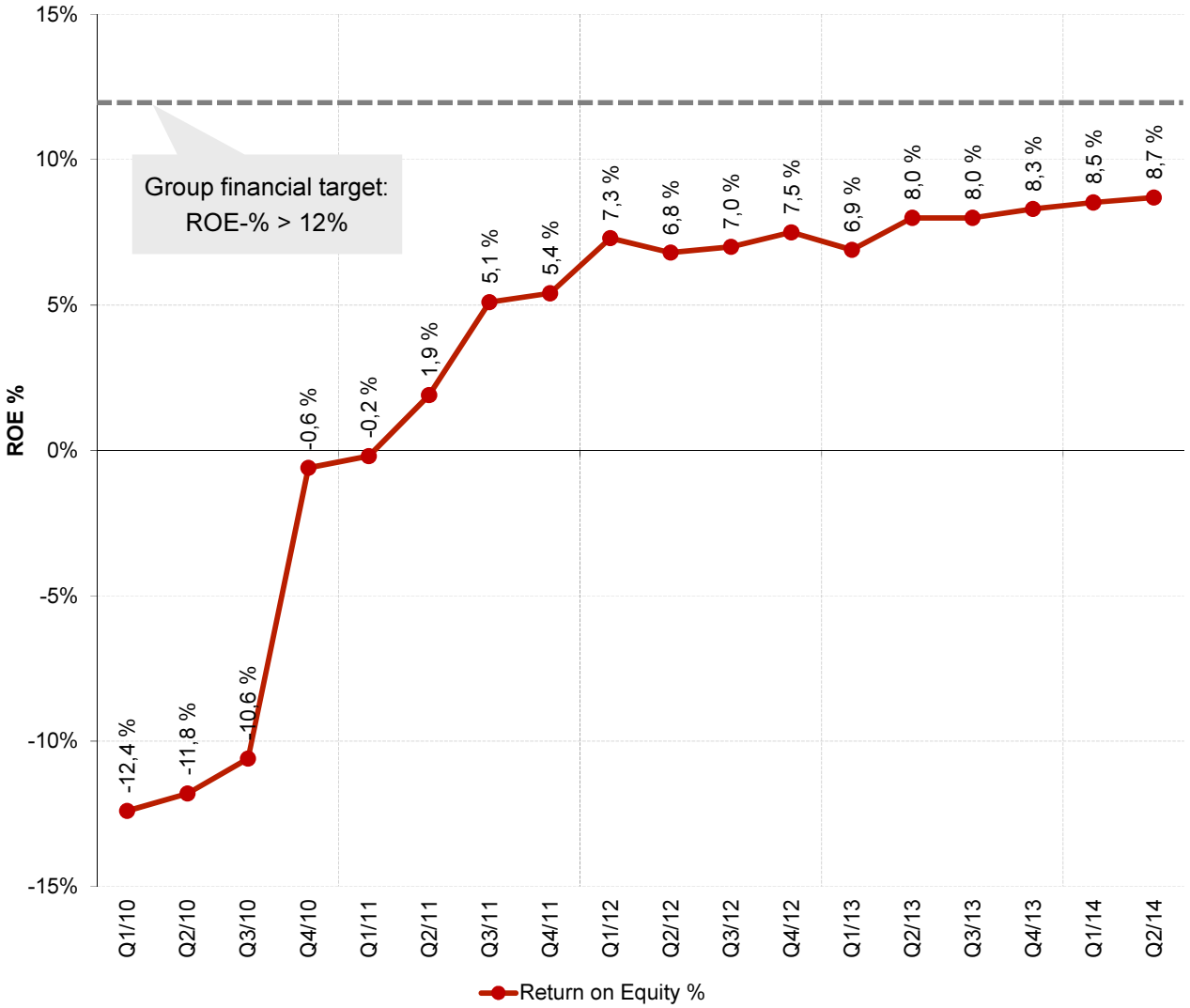


Highlights

- *Diluted EPS amounted to EUR 0.11 (0.19)*
- *H1/14 net financial expenses EUR 0.6m below last year*
- *H1/14 effective tax at the same level as year before*

* Q4/2011 includes write-downs on Group goodwill totalling EUR 5.5m
** Q4/2012 includes a number of non-recurring items having a positive net impact of EUR 3.5m on net result, or EPS EUR 0.08
*** Q4/2013 includes a number of non-recurring items having a positive impact of EUR 1.6m on net result, or EPS EUR 0.04

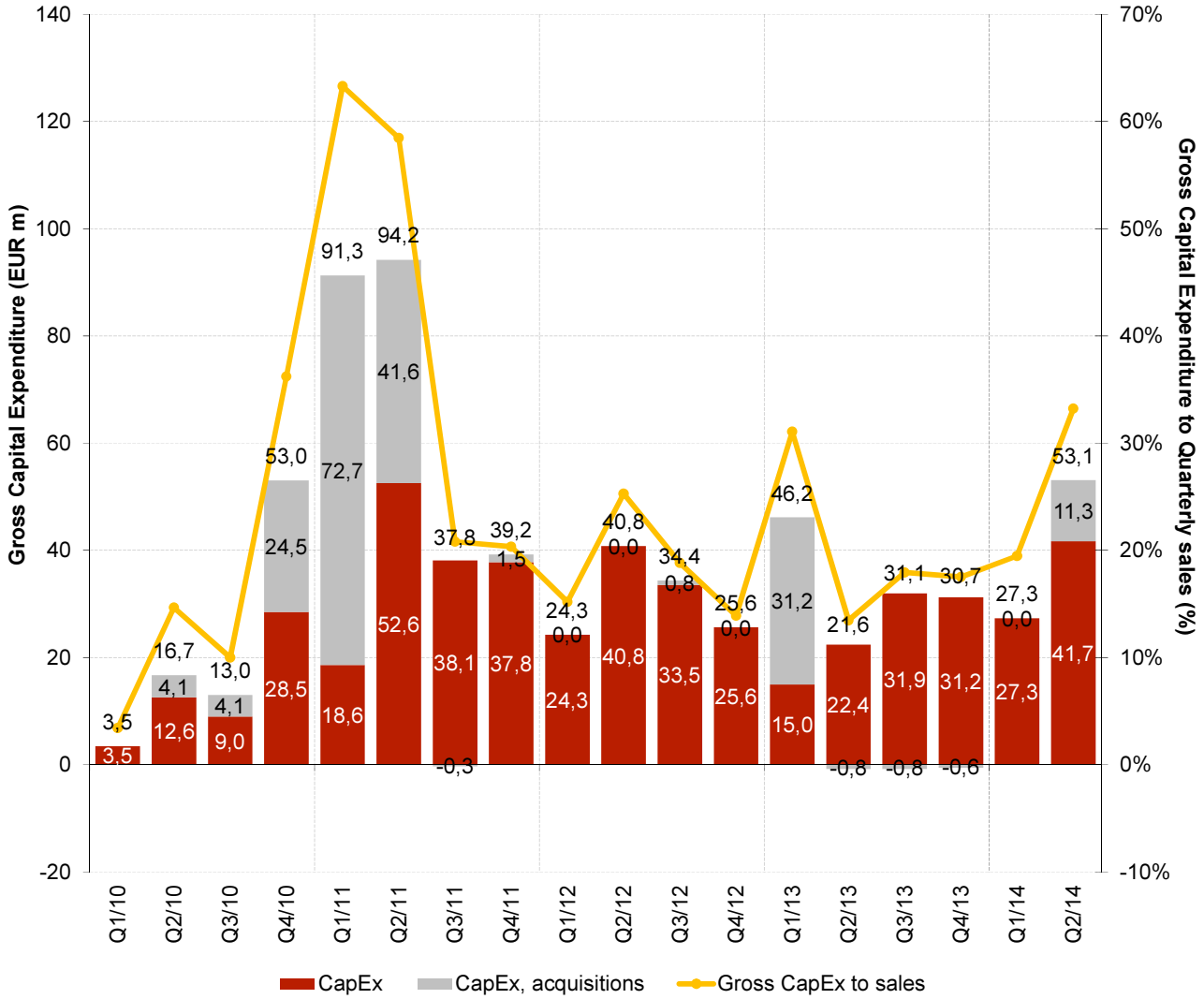
Return on Equity



Highlights

- *ROE (rolling 12m) continued to improve in Q2/14 and was 8.7% (8.0%)*
- *Efforts continue to reach the financial target level of > 12% ROE over the cycle*

