CRAMO Q4

FINANCIAL STATEMENTS BULLETIN
1-12/2012
CRAMO PLC

CRAMO'S FINANCIAL STATEMENTS BULLETIN FOR JANUARY–DECEMBER 2012

STRONG CASH FLOW, RESULT TARGETS ACHIEVED

1–12/2012 highlights (year-on-year comparison in brackets):

- Sales EUR 688.4 (679.9) million, up 1.3%. Sales growth excluding divested operations 3.3%
- EBITA EUR 78.0 (71.1) million and EBITA margin 11.3% (10.5%)
- Earnings per share EUR 0.93 (0.60)
- Return on equity (rolling 12 months) 7.5% (5.4%)
- Cash flow from operating activities EUR 146.0 (138.5) million, cash flow after investments EUR 62.2 (-55.3) million
- Gearing 65.1% (78.7%)
- The Board proposes a dividend of EUR 0.42 per share

10–12/2012 highlights:

- Sales EUR 184.6 (192.9) million, down 4.3%. Sales decrease excluding divested operations 2.0%
- EBITA EUR 21.9 (23.8) million and EBITA margin 11.9% (12.3%); EBITA excluding non-recurring items EUR 23.3 (23.8) million and EBITA margin 12.6% (12.3%)
- Earnings per share were EUR 0.34 (0.26)
- The issue of a EUR 100 million bond
- Streamlining the Danish depot network
- A decision on a joint venture with Ramirent in Russia was made during the period under review
- Business acquisitions in Norway and long-term agreements with Peab

Guidance for 2013: Referring to the market outlook, which pictures a high uncertainty in Cramo's market areas, the Board does not consider it prudent to give a guidance on Group sales either growing or declining in 2013. However, the Group's business demonstrates a good continuity over time. In 2013, already implemented and on-going efficiency measures are likely to yield an improvement in EBITA margin percentage compared with the previous year.

KEY FIGURES AND RATIOS (MEUR)	10-12/12	10-12/11	Change %	1-12/12	1-12/11	Change %
Income statement						
Sales	184.6	192.9	-4.3 %	688.4	679.9	1.3 %
EBITDA	46.2	49.6	-6.8 %	179.6	168.7	6.4 %
EBITA	21.9	23.8	-7.8 %	78.0	71.1	9.8 %
% of sales	11.9%	12.3%		11.3%	10.5%	
Operating profit / loss (EBIT)	17.3	15.3	12.9 %	64.4	54.3	18.6 %
Profit / loss before tax (EBT)	11.8	10.3	15.2 %	44.0	32.2	36.9 %
Profit / loss for the period	14.0	10.6	32.7 %	38.5	23.5	64.0 %
Share related information						
Earnings per share (EPS), EUR	0.34	0.26	30.8 %	0.93	0.60	55.0 %
Earnings per share (EPS), diluted, EUR	0.34	0.25	36.0 %	0.93	0.60	55.3 %
Shareholders' equity per share, EUR				11.58	10.83	6.9 %
Other information						
Return on investment, % 1), 2)				7.3 %	6.6 %	
Return on equity, % 1), 2)				7.5 %	5.4 %	
Equity ratio, % 1)				48.6 %	44.4 %	
Gearing, % 1)				65.1 %	78.7 %	
Net interest-bearing liabilities 1)				346.9	389.4	-10.9 %
Gross capital expenditure (incl. acquisitions)	25.6	39.2	-34.7 %	125.1	262.5	-52.4 %
of which acquisition/business combinations	0.0	1.5		0.8	115.4	-99.3 %
Cash flow after investments	37.7	32.6	15.8 %	62.2	-55.3	212.5 %
Average number of personnel (FTE)				2,664	2,580	3.3 %
Number of personnel at period end (FTE)				2,555	2,707	-5.6 %

1) Key figures have been calculated before reclassification of Russian business as assets and liabilities to be transferred to a joint venture according to IFRS 5
2) Rolling 12 months

SUMMARY OF FINANCIAL PERFORMANCE IN 2012

Cramo Group's consolidated sales for 2012 were EUR 688.4 (679.9) million, showing an increase of 1.3 per cent. In local currencies, sales declined by 1.0 per cent. In the fourth quarter, sales decreased by 4.3 per cent and were EUR 184.6 (192.9) million. In local currencies, sales decreased in the fourth quarter by 7.4 per cent. Full-year sales figures were affected by the divestment of Cramo's modular space production and customised space rental businesses in Finland at the end of March. Full-year sales growth excluding the divested businesses was 3.3 per cent. In the fourth quarter, sales excluding the divested businesses showed a decrease of 2.0 per cent.

Prolonged economic uncertainty has decreased construction activity and demand for rental services in many of Cramo's operating countries, especially during the second half of the year. Fourth-quarter sales figures were also affected by the number of working days in December, which was clearly less than in the previous year.

Full-year EBITA was EUR 78.0 (71.1) million, or 11.3 (10.5) per cent of sales. In the fourth quarter, EBITA was EUR 21.9 (23.8) million, or 11.9 (12.3) per cent of sales, and EBITA excluding non-recurring items EUR 23.3 (23.8) million, or 12.6 (12.3) per cent of sales. The fourth quarter included EUR 1.8 million of non-recurring expenses related to the streamlining of the Danish depot network, EUR 0.9 million related to the reorganisation of the German operations and adjustments in Eastern Europe and Finland, and non-recurring earnings of EUR 1.4 million related to the price adjustment of the Theisen acquisition in 2011. In addition, the fourth quarter included a EUR 1.8 million non-recurring impairment of intangible assets resulting from acquisitions in Denmark as well as non-recurring tax entries.

Full-year EBITDA was EUR 179.6 (168.7) million, or 26.1 (24.8) per cent of sales. Full-year earnings per share were EUR 0.93 (0.60) and fourth-quarter earnings per share were EUR 0.34 (0.26). The decrease in the Swedish corporate income tax rate and other non-recurring tax entries affected the fourth-quarter earnings per share. In the fourth quarter, the net effect of all non-recurring items on earnings per share was EUR 0.08 positive.

A good result was achieved in Finland, Sweden and Eastern Europe in the fourth quarter, considering the market situation. In Norway, profitability continued to develop favourably. Non-recurring expenses impaired the results of the Danish operations; however, significant adjustments are expected to improve the results in 2013. In Central Europe, changes related to the roll-out of the Cramo Rental Concept proceeded as planned.

Cash flow developed strongly throughout the year. Cash flow from operating activities was EUR 146.0 (138.5) million, gross capital expenditure was EUR 125.1 (262.5) million and net cash flow from investing activities EUR -83.8 (-193.8) million. Cash flow after investments was EUR 62.2 (-55.3) million, a clear improvement year-on-year.