Quarterly capital expenditure

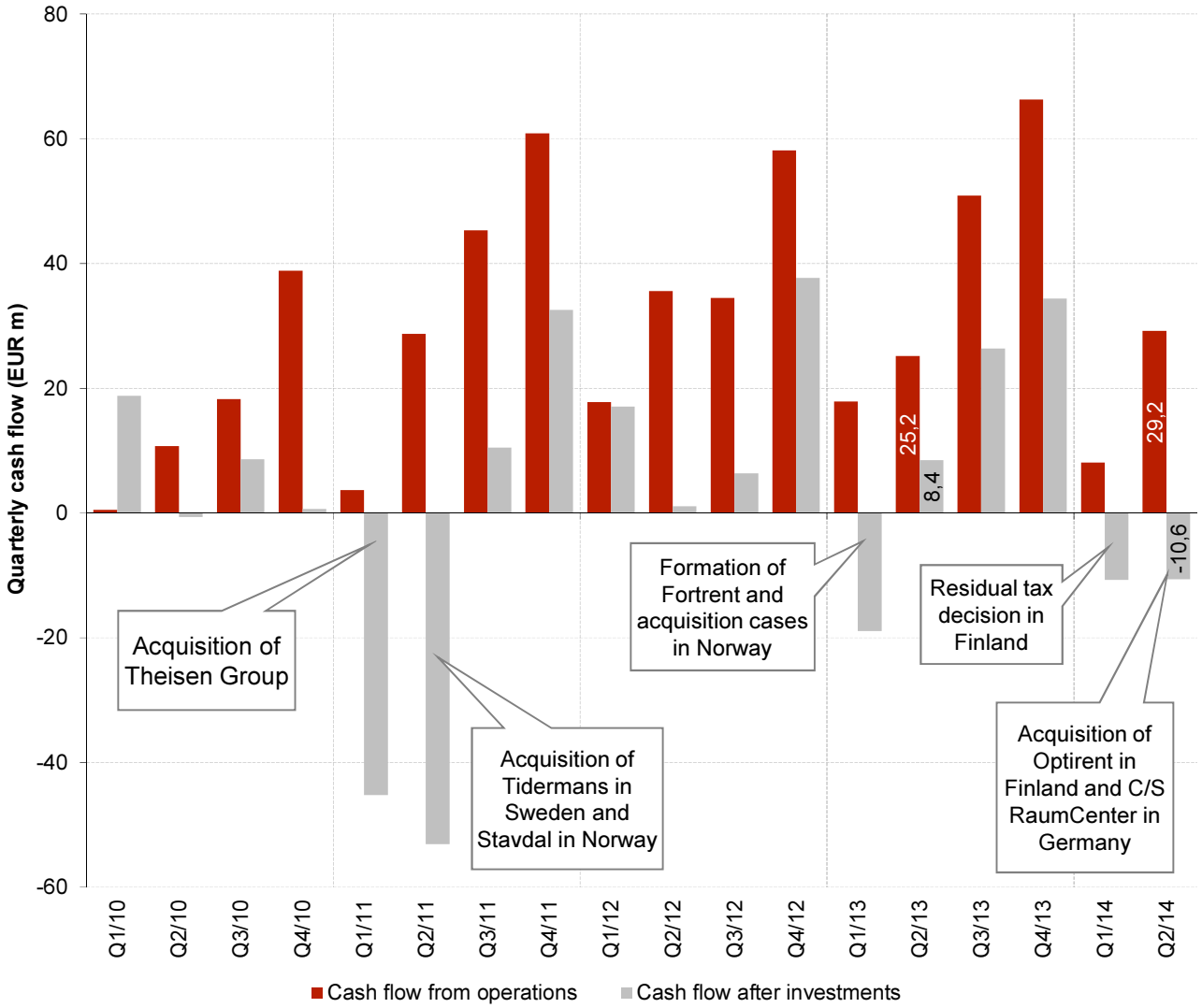


Highlights

- *In Q2/2014, organic gross CapEx amounted to EUR 41.7m (22.4m)*
  - *Significant part of 2014 fleet investments took place in Q2*
- *Gross CapEx in Q2/2014 totalled EUR 53.1m (21.6m)*
  - *Gross CapEx was increased by the acquisitions of OptiRent and C/S RaumCenter in the second quarter (EUR 11.3m)*
- *Gross CapEx was increased in all business segments in Q2, most notably in CE*
  - *Expansion in the modular space market, further continuation of rolling out the Cramo Rental Concept*

Note: Acquisitions in 2011 include Theisen Group completed in Q1/11 and Tidermans and Stavdal completed in Q2/11. Acquisitions in Q1/2013 include Lambertsson and Kranpunkten completed in February 2013 and Russia joint venture completed in March 2013

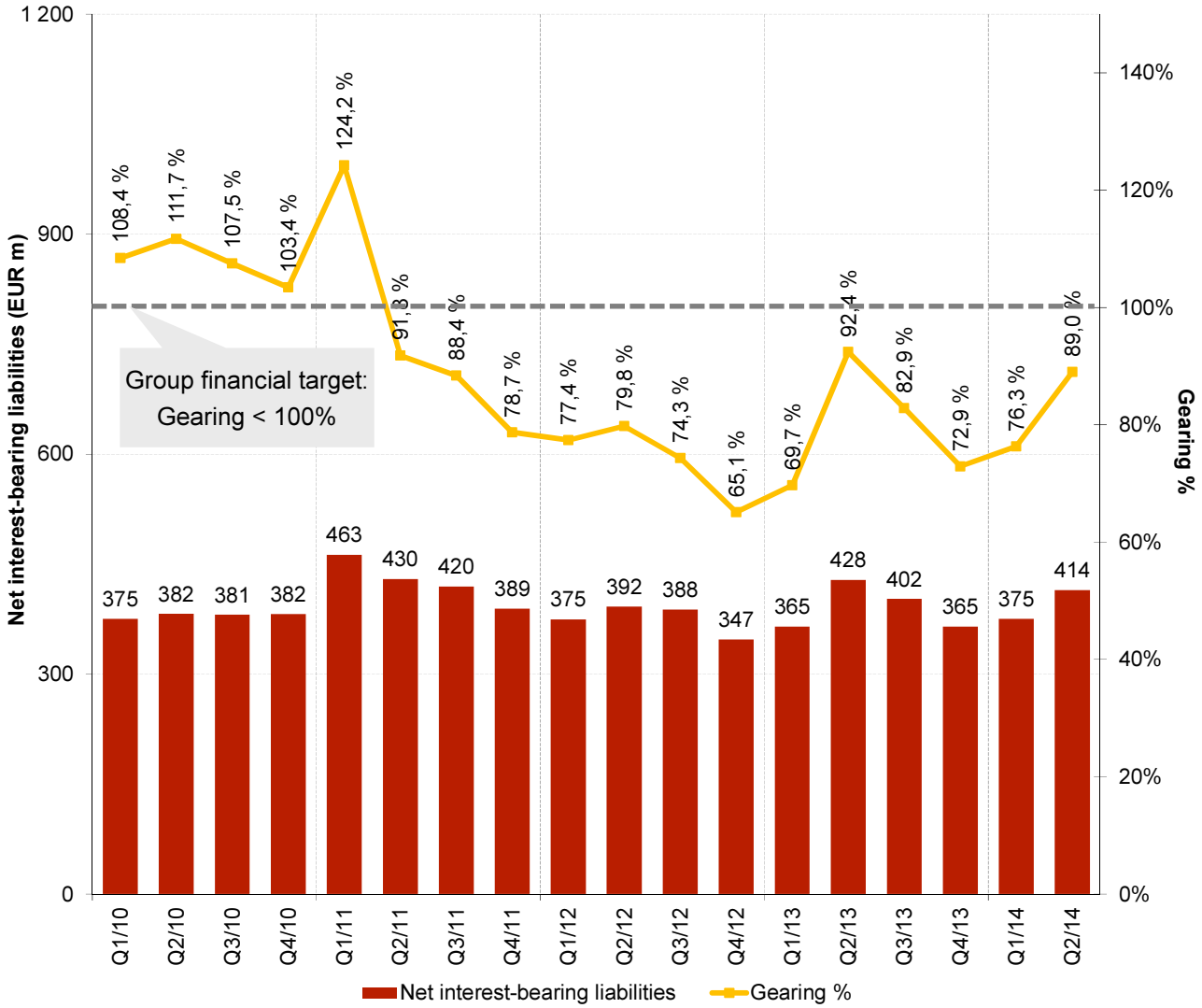
Quarterly cash flow



Highlights

- *In Q2/2014, cash flow from operations increased to EUR 29.2m (25.2m)*
- *Cash flow after investments decreased to EUR -10.6m (8.4m)*
  - *Q2/14 cash flow from investing activities was increased by the acquisitions as well as higher organic fleet investments than last year*