The Group's gearing continued to decrease as planned and was 65.1 (78.7) per cent at the end of the year. In order to extend its funding sources and the maturity of its debt portfolio, Cramo issued a domestic senior unsecured bond of EUR 100 million in November.

After a period of strong growth, Cramo's focus in 2012 was on optimising its profitability and cash flow. Profitability and cash flow was improved, for instance, by adjusting fixed costs and capital costs and by improving operational efficiency. This work will be continued in 2013.

In September, Cramo updated its financial targets. The target is to improve profitability and enhance efficient use of capital through operational agility and excellence. Cramo aims to optimise its operations in both mature and growing markets and to grow faster than the market. Cramo's policy is to pursue stable profit distribution.

The Board proposes to convene the Annual General Meeting on Tuesday 26 March 2013. The stock exchange release on the notice to convene the Annual General Meeting was published on 8 February 2013. The Board will propose a dividend of EUR 0.42 per share to the Annual General Meeting.

MARKET OUTLOOK

The economic uncertainty in Europe still continues. In both industrial and new construction activities, investment decisions are being postponed to a later date. The growth predictions for construction activities and equipment rental were adjusted downwards during 2012 in nearly all of Cramo's market areas and market-specific differences increased.

Euroconstruct, the construction market analysts, predicted in December 2012 that construction activity in Finland and Sweden declined approximately three per cent in 2012. In addition, there was a clear decline in construction activity in the Czech Republic and Slovakia. In other markets, construction activity remained nearly at the previous year's level or increased.

Construction market forecasts for 2013 are slightly more positive. In Poland, construction market growth is

estimated to take a negative turn, and the Finnish construction market is expected to decline by approximately two per cent. However, in Denmark, Norway, Germany, Russia and the Baltic countries, the markets are expected to grow. The Swedish market is predicted to remain at the 2012 level.

The equipment rental market normally grows faster than the underlying construction market, but changes in demand follow those in construction with a small delay. In November, the European Rental Association ERA estimated that in 2013 equipment rental will grow moderately in Finland, Sweden, Norway, Denmark and Germany but will decline in Poland. According to ERA, in many countries the growth results from renovation and industrial projects. VTT Technical Research Centre of Finland predicts a decline of approximately one per cent for equipment rental in Finland.

Cramo takes a cautious approach to 2013. The equipment rental market will be challenging particularly during the first part of the year, but the economic situation in Cramo's main markets is forecasted to improve towards the end of the year.

(All construction market forecasts presented in this review are estimates by Euroconstruct, unless stated otherwise.)

GUIDANCE ON GROUP OUTLOOK

Referring to the market outlook, which pictures a high uncertainty in Cramo's market areas, the Board does not consider it prudent to give a guidance on Group sales either growing or declining in 2013. However, the Group's business demonstrates a good continuity over time.

In 2013, already implemented and on-going efficiency measures are likely to yield an improvement in EBITA margin percentage compared with the previous year.

CEO'S COMMENT

"The year 2012 started on a positive note but during the spring concern for the overall economic situation in Europe started to show.

After strong growth, we decided to focus on profitability and our ability to achieve good results. Still, our aim is to grow faster than the market, which we have succeeded in doing in several markets during the past year. In addition, our profitability and return on equity improved, although they did not yet reach the targeted level. Our cash flow was strong and gearing decreased as planned.

Considering the market situation, we can be satisfied with our results. They indicate that at Cramo we have the skills and ability required for succeeding in difficult circumstances.

The focus on ensuring profitability has meant that investments and personnel have been reduced in those markets where demand has declined most radically.

The differences in market development have been striking. In our main markets of Finland and Sweden, construction activity turned negative, whereas in Norway, Russia and Estonia it grew quite strongly.

I am especially satisfied with the good development of profitability in Finland, Norway and Eastern Europe. In Sweden, profitability also remained at a good level. In Central Europe, the theme for 2012 was still harmonisation of operations. However, we expect results in Central Europe to improve gradually. In Denmark, the significant streamlining of the cost structure offers an opportunity for profitability improvement.

When it comes to economy, construction or equipment rental, there is no strong growth in sight yet. Nevertheless, I believe that the efficiency improvements carried out in 2012 form a good foundation for succeeding in a challenging operating environment," says Vesa Koivula, President and CEO of Cramo Group.

SALES AND PROFIT

Cramo Group's consolidated sales for 2012 were EUR 688.4 (679.9) million, showing an increase of 1.3 per cent. In local currencies, sales decreased by 1.0 per cent. In the fourth quarter, sales decreased by 4.3 per cent and was EUR 184.6 (192.9) million. In local currencies, sales decreased in the fourth quarter by 7.4 per cent. Full-year sales figures were affected by the divestment of Cramo's modular space production and customised space rental businesses in Finland. Full-year sales growth excluding the businesses divested at the end of March was 3.3 per cent. In the fourth quarter, sales excluding the divested businesses showed a decrease of 2.0 per cent.

Prolonged economic uncertainty decreased construction activity and demand for rental services in many of Cramo's operating countries, especially during the second half of the year. Fourth-quarter sales figures were also affected by the number of working days in December, which was clearly less than in the previous year.

Cramo Group presents the net capital gain from the sale of used rental equipment in other operating income. The net capital gain from the sale of used rental equipment was EUR 2.9 (3.4) million during the financial year. Other operating income also includes a non-recurring net capital gain from the divestment of the modular space production

and customised modular space rental businesses in Finland, totalling EUR 2.2 million, as well as a EUR 1.4 million purchase price adjustment related to the Theisen acquisition. In addition, the fourth quarter included a EUR 1.8 million impairment of intangible assets resulting from acquisitions in Denmark as well as non-recurring tax entries.

Full-year EBITA was EUR 78.0 (71.1) million, or 11.3 (10.5) per cent of sales. In the fourth quarter, EBITA was EUR 21.9 (23.8) million, or 11.9 (12.3) per cent of sales, and EBITA excluding non-recurring items EUR 23.3 million, or 12.6 per cent of sales. The fourth quarter included EUR 1.8 million of non-recurring expenses related to the streamlining of the Danish depot network, EUR 1.0 million related to the reorganisation of the German operations and adjustments in Eastern Europe and Finland, and non-recurring earnings of EUR 1.4 million related to the price adjustment of the Theisen acquisition in 2011. Towards the end of the year, the Danish depot network was streamlined from 18 to 7 depots in line with Cramo's "Best in town" strategy.

Full-year EBITDA was EUR 179.6 (168.7) million, or 26.1 (24.8) per cent of sales.

A good result was achieved in Finland, Sweden and Eastern Europe in the fourth quarter, considering the market situation. In Norway, profitability continued to develop favourably. Non-recurring expenses impaired the results of the Danish operations; however, significant adjustments are expected to improve the results in 2013. In Central Europe, the roll-out of the Cramo Rental Concept proceeded as planned.

EBIT for 2012 was EUR 64.4 (54.3) million, or 9.4 (8.0) per cent of sales. Profit before taxes was EUR 44.0 (32.2) million and profit for the period EUR 38.5 (23.5) million.

The Group's credit losses and credit loss provisions in 2012 were EUR 6.0 (5.6) million. The result includes impairment losses on fleet totalling EUR 2.1 (1.1) million.

Expenses associated with share-based payments totalled EUR 2.6 (2.8) million.

Net finance costs in 2012 were EUR -20.4 (-22.2) million.

Earnings per share were EUR 0.93 (0.60) and diluted earnings per share were EUR 0.93 (0.60). In the fourth quarter, earnings per share were EUR 0.34 (0.26) and diluted earnings per share were EUR 0.34 (0.25). The decrease in the Swedish corporate income tax rate from 26.3 per cent to 22 percent contributed to the growth of fourth-quarter earnings per share. This change came into force on 1 January 2013 but it already decreased deferred taxes in the fourth quarter of 2012. In the fourth quarter, the net effect of all non-recurring items on earnings per share was EUR 0.08 positive.

Return on investment (rolling 12 months) was 7.3 (6.6) per cent and return on equity (rolling 12 months) 7.5 (5.4) per cent.

CAPITAL EXPENDITURE AND DEPRECIATION/ AMORTISATION

Gross capital expenditure for 2012 was EUR 125.1 (262.5) million, of which EUR 0.8 (115.4) million relates to acquisitions and business combinations. The investment level was decreased as planned.

Reported depreciation on equipment and intangible assets was EUR 101.6 (97.6) million.

During the financial year, amortization and impairment of intangible assets resulting from acquisitions totalled EUR 13.6 (16.8) million.

At the end of the financial year, goodwill totalled EUR 169.7 (165.3) million.

FINANCIAL POSITION AND BALANCE SHEET

In 2012, cash flow from operating activities was EUR 146.0 (138.5) million. Cash flow from investing activities was EUR -83.8 (-193.8) million and cash flow from financing activities EUR 73.2 (55.8) million. The Group's cash flow after investments was EUR 62.2 (-55.3) million.

At the end of the period, the Group's balance sheet included EUR 33.9 (6.7) million of assets available for sale, which includes net assets worth EUR 27,4 million related to operations in Russia to be transferred to a joint venture.

On 31 December 2012, Cramo Group's net interest-bearing liabilities totalled EUR 346.9 (389.4) million. At the end of the financial year, gearing was 65.1 (78.7) per cent.

Of the Group's variable rate loans, EUR 91.0 (181.6) million were hedged by way of interest rate swaps on 31 December 2012. Hedge accounting is applied to EUR 91.0 (145.2) million of these interest rate hedges. On 31 December 2012, Cramo Group had undrawn committed credit facilities (excluding leasing facilities) totalling EUR 230.8 (166.2) million, of which non-current facilities represented EUR 200.0 (143.0) million and current facilities EUR 30.8 (23.2) million.

At the end of the period under review, property, plant and equipment amounted to EUR 615.0 (622.2) million of the balance sheet total. The balance sheet total on 31

December was EUR 1,108.1 (1,126.8) million. The equity ratio was 48.6 (44.4) per cent.

Rental liabilities associated with off-balance sheet operational leasing agreements totalled EUR 36.1 (45.1) million on 31 December 2012. Off-balance sheet liabilities for office and depot rents totalled EUR 116.7 (130.9) million. The off-balance sheet interest liability associated with the Group's hybrid bond totalled EUR 4.0 (4.0) million at the end of the financial year. The Group's investment commitments amounted to EUR 12.2 (10.4) million, the majority of which is related to the acquisition of modular space.

On 16 November 2012, Cramo Plc announced that it would issue a domestic senior unsecured bond of EUR 100 million. The more than five-year bond matures on 23 February 2018 and it carries a fixed annual interest at a rate of 4.50 per cent. The offering was oversubscribed and it was allocated to approximately 50 investors. Trading in the bond began on NASDAQ OMX Helsinki Ltd on 27 November 2012. The bond extends Cramo's funding sources and the maturity of Cramo's debt portfolio. The proceeds from the bond offering will be used to repay existing debt and for general corporate purposes.

GROUP STRUCTURE

Cramo Plc is a service company specialising in equipment rental services, as well as the rental of modular space. Its equipment rental services comprise construction machinery and equipment rentals and rental-related services. These rental-related services include construction site and installation services. Cramo Plc is one of the industry's leading service providers in the Nordic countries and Central and Eastern Europe.

At the end of the financial year, Cramo Group consisted of the parent company Cramo Plc, which provides group-level services, and, as operating companies, its wholly-owned subsidiaries in Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Russia, Germany, Austria and Hungary. Cramo Plc also owns a financing company in Belgium, a company in Sweden which offers group-level services and Cramo Management Oy, which owns 316,288 Cramo Plc shares.

At the end of the year, equipment rental services were provided through a network of 376 (409) depots. A total of 69 (75) of these were entrepreneur-managed.

STRATEGIC TARGETS

On 11 September 2012, Cramo published its long-term strategic cornerstones and financial targets. Cramo's strategic cornerstones include being the customer's first choice, being "Best in town" in rental business, acting as a driver in rental development and operational agility. Another cornerstone is combining the operational models and best practices of mature and growth markets.

Cramo's long-term financial targets are as follows: EBITA margin above 15 per cent of sales over a business cycle, a maximum gearing of 100 per cent, a faster growth of sales than that of the market and return on equity higher than 12 per cent over a business cycle. In profit distribution, the target is to follow stable profit distribution policy and to pay approximately 40 per cent of earnings per share (EPS) of a period as dividends.

Achieving the targets requires the roll-out of a uniform Cramo Rental Concept and harmonised key processes in all markets, as well as expanding the modular space business outside Finland and Sweden more strongly than before.

BUSINESS DEVELOPMENT

In the first quarter of the year, Cramo sold its modular space production in Finland and Cramo Finland Oy's customised modular space rental businesses to MB Funds. The transaction came into effect on 30 March 2012. The sales of the production business in 2011 were approximately EUR 26 million and the sales of the customised modular space rental business were approximately EUR 5 million. According to its strategy, Cramo continues the standardised modular space rental business and its expansion in the Nordic countries as well as Central and Eastern Europe.