Capital structure development

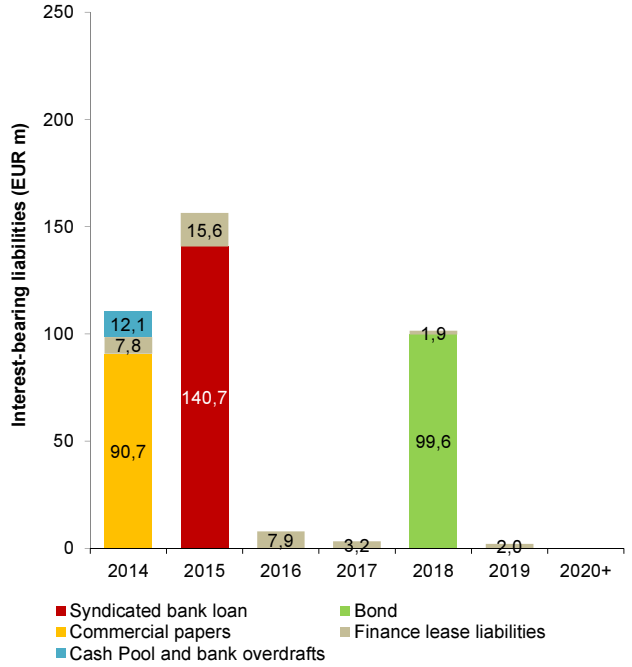


Highlights

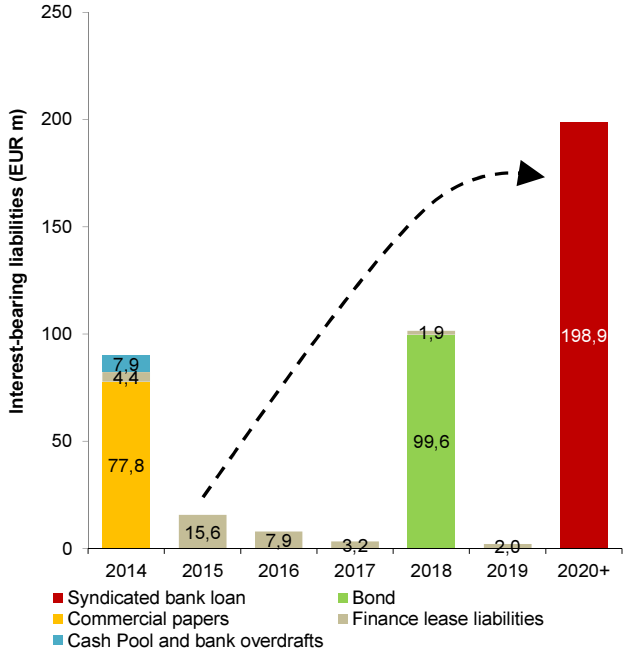
- *Net interest-bearing debt at EUR 414m (428m)*
- *Gearing at 89.0% (92.4%)*
- *Gearing meeting well the financial target level of < 100%*
- *Compared to Q1/14, net interest-bearing debt and gearing increased as a result of increased fleet investments, acquisitions and payment of dividends in Q2/14*

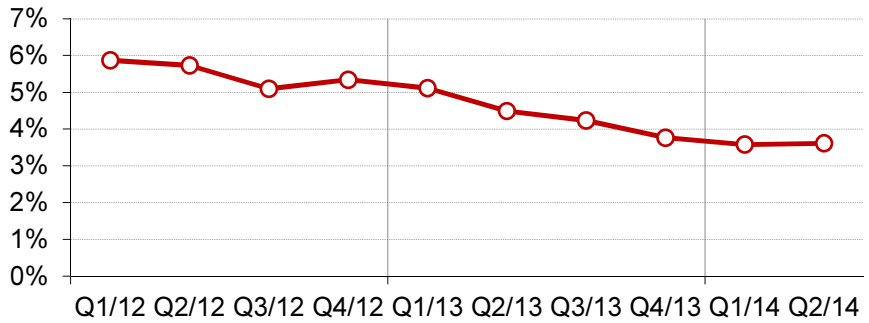
Refinancing of EUR 375m long-term loan facilities

Maturity structure 31.3.2014



Maturity structure 30.6.2014





Highlights

- *The existing facility was agreed in 2010 and was due to mature in Dec 2015*
- *The new unsecured syndicated loan matures on 1 Jan 2020 with one year extension option into 2021*
- *The loan has one financial covenant: Net Debt/EBITDA*
- *Arrangement improves the maturity profile of Cramo's debt portfolio and reduces interest expenses*
- *Together with Cramo's strong financial position, additional financial flexibility to pursue a growth strategy organically and through acquisitions*

On 30 June 2014, Cramo Group had undrawn committed credit facilities (excluding leasing facilities) in the amount of EUR 193.2 (148.8) million, of which non-current facilities represented EUR 173.0 (132.0) million and current facilities EUR 20.2 (16.8) million

* Effective cost of financing (net) = Rolling 12-month net finance costs divided by 12-month average net debt

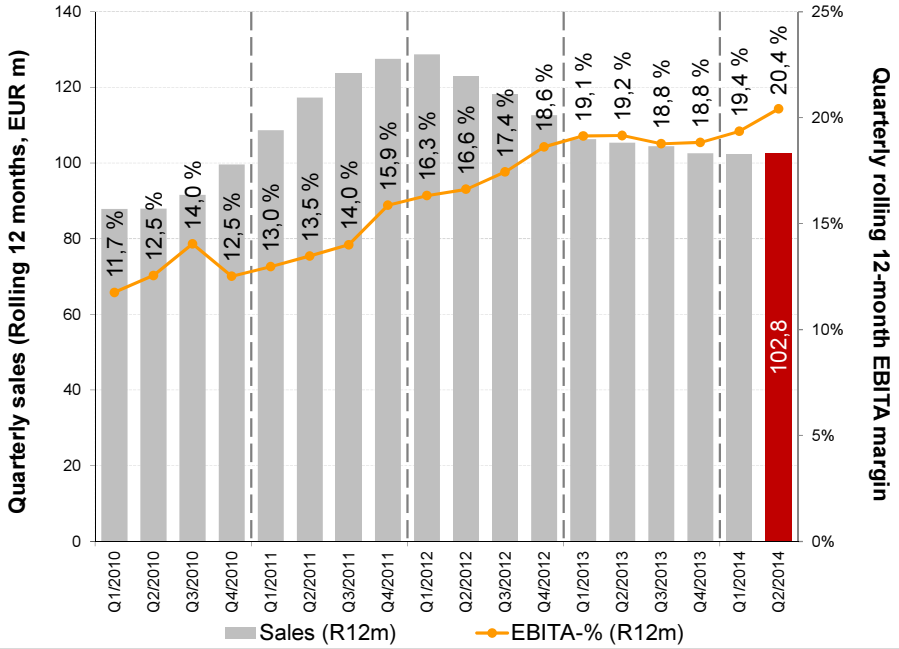
Q2 / 2014
Business segments

Finland

Sales grew, relative profitability continued to improve year-on-year

Key figures	4-6/ 2014	4-6/ 2013	Change %	1-6/ 2014	1-6/ 2013	Change %	1-12/ 2013
Sales (€m)	25,1	24,7	1,9 %	47,8	47,6	0,4 %	102,6
EBITA (€m)	4,7	3,5	33,4 %	7,5	5,8	28,5 %	19,3
EBITA-%	18,7 %	14,3 %		15,7 %	12,3 %		18,8 %
No of personnel (FTE)				459	453	1,3 %	393
No of depots				54	53	1,9 %	53