During the second quarter, Cramo closed its three Swiss depots and strengthened its position in Sweden by acquiring the rental fleet and brand of Maskincity i Oskarshamn AB. The sales forecast for the company for 2012 was approximately EUR 0.8 million. The agreement came into force on 1 July 2012.

In December, Cramo agreed to acquire all rental business operations of Lambertsson AS and Kranpunkten AS in Norway. The transaction was closed after the period under review, on 1 February 2013. The combined annual sales of the acquired operations are approximately EUR 17,0 million. This transaction will also strengthen Cramo's cooperation with Peab in Norway, Finland and Sweden.

The responsibility of Cramo's operations received acknowledgement when the activities in Sweden were granted the OHSAS 18001 certificate for occupational health and safety management systems and the activities in Finland received the ISO 14001 environmental certification.

In 2012, the implementation of the new group-wide enterprise resource planning and reporting system proceeded to Norway. The system is already in use in Finland and Sweden, and the next location where it will be implemented is Germany.

In the harmonisation of the Group's financial steering, a new depot-level Performance Management model was implemented. In 2012, the model was rolled out in Finland, Norway and Germany. In 2013, the implementation will be continued in other Cramo countries.

MANAGEMENT TEAM

At the end of the financial year, Cramo Group's Executive Committee was composed of the following persons: Mr Vesa Koivula, President and CEO of Cramo Group; Mr Göran Carlson, Deputy CEO, with added responsibility for the Group's operations in Denmark, Poland, the Czech Republic and Slovakia; and Mr Martti Ala-Härkönen, CFO, with added responsibility for the Group's business development, legal function and human resource development. The other members of the Group Management Team at the end of the financial year were: Mr Tatu Hauhio, Senior Vice President, Finland; Mr Erik Bengtsson, Senior Vice President, Sweden; Mr Jarmo Laasanen, Senior Vice President, Baltic countries and Russia; Mr Dirk Schlitzkus, Senior Vice President, Central Europe; Mr Martin Holmgren, Vice President, Fleet Management/Equipment Rental; and Mr Per Lundquist, Vice President, CIO.

In December, Mr Göran Carlson, Deputy CEO, announced that he has accepted a position outside the Cramo Group and will resign. He will leave the company during spring 2013. In spring 2012, Mr Finn Løkken, Managing Director of Cramo Norway and member of the Cramo Group Management Team, accepted a position outside Cramo Group. In addition, Mr Ossi Alastalo left the Group in the spring as a result of the modular space sales agreement.

HUMAN RESOURCES

During the period under review, Group staff averaged 2,664 (2,580). In addition, the Group employed some 167 (228) persons as work force hired from a staffing service. At the end of the period, Group staff numbered 2,555 (2,707) as full time equivalent (FTE).

During the financial year, personnel reductions were carried out in Finland, Denmark, Poland, the Czech Republic and Slovakia.

Cramo Group's flexible operational model includes the utilisation of not only permanent personnel but also work force hired from a staffing service. The proportion of permanent personnel to work force hired from a staffing service as well as their numbers are constantly adjusted on the basis of the market situation.

The geographical distribution of personnel at the end of the period was as follows: 453 (648) of personnel in Finland, 832 (830) in Sweden, 223 (221) in Norway, 97 (124) in Denmark, 327 (295) in Central Europe and 623 (589) in Eastern Europe.

In personnel development, training and career development models were harmonised.

PERFORMANCE BY BUSINESS SEGMENT

Cramo Group's business segments consist of Finland, Sweden, Norway, Denmark, Central Europe (which includes Germany, Austria and Hungary) and Eastern Europe (which includes Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and Russia). In addition to segment information, Cramo also reports on the order book value for modular space.

Finland generated 16.2 (18.5) per cent of the total consolidated sales for 2012 (excluding elimination of inter-segment sales), Sweden 46.4 (44.9) per cent, Norway 12.1 (11.5) per cent, Denmark 5.4 (5.1) per cent, Central Europe 9.6 (10.3) per cent and Eastern Europe 10.1 (9.7) per cent. The Central European business segment consisting of Theisen Group became part of Cramo Group on 1 February 2011.

Finland

Finland (EUR 1,000)	10-12/12	10-12/11	Change %	1-12/12	1-12/11	Change %
Sales	28,576	34,036	-16.0 %	112,666	127,565	-11.7 %
EBITA	6,530	6,147	6.2 %	20,975	20,238	3.6 %
EBITA-%	22.9 %	18.1 %		18.6 %	15.9 %	
No of employees (FTE)				428	623	-31.3 %
No of depots				55	55	0.0 %

Cramo is the second largest equipment rental company in Finland. In addition to two strong players, there are several small equipment rental entrepreneurs on the Finnish market. Both Euroconstruct and the Confederation of Finnish Construction Industries RT estimate that construction activity declined by some three per cent in Finland in 2012. Most of this decline took place in residential construction. However, construction activity in renovation projects has increased. According to the estimate by the European Rental Association ERA, in 2012 the equipment rental market in Finland remained at the previous year's level.

The Finnish operations reported sales of EUR 112.7 (127.6) million in 2012. Fourth-quarter sales were EUR 28.6 (34.0) million. Sales decreased as a result of weakening demand in construction and of the divestment of Cramo's modular space production and customised space rental businesses at the end of March. The capital gain from the divestment is presented in the Group's non-allocated capital gains and has no impact on the profit of the Finnish operations.

EBITA was EUR 21.0 (20.2) million, or 18.6 (15.9) per cent of sales. Fourth-quarter EBITA was EUR 6.5 (6.1) million, or 22.9 (18.1) per cent of sales. The fourth quarter result includes EUR 0.2 million of non-recurring costs related to restructuring.

Despite the decrease in sales, relative profitability improved year-on-year, thanks to cost adjustments and efficiency improvements. Operations were developed by improving processes, implementing the Performance Management model at the depot level and expanding the product and service offering in standardised modular space, for instance.

In addition, the fact that average rental periods have become shorter also had an impact on sales. In industrial investments, demand has been good in the energy and mining sectors. Demand for standardised modular space continued at a high level throughout the year.

During the fourth quarter, Cramo and the resource management company Enersense signed a cooperation agreement on the delivery of complete rental solutions for accommodation and offices as well as construction equipment to companies in the building of large-scale power plants. Other significant customer deliveries in 2012 included the largest temporary school facilities entity in Finland delivered to the City of Lahti in the summer and the fleet management agreement signed with Metso Corporation.