Rolling 12-month sales and EBITA-%



Highlights

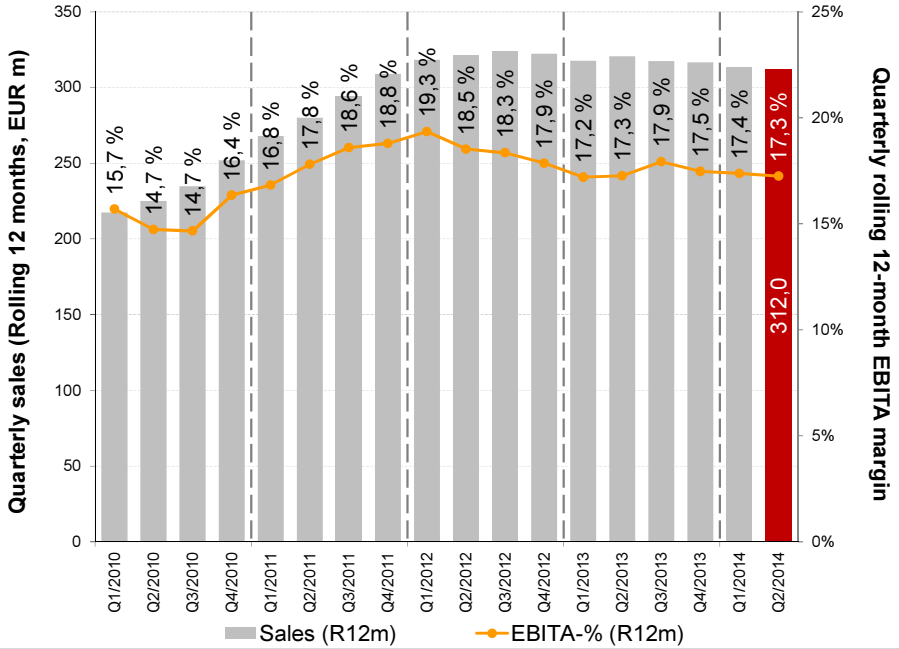
- In Q2/14, sales grew by 1.9% year-on-year
  - Sales grew despite weak demand in new construction
  - Renovation projects continued to grow, and in other industries the demand for rental services grew
  - Demand for modular space continued to be strong and the quotation base is good, particularly in the public sector
- Profitability continued to improve: successful cost savings and enhanced operational efficiency
- Acquisition of OptiRent Oy in April
  - During Q2/14, OptiRent's operations were integrated with Cramo's existing construction machinery business operations
- A new dynamic pricing model and a new CRM system were implemented in April

Sweden

Sales grew in local currency, result good but slightly below last year

Key figures	4-6/ 2014	4-6/ 2013	Change % (+3.2%*)	1-6/ 2014	1-6/ 2013	Change % (+1.7%*)	1-12/ 2013
Sales (€m)	**76,8**	78,6	-2,2 %	**146,7**	151,5	-3,1 %	316,7
EBITA (€m)	**11,6**	12,2	-5,6 %	**20,7**	22,2	-6,8 %	55,3
EBITA-%	**15,1 %**	15,6 %		**14,1 %**	14,7 %		17,5 %
No of personnel (FTE)				**812**	777	4,5 %	792
No of depots				**118**	120	-1,7 %	120

Rolling 12-month sales and EBITA-%



Highlights

- In Q2, sales decreased by 2.2% year-on-year (+3.2% in local currency)
  - Overall market situation is improving. However, in early 2014 the market situation was weaker than expected in northern and western Sweden
  - Towards the end of Q2, market situation was already good in the Stockholm region and in southern Sweden
  - The demand for modular spaces has remained good
- Cost reductions to ensure positive performance development
  - Decrease of hired and temporary personnel and closing down certain depots
  - Cost savings did not yet influence the result in Q2
- Projects in progress: reform of pricing model and optim. of fleet rotation logistics in large towns

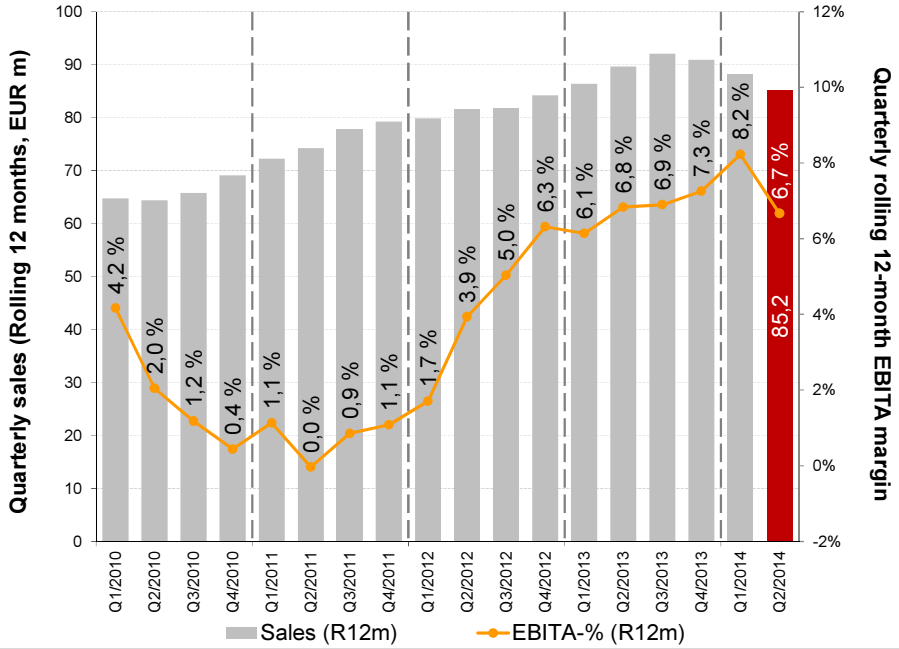
* Change in local currencies

Norway

Q2 market weaker than expected, restructuring measures implemented

Key figures	4-6/ 2014	4-6/ 2013	Change % (-6.7%*)	1-6/ 2014	1-6/ 2013	Change % (-3.9%*)	1-12/ 2013
Sales (€m)	19,4	22,4	-13,4 %	39,7	45,4	-12,7 %	90,9
EBITA (€m)	-0,1	1,5		1,5	2,4	-37,9 %	6,6
EBITA-%	-0,3 %	6,8 %		3,8 %	5,4 %		7,3 %
No of personnel (FTE)				262	260	0,8 %	260
No of depots				29	32	-9,4 %	31

Rolling 12-month sales and EBITA-%



Highlights

- In Q2, sales decreased by 13.4% year-on-year (-6.7% in local currency)
  - Market situation did not develop as expected
  - Consequently, Cramo decided to adjust its operations
  - In Q2, the market situation was weaker than expected especially in the Oslo region and eastern Norway
- Q2 EBITA was EUR -0.1m (1.5m), or -0.3% (6.8%) of sales
  - Result was impaired by provisions related to the decided adjustment measures: reduction of 35–40 employees and further closure of two depots
  - Result was positively affected by the reversal of a contingent purchase price liability
  - Impact of the cost savings will be visible only in the last quarter of the year and more extensively in 2015

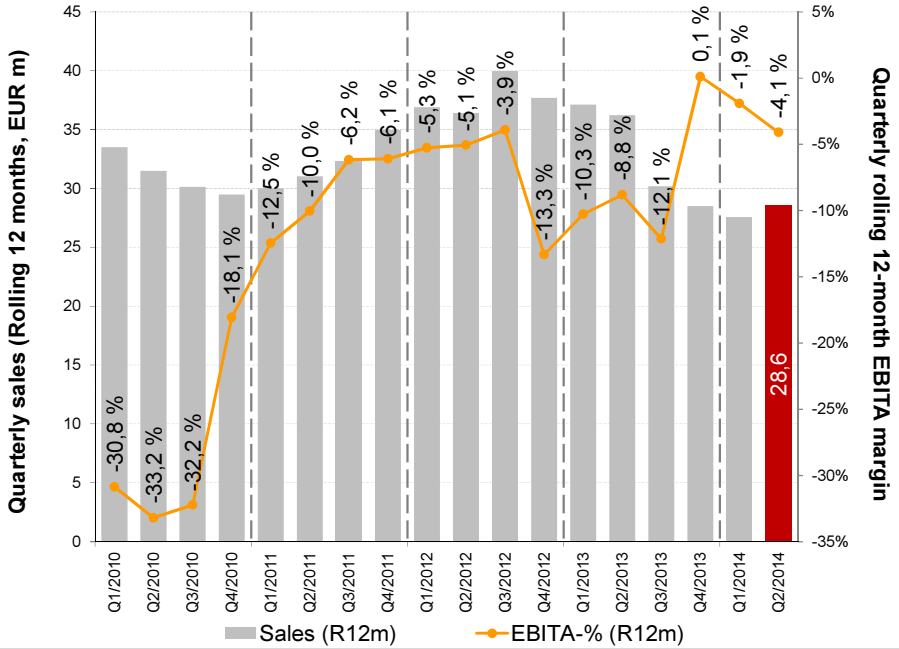
* Change in local currencies

Denmark

Strong sales development, profitability behind expectations

Key figures	4-6/ 2014	4-6/ 2013	Change %	1-6/ 2014	1-6/ 2013	Change %	1-12/ 2013
Sales (€m)	7,5	6,4	16,2 %	14,1	14,0	0,3 %	28,5
EBITA (€m)	-0,6	0,1		-1,4	-0,2	-743,3 %	0,0
EBITA-%	-7,7 %	1,1 %		-9,7 %	-1,2 %		0,1 %
No of personnel (FTE)				120	103	16,5 %	108
No of depots				7	7	0,0 %	7

Rolling 12-month sales and EBITA-%



Highlights

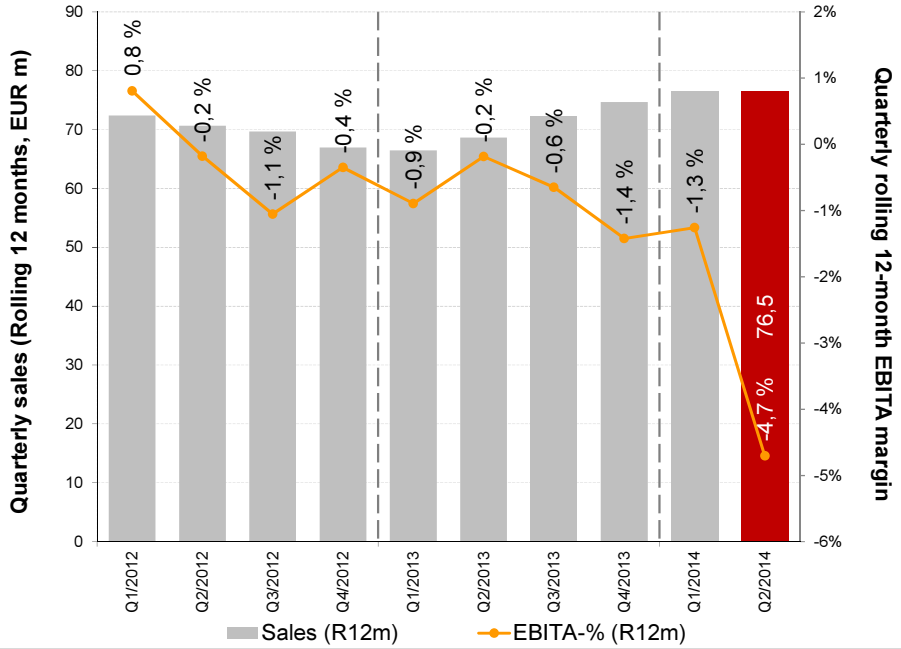
- In Q2, sales increased by 16.2% year-on-year
  - Market resumed growth in the second quarter and sales developed according to expectations
- Q2 EBITA was EUR -0.6m (0.1m), or -7.7% (1.1%) of sales
  - Result did not meet expectations. There were especially direct costs more than expected related to repair and maintenance, transportation and assembly
  - Cost level expected to be lower in this respect in H2
  - Focus on improving profitability by targeting fleet investments and developing sales and pricing models
  - Position in the modular space business strengthened
- Rental market expected to resume growth during 2014, which is expected to gradually also improve rental pricing opportunities

Central Europe

Sales not meeting expectations in Q2, transition program burdening

Key figures	4-6/ 2014	4-6/ 2013	Change %	1-6/ 2014	1-6/ 2013	Change %	1-12/ 2013
Sales (€m)	**20,4**	20,5	-0,3 %	**33,5**	31,7	5,8 %	74,7
EBITA (€m)	**-1,2**	1,4		**-5,8**	-3,3	-77,4 %	-1,1
EBITA-%	**-6,1 %**	6,8 %		**-17,3 %**	-10,3 %		-1,4 %
No of personnel (FTE)				**395**	338	16,9 %	349
No of depots				**77**	84	-8,3 %	83

Rolling 12-month sales and EBITA-%[1]



Highlights

- In Q2, sales decreased by 0.3% year-on-year
  - The utilisation rates of the new fleet did not yet rise to the expected level during Q2
- Q2 EBITA was EUR -1.2m (1.4m), or -6.1% (6.8%) of sales
  - Result was still impaired by the transition program, which resulted in non-recurring costs in Q2
  - Result expected to improve during H2/2014
- Cramo expanded its modular space business by acquiring C/S RaumCenter GmbH
  - Opportunity to introduce advanced Nordic MS applications and concepts into the German market
  - Integration has proceeded as planned
- Large modular rental contract with TWL signed

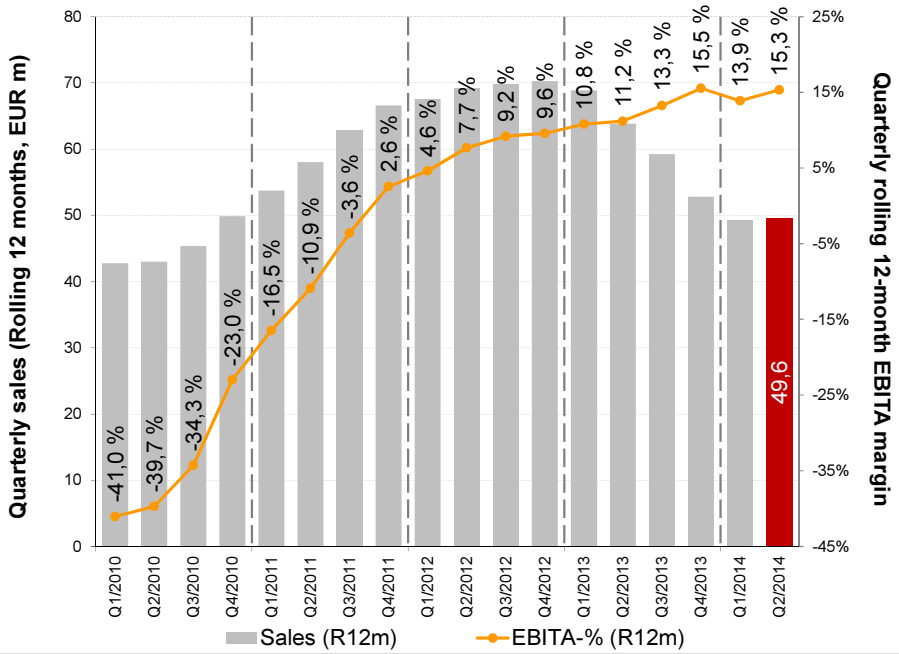
1. Theisen acquisition was completed in February 2011. Hence, rolling 12-month figures are available as of Q1/2012

Eastern Europe[1]