According to a forecast published by Euroconstruct, the Finnish construction market will decline by slightly over 2 per cent in 2013. Equipment rental is expected to grow moderately. The number of Cramo depots at the end of the period under review was 55 (55). Cramo's target in Finland is to continue profitable growth and to increase its market share, both in the construction industry and in the industrial maintenance sector.

Sweden

Sweden (EUR 1,000)	10-12/12	10-12/11	Change %	1-12/12	1-12/11	Change %
Sales	88,109	89,380	-1.4 %	322,359	308,949	4.3 %
EBITA	16,157	17,964	-10.1 %	57,578	58,047	-0.8 %
EBITA-%	18.3 %	20.1 %		17.9 %	18.8 %	
No of employees (FTE)				793	791	0.3 %
No of depots				124	128	-3.1 %

Cramo is the clear market leader in the Swedish equipment rental business. In Sweden, equipment rental services are provided by five major companies. In addition, there are numerous small players in the industry.

According to the estimate published by Euroconstruct in December, construction activity in Sweden decreased by slightly over two per cent in 2012. The most evident decrease occurred in new residential construction. However, the Swedish Construction Federation (Svensk Byggindustrier) estimated that construction activity increased by 2.5 per cent.

Cramo's operations in Sweden reported sales of EUR 322.4 (308.9) million. Sales showed an increase of 4.3 per cent. In the local currency, growth was 0.6 per cent. In the fourth quarter, sales decreased by 1.4 per cent and were EUR 88.1 (89.4) million. In local currencies, sales decreased in the fourth quarter by 6.3 per cent.

Full-year EBITA remained nearly at the previous year's level and was EUR 57.6 (58.0) million, or 17.9 (18.8) per cent of sales. Fourth-quarter EBITA was EUR 16.2 (18.0) million, or 18.3 (20.1) per cent of sales.

Demand has remained at a good level in the Stockholm area and in Northern Sweden in particular due to investments made by the mining sector. Nevertheless, rental periods have become shorter as customers have optimised their operations. In the second quarter, Cramo initiated cost reductions and other efficiency improvements, the impact of which started to show during the second half of the year. The impact on personnel reductions will be fully visible from the beginning of 2013.

A LEAN system was rolled out for improving operations, with the aim of continuous efficiency improvements in daily operations at depots.

During the second quarter, Cramo acquired the rental fleet and brand of Maskincity i Oskarshamn AB, and the transaction came into force on 1 July 2012. The sales forecast for the company for 2012 is approximately EUR 0.8 million.

Among the most significant new agreements for 2012 were the equipment rental agreements in power plant projects in Växjö and Malmö.

Both Euroconstruct and the Swedish Construction Federation predict that in 2013 the overall construction market will remain at the previous year's level. ERA predicts growth of some 3 per cent for equipment rental.

At the end of the period, Cramo had 124 (128) depots in Sweden. Cramo's targets in Sweden are the improvement of efficiency and profitability in particular, as well as achieving the "Best in town" position in all areas.

Norway

Norway (EUR 1,000)	10-12/12	10-12/11	Change %	1-12/12	1-12/11	Change %
Sales	23,384	20,996	11.4 %	84,167	79,265	6.2 %
EBITA	1,790	588	204.4 %	5,276	857	515.6 %
EBITA-%	7.7 %	2.8 %		6.3 %	1.1 %	
No of employees (FTE)				223	221	0.9 %
No of depots				31	34	-8.8 %

In Norway, equipment rental services are provided by two major companies. In addition, there are several small players in the industry. According to Cramo's estimate, it is the second largest equipment rental service provider in Norway.

Euroconstruct estimates that construction activity in Norway increased by nearly five per cent in 2012, and the European Rental Association ERA estimates that equipment rental grew by nine per cent. The good market situation has attracted new construction companies from abroad to the market.

The Norwegian operations reported sales of EUR 84.2 (79.3) million, up 6.2 per cent. In the local currency, the change was 1.8 per cent. During the fourth quarter, sales increased by 11.4 per cent, totalling EUR 23.4 (21.0) million. In local currencies, sales growth was 5.9 per cent.

Profitability continued to develop favourably. Full-year EBITA was EUR 5.3 (0.9) million, or 6.3 (1.1) per cent of sales. Fourth-quarter EBITA was EUR 1.8 (0.6) million, or 7.7 (2.8) per cent of sales. Profitability improved thanks to the adjustment plan, initiated last year, efficiency improvements in processes and the improved market situation. Restructuring in modular space also improved profitability. Reformation is expected to further improve profitability in 2013.

In December, Cramo agreed to acquire all rental business operations of Lambertsson AS and Kranpunkten AS in Norway. These transactions consist of outsourcing rental fleet and personnel to Cramo and long-term delivery agreements with Peab Group in Norway. The transaction was closed after the period under review, on 1 February 2013. The combined annual sales of the acquired operations are about EUR 17 million. Lambertsson, owned by Peab Norge AS, is one of the largest equipment rental companies in Norway and focuses primarily on site huts, tools and machinery and equipment needed for temporary electrical installations. Kranpunkten is a leading company in access equipment rental and, in addition to Peab, it serves a wide range of customers. Both business transactions strengthen Cramo's cooperation with Peab and increase Cramo's market share in Norway.

In the construction industry, significant customer agreements signed during the year include agreements with AF Gruppen ASA and Mesta ASA.

The market outlook in Norway is positive. Euroconstruct estimates that construction activity in Norway will grow by more than 5 per cent in 2013. Strong construction activity is expected to continue in the oil and gas industry. Residential construction and civil engineering are also expected to grow. ERA predicts growth of some 4 per cent for equipment rental.

At the end of the period under review, Cramo had 31 (34) depots in Norway. Cramo's strategic targets are to improve its profitability, be the "Best in town" and achieve growth both organically and through outsourcing and acquisitions.

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Denmark

Denmark (EUR 1,000)	10-12/12	10-12/11	Change %	1-12/12	1-12/11	Change %
Sales	8,965	11,253	-20.3 %	37,684	34,965	7.8 %
EBITA	-3,607	-147		-5,022	-2,132	
EBITA-%	-40.2 %	-1.3 %		-13.3 %	-6.1 %	
No of employees (FTE)				97	124	-21.9 %
No of depots				7	20	-65.0 %

The Danish equipment rental market is highly fragmented. According to Cramo's estimate, it is the second largest player in the industry.

Euroconstruct estimates that construction activity in Denmark increased by approximately 0.5 per cent in 2012. The equipment rental market is also estimated to have remained at the previous year's level (ERA). Industrial construction investments remained at a good level but residential construction and civil engineering declined towards the end of the year.