Sales and profitability developed positively

Key figures	4-6/ 2014	4-6/ 2013	Change % (+2.9%*)	1-6/ 2014	1-6/ 2013	Change % (-12.8%*)	1-12/ 2013
Sales (€m)	11,9	11,7	2,4 %	20,9	24,2	-13,4 %	52,8
EBITA (€m)	1,1	0,4	196,3 %	-0,3	0,3		8,2
EBITA-%	9,5 %	3,3 %		-1,5 %	1,2 %		15,5 %
No of personnel (FTE)				457	435	5,1 %	451
No of depots				63	63	0,0 %	63

Rolling 12-month sales and EBITA-%



Highlights

- In Q2, sales increased by 2.4% year-on-year (2.9% in local currency)
  - The year-on-year decrease in sales in H1/2014 attributable to transfer of Russian operations to Fortrent
- Q2 EBITA was EUR 1.1m (0.4m), or 9.5% (3.3%) of sales
  - Cramo was pleased with profitability development in Eastern Europe
- In 2014 and going forward, Cramo aims to make use of growth opportunities in the EE markets
- Fortrent Q2/2014
  - Sales EUR 9.6m (11.7m), i.e. down by 18.8% y-o-y
  - Profit for the period EUR -0.3m (-1.6m). Cramo's share -0.2m (-0.8m) included in Eastern Europe EBITA

1. As of 1 March 2013, sales in Eastern Europe come from Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and the Kaliningrad region in Russia. Cramo's share (50 per cent) of the net result of Fortrent, the joint venture of Cramo and Ramirent in Russia and Ukraine, will be included in the EBITA of the Eastern Europe business segment as of 1 March 2013

* Change in local currencies

Performance improvement actions H2/2014

Group's priority areas in 2014

All actions geared towards value creation when markets turn
Target to capitalise on operating leverage

Priority areas 2014	Practical implications	Examples of activities completed 2014
1 **Drive customer and sales excellence**	• Sales efficiency • Customer experience • Dynamic pricing	✓ Dynamic pricing implemented in all Nordic countries by Q2/14 ✓ Common CRM system implemented in all Nordic countries by Q2/14
2 **Maintain cost base and further improve capital efficiency**	• Maintain streamlined cost base • Secure high utilisation, reduce idle fleet • Excel in sourcing • Cautiousness on new CapEx	✓ Sweden's cost base streamlined in H1/14 and actions to be completed in Q3/14 ✓ Restructuring in Norway in Q1 and Q2/14 ✓ Sourcing excellence project continued
3 **Continue to generate strong cash flow**	• Sustain strong free cash flow	✓ Based on timing of investments, cash flow expected to strengthen towards end of 2014 ✓ Growth CapEx focused in growing business and product segments (e g, modular space)
4 **Continue to harvest benefits from strategy implementation**	• Relentless implementation of Must-Win Battles • Business steering through performance management	✓ Implementation of common ERP system and processes in Central Europe in H1/14 ✓ Business steering through performance management continued in all operations
5 **Execute M&A in selected growth areas**	• Expansion investments in selected market and growth areas	✓ Acquisition of OptiRent in Finland ✓ Acquisition of C/S RaumCenter in Germany

Performance improvement actions in place

To ensure positive profitability development, Cramo has initiated a number of measures to address underperforming business segments

	CENTRAL EUROPE	NORWAY	DENMARK
Reasons for the gap in performance	• Transition program still incurred non-recurring costs in Q2 • New ERP implementation • Fleet utilisations did not rise to the expected level in Q2	• Demand adversely impacted by decline in residential construction • Market weaker than expected in the Oslo region and eastern Norway	• High direct costs related to repair & maintenance, transportation and assembly • Indirect costs above last year
Actions implemented	• Specific program on-going to ramp up sales in new products, hubs and regions • Specific program on-going to reduce cost base • Transition program related costs will be lower in H2/14	• Headcount will be reduced by 35-40 FTE, provision booked Q2 • Two depots closed in Q1 and two more to be closed in H2/14, provision booked in Q2 • Dynamic pricing tool Q2/14 • Specific sales program	• Dynamic pricing tool Q2/14 • Specific sales efforts • Specific program on direct cost reductions • Fleet re-investments • Specific focus on Modular Space
Expected impact of the actions	• Increased fleet utilisation and hence growth in rental sales in H2/14 • Cost base will be lower in H2/14 • Result to improve in H2/14	• Savings in fixed cost base • Impact of the actions expected to be visible in Q4/14 and more extensively in 2015	• Direct cost base will be lower in H2/14 • Result to improve in H2/14

Strategic entry into German modular space market

Modular Space business will in due course reduce seasonal fluctuations in Germany. Target to further grow MS business

1

Acquisition of C/S RaumCenter

- Sales: EUR 4 million in 2013
- Fleet: 900 units of modular space
- Number of personnel: 21

- Established 30 years ago in Frankfurt
- One of the most significant modular space rental companies particularly in the Rhein-Main area
- The company's core business is to offer high-quality modular space solutions for various types of private and public customers
- Excellent stepping stone for establishing and further growing modular space business in the German market
- Integration of C/S RaumCenter proceeding as planned

2

Large TWL modular rental project

- A four-year contract with German energy company Technische Werke Ludwigshafen (TWL)
- Total project covers 2.500m^2

- TWL rents modular space for its headquarter operations in Ludwigshafen
- The main building, comprising of 1.600m^2 in three storeys, includes approximately 100 workstations, conference areas, lunch rooms, kitchen and sanitary facilities
- A major breakthrough for Cramo's modular space operations in Central Europe
- The extent of the contract is substantial also from the Nordic perspective
- Building permits received, project proceeding

Capital Markets Day 2014

Cramo invites investors, analysts and media representatives to CMD on Tuesday 9 Sep 2014 in Stockholm, Sweden

Time:

Tuesday 9 Sep 2014 from 1.00 pm to 5.30 pm

Venue:

Radisson Blu Strand Hotel, Stockholm, Sweden

Speakers:

Mr Vesa Koivula, President and CEO
Mr Martti Ala-Härkönen, CFO
Mr Per Lundquist, SVP, Operations
Mr Erik Bengtsson, EVP, Scandinavia
Mr Tatu Hauhio, EVP, Eastern Europe
Mr Dirk Schlitzkus, EVP, Central Europe
Mr Petri Moksén, SVP, Modular Space

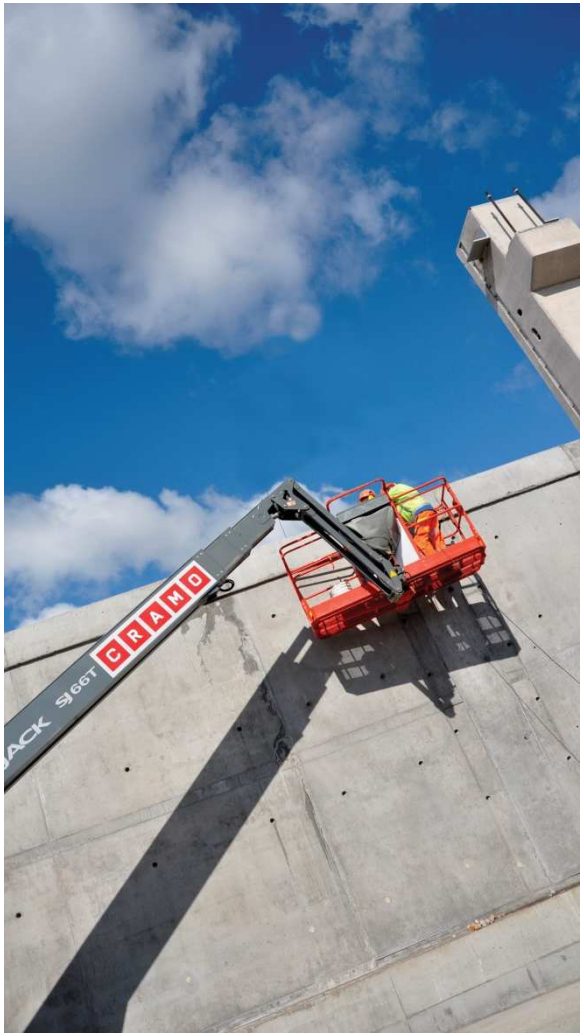
- *The purpose of the day is to bring you an in-depth briefing of:*
  - *Cramo Group's strategy*
  - *Group's financial targets and how to reach the targets*
  - *How the company will drive profitable growth in its different business areas*

- More information and the detailed programme will be sent to the participants and will be available on Cramo website in August
- The participants are kindly asked to register by 22nd August 2014 through Cramo's website at www.cramo.com

Future prospects

Eurozone economies are expected to resume growth in 2014. However, in early 2014 economic recovery was slower than expected

- The Ukrainian crisis has also brought uncertainty to growth expectations. However, its effects have so far been limited to Russia and Ukraine
- Growth is expected in the second half of the year. The expectations with regard to the strengthening growth in 2015-16 remain unchanged
- Construction activity is expected to pick up in all of Cramo's operating countries in the next few years
- In the long term, the equipment rental market is expected to grow faster than construction
- The European Rental Association (ERA) is expecting equipment rental to grow in all of Cramo's main markets in 2014
- Guidance for 2014 remains unchanged: "In 2014, Cramo Group's EBITA margin will continue to improve compared to 2013. Cramo Group's sales is also expected to grow in 2014, however, exact sales is exposed to changing exchange rates."