The Danish operations reported sales of EUR 37.7 (35.0) million, an increase of 7.8 per cent. Fourth-quarter sales decreased and were EUR 9.0 (11.3) million. In the comparison period, fourth-quarter sales included exceptionally large modular space deliveries. Full-year sales increased in particular as a result of significant modular space sales and long-term rental agreements signed with the Copenhagen metro project. During the fourth quarter, a long-term equipment rental agreement was signed with the civil engineering company MSE A/S. These equipment rental activities will begin in 2013.

Full-year EBITA was EUR -5.0 (-2.1) million, or -13.3 (-6.1) per cent of sales. Fourth-quarter EBITA was EUR -3.6 (-0.1) million, or -40.2 (-1.3) per cent of sales. This includes EUR 2.1 million of non-recurring expenses related to the closing of depots and other adjustments. Of these, EUR 1.8 million falls to the fourth quarter.

In Denmark, the market situation has been difficult for years. During the fourth quarter, Cramo decided to streamline its Danish depot network from 18 to 7 depots in line with Cramo's "Best in town" strategy. The aim is to improve profitability by concentrating depots to those large towns where Cramo already has a strong position in the market and by strengthening modular space business. The streamlining of the depot network was completed by the end of the year, and related expenses are included in the 2012 result. Cramo believes that the decrease in the number of depots will not substantially reduce sales in 2013 but will clearly improve profitability. The streamlining of the network has no impact on Cramo's current customer relationships.

According to Euroconstruct's estimate, construction activity will increase by approximately two per cent in 2013. Equipment rental is estimated to grow slightly.

At the end of the year, Cramo had 7 (20) depots in Denmark.

Cramo's key objectives in Denmark are to increase profitability and to achieve the "Best in town" position in selected areas. The Group will seek growth in the modular space business in particular.

Central Europe

Central Europe (EUR 1,000)	10-12/12	10-12/11	Change %	1-12/12	1-12/11	Change %
Sales	16,981	19,700	-13.8 %	66,973	71,213	-6.0 %
EBITA	826	326	153.4 %	-236	3,708	
EBITA-%	4.9 %	1.7 %		-0.4 %	5.2 %	
No of employees (FTE)				327	295	10.8 %
No of depots				88	96	-8.3 %

At the end of the period under review, Cramo Group's equipment rental business sales in Central Europe came from the German and Austrian markets. There is also one depot in Hungary. There are several small regional players operating on the German equipment rental market. Cramo estimates that it is the third largest company in the industry in Germany.

According to Euroconstruct's forecast, construction activity in Germany remained nearly at the previous year's level. The equipment rental market is estimated to have increased by approximately four per cent (ERA).

In 2012, the Central European operations reported sales of EUR 67.0 (71.2) million, down 6.0 per cent. Fourth-quarter sales decreased by 13.8 per cent and were EUR 17.0 (19.7) million. Economic uncertainty has decreased the demand for civil engineering services in particular, i.e. the area on which Cramo's product and service portfolio is currently focused.

EBITA decreased and was EUR -0.2 (3.7) million, or -0.4 (5.2) per cent of sales. The result was impaired by weak demand resulting from economic uncertainty as well as the exceptionally cold early winter. As the business segment was established on 1 February 2011, comparison period data could be obtained only for eleven months.

Fourth-quarter EBITA was EUR 0.8 (0.3) million, or 4.9 (1.7) per cent of sales. The fourth quarter included non-recurring earnings of EUR 1.4 million related to the price adjustment of the Theisen acquisition in 2011 and EUR 0.4 million of non-recurring expenses related to the restructuring of operations.

Cramo will modify its operations throughout Central Europe according to the Cramo Rental Concept and centralise its operations according to its "Best in town" strategy. This includes closing several small depots, opening new depots in selected areas, reshaping the product and service offering, developing fleet optimisation and harmonisation of reporting and monitoring. These changes will have an adverse effect on both sales and profitability during the transition period. In 2012, the non-recurring costs of the transition program were approximately EUR 1.0 million. In the third quarter, the German organisation was merged into one company. The roll-out of the Cramo Rental Concept has proceeded as planned. The Group terminated its operations in Switzerland during the second quarter.

The roll-out of the Cramo Rental Concept will be continued in 2013.

According to Euroconstruct's forecast, construction activity in Germany will take an upwards turn and increase by 2.5 per cent in 2013. ERA estimates that the equipment rental market will grow by 3 per cent.

At the end of the period, the number of Cramo depots in Central Europe was 88 (96). Cramo's strategic target in Central Europe is to expand its product and service offering in stages, according to the Cramo Concept, as well as to improve profitability.

Eastern Europe

Eastern Europe (EUR 1,000)	10-12/12	10-12/11	Change %	1-12/12	1-12/11	Change %
Sales	19,916	19,453	2.4 %	70,263	66,575	5.5 %
EBITA	3,191	2,880	10.8 %	6,722	1,708	293.6 %
EBITA-%	16.0 %	14.8 %		9.6 %	2.6 %	
No of employees (FTE)				623	589	5.7 %
No of depots				71	76	-6.6 %

Cramo Group's equipment rental business sales in Eastern Europe come from Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and Russia.

In their forecast in December, Euroconstruct estimated that in 2012 construction activities grew by more than 20 per cent in Estonia, by three per cent in Russia and by almost two per cent in Poland. Construction activity also increased in Lithuania and Latvia, whereas in the Czech Republic and Slovakia, it declined radically.

Cramo's operations in Eastern Europe reported sales of EUR 70.3 (66.6) million, an increase of 5.5 per cent. In local currencies, the change in sales was 5.2 per cent. Fourth-quarter sales increased by 2.4 per cent, totalling EUR 19.9 (19.5) million. In local currencies, fourth-quarter sales decreased by 0.2 per cent.

Full-year EBITA improved and was EUR 6.7 (1.7) million, or 9.6 (2.6) per cent of sales. EBITA also developed favourably in the fourth quarter and was EUR 3.2 (2.9) million, or 16.0 (14.8) per cent of sales. The improvements in profitability were due to adjustments made earlier and good demand particularly in Estonia and Russia. During the second half of the year, Cramo made significant adjustments to its operations in Poland, the Czech Republic and Slovakia in order to respond to the weakening market situation. Non-recurring expenses related to these adjustments are included in the 2012 result. In the fourth quarter, non-recurring expenses totalled approximately EUR 0.4 million.