Appendix

Key figures

EUR million (unless otherwise stated)	4-6/ 2014	4-6/ 2013	Change %	1-6/ 2014	1-6/ 2013	Change %	1-12/ 2013
INCOME STATEMENT							
Sales	**159,8**	160,1	-0,2 %	**300,0**	308,6	-2,8 %	657,3
EBITDA	**36,6**	40,1	-8,9 %	**64,4**	69,9	-7,8 %	173,8
Operating profit (EBITA) before amortisation and impairment of intangible assets resulting from acquisitions	**12,5**	16,5	-24,6 %	**16,8**	22,9	-26,5 %	79,9
Operating profit/loss (EBIT)	**9,8**	13,5	-27,4 %	**11,6**	15,2	-23,6 %	66,8
Profit/Loss before tax (EBT)	**6,4**	10,1	-36,3 %	**4,8**	7,8	-38,3 %	51,9
Profit/Loss for the period	**5,0**	7,9	-36,3 %	**3,8**	6,1	-38,3 %	42,8
SHARE-RELATED INFORMATION							
Earnings per share (EPS), EUR	**0,12**	0,19	-37,9 %	**0,09**	0,15	-40,0 %	1,01
Earnings per share (EPS), diluted, EUR	**0,11**	0,19	-38,6 %	**0,09**	0,14	-40,6 %	1,00
Shareholders' equity per share, EUR				**10,68**	10,97	-2,6 %	11,56
BALANCE SHEET							
Equity ratio, %				**42,7 %**	42,2 %		47,1 %
Gearing, %				**89,0 %**	92,4 %		72,9 %
Net interest-bearing liabilities				**414,5**	428,4	-3,3 %	364,8
OTHER INFORMATION							
Return on investment, rolling 12-month, %				**7,2 %**	6,8 %		7,7 %
Return on equity, rolling 12-month, %				**8,7 %**	8,0 %		8,3 %
Gross capital expenditure (incl. acquisitions)	**53,1**	21,6	145,9 %	**80,4**	67,7	18,7 %	129,6
of which related to acquisitions and business combinations	**11,3**	-0,8		**11,3**	30,4	-62,7 %	29,1
Cash flow from operating activities	**29,2**	25,2	15,9 %	**37,3**	43,1	-13,5 %	160,3
Cash flow after investments	**-10,6**	8,4		**-21,4**	-10,5	-103,5 %	50,3
Average number of personnel, FTE				**2 516**	2 457	2,4 %	2 463
Number of personnel at end of period, FTE				**2 567**	2 428	5,7 %	2 416

Consolidated income statement

EUR (1 000)	4-6/ 2014	4-6/ 2013	Change %	1-6/ 2014	1-6/ 2013	Change %	1-12/ 2013
SALES	**159 761**	160 056	-0,2 %	**300 028**	308 585	-2,8 %	657 315
Other operating income	**4 300**	2 917	47,4 %	**8 439**	4 591	83,8 %	10 007
Materials and services	**-56 911**	-54 534	-4,4 %	**-105 171**	-107 313	2,0 %	-228 002
Employee benefit expenses	**-37 153**	-35 006	-6,1 %	**-73 157**	-69 805	-4,8 %	-138 732
Other operating expenses	**-33 249**	-32 491	-2,3 %	**-65 134**	-65 203	0,1 %	-127 385
Depreciation and impairment on tangible assets and assets held for sale	**-24 117**	-23 605	-2,2 %	**-47 581**	-46 962	-1,3 %	-93 868
Share of profit/loss of joint ventures	**-161**	-792	79,7 %	**-589**	-990	40,5 %	613
EBITA	**12 470**	16 544	-24,6 %	**16 834**	22 903	-26,5 %	79 948
% of sales	**7,8 %**	10,3 %		**5,6 %**	7,4 %		12,2 %
Amortisation and impairment on intangible assets resulting from acquisitions and disposals	**-2 676**	-3 054	12,4 %	**-5 240**	-7 734	32,2 %	-13 150
OPERATING PROFIT/LOSS (EBIT)	**9 794**	13 490	-27,4 %	**11 594**	15 169	-23,6 %	66 799
% of sales	**6,1 %**	8,4 %		**3,9 %**	4,9 %		10,2 %
Finance costs (net)	**-3 356**	-3 375	0,6 %	**-6 767**	-7 339	7,8 %	-14 857
PROFIT/LOSS BEFORE TAXES	**6 439**	10 115	-36,3 %	**4 827**	7 829	-38,3 %	51 941
% of sales	**4,0 %**	6,3 %		**1,6 %**	2,5 %		7,9 %
Income taxes	**-1 410**	-2 215	36,3 %	**-1 057**	-1 714	38,3 %	-9 160
PROFIT/LOSS FOR THE PERIOD	**5 029**	7 900	-36,3 %	**3 771**	6 115	-38,3 %	42 781
% of sales	**3,1 %**	4,9 %		**1,3 %**	2,0 %		6,5 %

Consolidated balance sheet

EUR (1 000)	30.6. 2014	30.6. 2013	Change %	31.12. 2013
ASSETS				
NON-CURRENT ASSETS				
Tangible assets	**616 429**	598 626	3,0 %	606 625
Goodwill	**163 295**	167 148	-2,3 %	165 352
Other intangible assets	**97 126**	107 068	-9,3 %	101 100
Deferred tax assets	**16 906**	16 000	5,7 %	14 820
Available-for-sale financial investments	**346**	348	-0,6 %	347
Investments in joint ventures	**15 261**	20 190	-24,4 %	17 475
Loan receivables	**19 250**	20 262	-5,0 %	20 250
Trade and other receivables	**1 133**	1 074	5,5 %	1 129
TOTAL NON-CURRENT ASSETS	**929 746**	930 716	-0,1 %	927 099
CURRENT ASSETS				
Inventories	**12 171**	10 118	20,3 %	7 841
Trade and other receivables	**138 101**	134 987	2,3 %	127 236
Income tax receivables	**11 984**	10 708	11,9 %	1 343
Derivative financial instruments	**851**	2 842	-70,1 %	2 053
Cash and cash equivalents	**5 895**	14 383	-59,0 %	4 770
TOTAL CURRENT ASSETS	**169 003**	173 038	-2,3 %	143 243
Assets held for sale	**2 271**	4 834	-53,0 %	4 369
TOTAL ASSETS	**1 101 020**	1 108 588	-0,7 %	1 074 710

EUR (1 000)	30.6. 2014	30.6. 2013	Change %	31.12. 2013
EQUITY AND LIABILITIES				
EQUITY				
Share capital	**24 835**	24 835	0,0 %	24 835
Other reserves	**321 871**	308 043	4,5 %	318 742
Fair value reserve	**119**	119	0,0 %	119
Hedging fund	**-8 563**	-6 084	-40,7 %	-6 726
Translation differences	**-8 453**	4 844		-2 288
Retained earnings	**135 788**	131 856	3,0 %	165 900
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	**465 595**	463 612	0,4 %	500 582
TOTAL EQUITY	**465 595**	463 612	0,4 %	500 582
NON-CURRENT LIABILITIES				
Interest-bearing liabilities	**324 979**	323 939	0,3 %	269 881
Derivative financial instruments	**8 299**	6 134	35,3 %	6 001
Deferred tax liabilities	**74 082**	78 538	-5,7 %	75 337
Retirement benefit obligations	**1 726**	1 667	3,5 %	1 644
Other non-current liabilities	**2 214**	4 268	-48,1 %	3 341
TOTAL NON-CURRENT LIABILITIES	**411 299**	414 546	-0,8 %	356 204
CURRENT LIABILITIES				
Interest-bearing liabilities	**95 386**	118 870	-19,8 %	99 719
Derivative financial instruments	**524**	194	170,1 %	422
Trade and other payables	**123 919**	108 207	14,5 %	112 022
Income tax liabilities	**3 169**	3 159	0,3 %	5 761
Provisions	**1 128**			
TOTAL CURRENT LIABILITIES	**224 125**	230 431	-2,7 %	217 923
TOTAL LIABILITIES	**635 424**	644 976	-1,5 %	574 127
TOTAL EQUITY AND LIABILITIES	**1 101 020**	1 108 588	-0,7 %	1 074 710

Cash flow statement

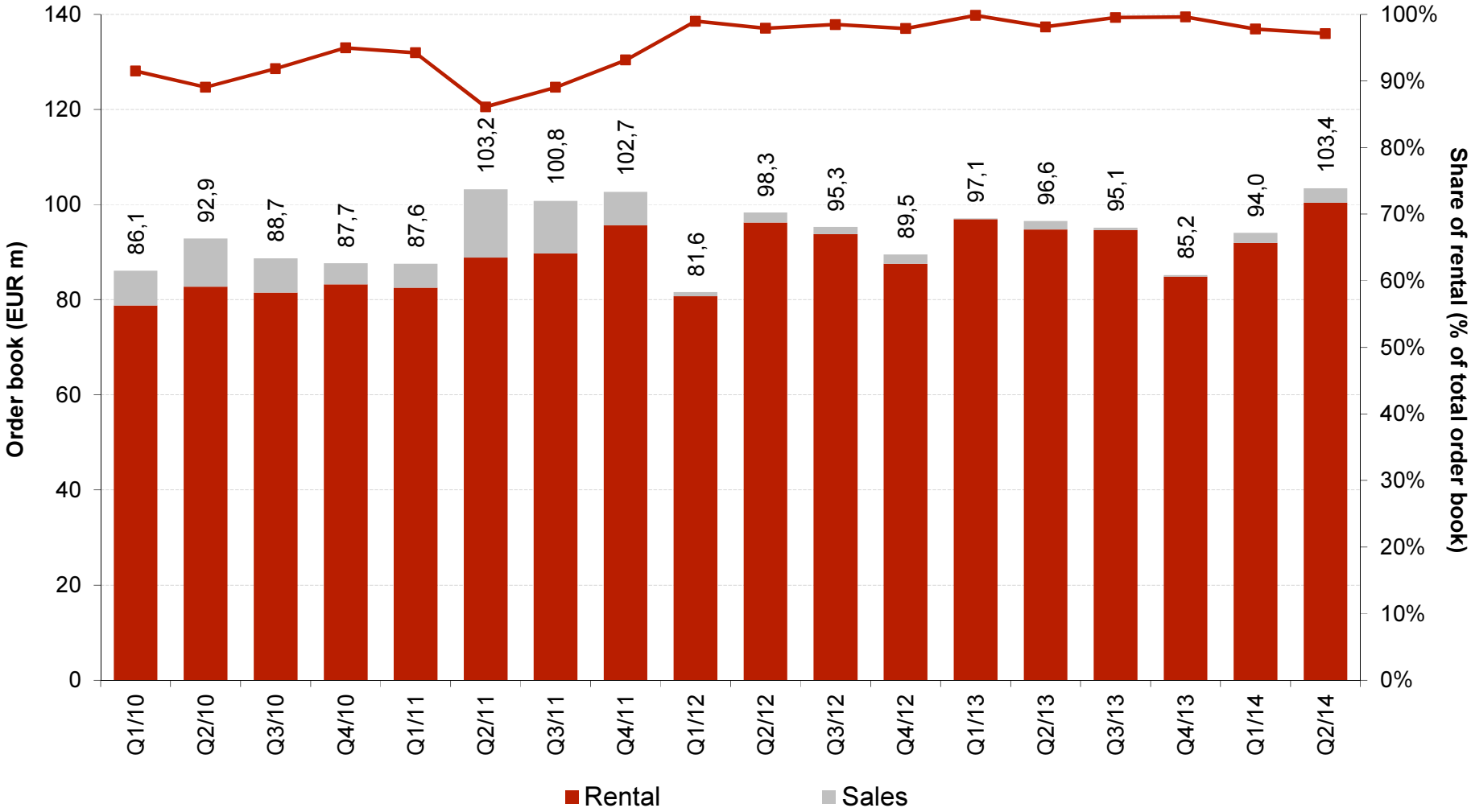
EUR (1 000)	1-6/ 2014	1-6/ 2013	1-12/ 2013
Net cash flow from operating activities	**37 256**	43 053	160 253
Net cash flow from investing activities	**-58 616**	-53 550	-109 976
Cash flow from financing activities			
Change in interest-bearing receivables	**1 007**	-9	-121
Change in finance lease liabilities	**-8 850**	-22 013	-29 755
Change in interest-bearing liabilities	**56 376**	107 214	42 492
Hybrid capital		-56 000	-56 000
Proceeds from share options exercised		3 369	6 141
Dividends paid	**-25 986**	-17 747	-17 747
Net cash flow from financing activities	**22 547**	14 814	-54 990
Change in cash and cash equivalents	**1 187**	4 317	-4 713
Cash and cash equivalents at period start	**4 770**	10 340	10 340
Translation differences	**-62**	-274	-857
Cash and cash equivalents at period end	**5 895**	14 383	4 770

Segment performance

SALES, EUR (1 000)	4-6/ 2014	4-6/ 2013	Change %	1-6/ 2014	1-6/ 2013	Change %	1-12/ 2013
Finland	**25 122**	24 651	1,9 %	**47 833**	47 646	0,4 %	102 577
Sweden	**76 846**	78 596	-2,2 %	**146 743**	151 457	-3,1 %	316 670
Norway	**19 398**	22 399	-13,4 %	**39 679**	45 425	-12,7 %	90 916
Denmark	**7 451**	6 409	16,2 %	**14 065**	14 025	0,3 %	28 512
Central Europe	**20 389**	20 461	-0,3 %	**33 527**	31 699	5,8 %	74 652
Eastern Europe	**11 940**	11 665	2,4 %	**20 922**	24 152	-13,4 %	52 826
Inter-segment sales	**-1 385**	-4 125	66,4 %	**-2 741**	-5 818	52,9 %	-8 837
Group sales	**159 761**	160 056	-0,2 %	**300 028**	308 585	-2,8 %	657 315

EBITA, EUR (1 000)	4-6/ 2014	4-6/ 2013	Change %	1-6/ 2014	1-6/ 2013	Change %	1-12/ 2013
Finland	**4 705**	3 526	33,4 %	**7 505**	5 841	28,5 %	19 312
Sweden	**11 567**	12 247	-5,6 %	**20 690**	22 209	-6,8 %	55 334
Norway	**-55**	1 523		**1 512**	2 434	-37,9 %	6 600
Denmark	**-570**	73		**-1 363**	-162	-743,3 %	30
Central Europe	**-1 238**	1 396		**-5 813**	-3 277	-77,4 %	-1 062
Eastern Europe	**1 137**	384	196,3 %	**-307**	299		8 204
Non-allocated capital gains and other income							
Non-allocated Group activities	**-3 226**	-2 680	-20,4 %	**-5 628**	-4 601	-22,3 %	-8 766
Eliminations	**150**	75	100,0 %	**238**	160	48,8 %	297
Group EBITA	**12 470**	16 544	-24,6 %	**16 834**	22 903	-26,5 %	79 948

Modular space order book



*In Q1/2010 there was an external sale of some modules and in Q1/2012 the sale of modular space production and customised modules rental businesses in Finland.