In Russia, Cramo focuses on the Saint Petersburg area, Moscow and Kaluga, and business in these areas developed favourably. Residential construction is expected to continue growing in Russia. The need for new apartments is intensified by heavy migration flows within the country and the deterioration of existing housing stock. Expected growth is supported by improved granting of loans. Modular space rental has also increased strongly and the growth opportunities in modular space business are good. In 2013, construction activity in Russia is expected to increase by some four per cent.

In October, Cramo and Ramirent signed an agreement on forming a joint venture for their Russian and Ukrainian operations (excluding Cramo's operations in Kaliningrad).. Each party will own 50 per cent of the joint venture. The merger of operations is expected to come into force during the first quarter of 2013. Income from the joint venture will be accounted under the equity method and will be presented above EBITA, and Cramo will continue to report it as part of the Eastern Europe business segment. In 2012, the consolidated combined net sales of the joint venture amounts to approximately EUR 52 million and an EBITDA of circa 35 per cent of sales. In 2012, sales from Cramo's Russian operations were approximately EUR 19 million. With the joint venture, sales from the Russian operations will no longer be included in the sales of Cramo Group. The joint venture has 22 depots and approximately 400 employees.

In Estonia, the growth of construction activity was driven by energy and infrastructure investments and renovation projects in particular. However, renovation is forecasted to decline in 2013 and, as a result, growth in construction activity is estimated to remain at approximately two per cent. In Latvia and Lithuania, construction activity is predicted to increase by 3-4 per cent.

In Poland, construction activity is forecasted to take a downwards turn in 2013 as especially civil engineering declines and is predicted to decrease by more than three per cent. According to ERA's estimate, equipment rental sales in Poland will also decrease by approximately four per cent. Construction activities are predicted to decrease by some two per cent in the Czech Republic and by approximately one per cent in Slovakia.

Cramo's strategic target in Eastern Europe is to grow profitably at a faster rate than the overall market and to be the "Best in town" rental service provider in each market.

At the end of the period, the number of depots in Eastern Europe was 71 (76).

SHARES AND SHARE CAPITAL

On 31 December 2012, Cramo Plc's share capital as registered in the Finnish Trade Register was EUR 24,834,753.09 and the number of shares was 42,024,675. Cramo Plc holds 316,288 of these shares through its subsidiary, Cramo Management Oy.

As a result of option programme 2006C, the number of Cramo Plc shares increased by a total of 585,589 new shares during 2012. A total of 265,360 shares were subscribed with stock option rights 2006C in the fourth quarter. Of these, 7,900 shares were registered in the Trade Register on 22 October 2012 and 257,560 shares on 21 December 2012. In the third quarter, a total of 45,266 shares were subscribed for with stock option rights 2006C. In the second quarter, the corresponding figure was 152,308 shares, and in the first quarter, 120,055 shares. The subscription prices have been marked under the invested unrestricted equity fund.

On 14 September 2012, Cramo announced that it applied for listing of stock options 2009 on NASDAQ OMX Helsinki as of 1 October 2012. A total of 1,000,000 stock options 2009 were issued. At the end of 2012, 816,500 of these stock options were held by 87 key employees and 183,500 by a wholly-owned subsidiary of Cramo Plc. The share subscription period commenced on 1 October 2012 and will end on 31 December 2013. Each stock option 2009 entitles its holder to subscribe for 1.3 Cramo Plc's shares. The subscription price is EUR 10.55 when dividends distributed in 2009–2011 have been taken into account. The amount of any dividends decided before share subscription will be deducted from the subscription price.

CURRENT OPTION PROGRAMMES AND INCENTIVE SCHEMES

On 31 December 2012, Cramo Group had granted to the key personnel a total of 816,500 stock options 2009, 889,500 stock options 2010 and 928,000 stock options 2011. Additionally, on 31 December 2012 a total of 428,046 stock options 2006C were outstanding, whose subscription period ended on 31 January 2013.

The share-specific subscription price after dividends distributed in 2012 (EUR 0.30) is as follows: for stock options 2006C, EUR 6.17; for stock options 2009, EUR 10.55; for stock options 2010, EUR 13.42; and for stock options 2011, EUR 7.00. In the 2006, 2009 and 2010 option programmes each stock option entitles the holder to subscribe for 1.3 new Cramo Plc shares. In the 2011 option programme each stock option entitles the holder to subscribe for one new share.

In May, the Board of Directors decided on a new incentive scheme for the Group's permanent employees. The incentive scheme is an employee share savings plan (ESSP), in which employees are offered an opportunity to save a maximum of 5 per cent of their salary and the accumulated savings are used for share purchases. The plan was joined by 520 employees, approximately 22 per cent of the Group's permanent personnel. The savings period began on 1 October 2012 and terminates on 30 September 2013. A person participating in the plan acquires one additional share for free for every two savings shares purchased. Shares will be acquired with accrued savings at market price once a quarter after the release date of Cramo's Interim Reports.

In addition, the Board of Directors of Cramo Plc decided on a share-based incentive plan for the Group's key employees in May. The new Performance Share Plan consists of three discretionary periods, the calendar years 2012, 2013 and 2014. The reward from the Plan for the discretionary period 2012 will be based on Cramo Group's earnings per share (EPS) key indicator and the potential reward will be paid in spring 2015 and consists partly of company shares and partly of money. The total value of the rewards based on the first discretionary period will be worth approximately 50,000 shares of Cramo Plc.

TRADING ON NASDAQ OMX HELSINKI

Cramo Plc has been listed on the Helsinki Stock Exchange since 1988. The share code is CRA1V. On the Nordic list, Cramo Plc is classified as a Mid Cap company in the industrials sector.

In the financial year from 1 January to 31 December 2012, the lowest trading price for Cramo Plc stock was EUR 7.04 and the highest was EUR 13.03. The trading-weighted average share price for Cramo Plc stock was EUR 9.77. The closing price for the share on 31 December 2012 was EUR 7.92 and the company's market value was EUR 332.8 million.

ANNUAL GENERAL MEETING 2012 AND BOARD AUTHORISATIONS

Cramo Plc's Annual General Meeting was held in Helsinki on 23 March 2012. The Annual General Meeting adopted the consolidated financial statements and the parent company's financial statements for the financial year 2011 and discharged the members of the Board of Directors and the President and CEO from liability. The Annual General Meeting decided, as proposed by the Board of Directors, that a dividend of EUR 0.30 per share be paid from the distributable funds.

Mr Stig Gustavson, Mr Eino Halonen, Mr Jari Lainio, Mr Esko Mäkelä, Mr Victor Hartwall, Mr J.T. Bergqvist and Ms Helene Biström were re-elected as Board members.

The Annual General Meeting confirmed the remuneration payable to the chairman of the Board of Directors as EUR 70,000, to the deputy chairman as EUR 45,000 and to the other members of the Board as EUR 35,000 per annum. It was further resolved that 50 per cent of the annual remuneration will be paid in Cramo Plc shares purchased on the market on behalf of the Board members. In addition, it was decided that all Board members are entitled to a compensation of EUR 1,000 per attended Board committee meeting. Reasonable travel expenses will be refunded.

Ernst & Young Oy, a firm of authorised public accountants, was appointed as Cramo Plc's auditor, with Mr Erkka Talvinko as the responsible auditor.

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of the company's own shares and/or their acceptance as pledge. The number of own shares to be acquired and/or accepted as pledge shall not exceed 4,100,000 shares in total. Own shares may only be acquired using the company's unrestricted equity and at a price formed in public trading on the date of the repurchase or otherwise formed on the market. Own shares can be acquired otherwise than in proportion to the shareholdings of the shareholders. No more than 400,000 shares acquired by the company under this authorisation may be used in the company's incentive schemes. The authorisation is effective until the close of the next Annual General Meeting of Shareholders, or no later than 23 September 2013.

The Annual General Meeting authorised the Board of Directors to decide on a share issue which includes the right to decide on the transfer of the company's own shares, as well as on the granting of option rights and other special rights entitling to shares, pursuant to Chapter 10 of the Finnish Limited Liability Companies Act, as follows: The shares issued will be new shares of the company, and a maximum of 4,100,000 shares may be issued. These shares cannot be used for incentive schemes. The authorisation is valid for five years from the decision of the Annual General Meeting.

The Annual General Meeting authorised the Board of Directors to decide on donations in the total maximum amount of EUR 20,000 for charitable or corresponding purposes, and on the donation recipients, purposes of use and other terms of the donations. The authorisation is effective until the close of the next Annual General Meeting of Shareholders.

CHANGES IN SHAREHOLDINGS

During the financial year, the company did not receive any notifications about changes in shareholdings as defined in Chapter 2 Section 9 of the Securities Market Act.

CORPORATE GOVERNANCE AND AUDITORS

At the end of the financial year, Cramo Plc's Board of Directors was composed of Mr Stig Gustavson, Mr Eino Halonen, Mr Jari Lainio, Mr Esko Mäkelä, Mr Victor Hartwall, Mr J.T. Bergqvist and Ms Helene Biström were re-elected as Board members. The Audit Committee members were Mr Eino Halonen (Chairman), Mr J.T. Bergqvist and Mr Esko Mäkelä. The members of the Nomination and Compensation Committee were Mr Stig Gustavson (Chairman), Ms Helene Biström, Mr Victor Hartwall and Mr Jari Lainio.

Until the Annual General Meeting held on 23 March 2012, Cramo Plc's Board of Directors consisted of the persons mentioned above.

On 31 December 2012, the Board members, the President and CEO and his deputy held, either directly or through companies in which they exercise control, a total of 2,694,059 Cramo Plc shares, which represents 6.41 per cent of the company's shares and votes, and a total of 31,875 stock options.

The company's auditors were Ernst & Young Oy, Authorised Public Accountants, with Mr Erkka Talvinko, APA, as the responsible auditor.

Cramo Plc observes the Finnish Corporate Governance Code, which entered into force on 1 October 2010. Cramo Plc's insider guidelines are based on the Finnish Securities Market Act, rules and regulations issued by the Financial Supervision Authority, and the insider guidelines of the stock exchange. Euroclear Finland Ltd maintains an insider register of Cramo Plc's permanent insiders, whose holdings are also available on Cramo Plc's website.

The Corporate Governance statement for the year 2012 and the Remuneration Statement for the year 2012 issued by Cramo Plc's Board of Directors can be found on the Cramo Plc website.

ESSENTIAL RISKS AND UNCERTAINTIES

In addition to global economic developments, the main sources of uncertainty in Cramo's business are related to the economic cycles and financial development of each country, fluctuations in interest and exchange rates, availability of financing, credit loss risks, the success of the Group's acquisitions and information system projects,

personnel-related risks, availability of competent management and recruitment-related risks, tax risks and other business risks.

The recent debt crisis in certain euro zone countries has increased the uncertainty of near-term economic development in Europe, which has increased the levels of risks associated with Cramo's business operations. The increasing economic uncertainty may be seen in Cramo's operations as a weakening demand on one or several market areas, fiercer competition, lower rental prices, higher finance costs or customers experiencing financial difficulties and increasing credit losses. In addition, the economic uncertainty increases the impairment risks to the balance sheet values.

PROFIT DISTRIBUTION POLICY AND BOARD OF DIRECTORS' PROPOSAL FOR PROFIT DISTRIBUTION

In accordance with the company's profit distribution policy, Cramo Plc's goal is to follow a stable profit distribution policy and to pay approximately 40 per cent of earnings per share (EPS) of a period as dividends.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.42 be paid for the financial year 1 January–31 December 2012.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Cramo informed on 25 January, 2013 of a new organization in order to support more efficiently the Group's strategic and financial targets under the theme "operational excellence". Operationally, the new organisation has three market areas: Scandinavia (Sweden, Norway, Denmark), Eastern Europe (Finland, Estonia, Latvia, Lithuania, Poland) and Central Europe (Germany, Austria, Hungary, Czech Republic, Slovakia). Cramo's business segments, as reported externally, will remain unchanged, that is Finland, Sweden, Norway, Denmark, Central Europe and Eastern Europe.

The new organisation became effective as from 1 February 2013. Within new Group management the following persons were appointed responsible for the market areas: Mr Erik Bengtsson, Executive Vice President, Scandinavia; Mr Tatu Hauhio, Executive Vice President, Eastern Europe; and Mr Dirk Schlitzkus, Executive Vice President, Central Europe. Mr Per Lundquist was appointed Senior Vice President, Operations. In addition to the IT function, he will be responsible of human resources, marketing and communications and the harmonization of the Group's business concepts and processes. Mr Martin Holmgren was appointed Senior Vice President, Fleet Management. Mr Martti Ala-Härkönen continues as CFO, responsible also for the Group's business planning, M&A, legal function and investor relations. New appointments in Group management were Mr Aku Rumpunen, Senior Vice President, Group Business Control and Mr Petri Moksén, Senior Vice President, Modular Space. Leaving Group management were Mr Göran Carlson, Deputy CEO who, as earlier announced, has accepted a position outside the Cramo Group; and Mr Jarmo Laasanen, who will retire during spring 2013.

ACCOUNTING PRINCIPLES

This Financial Statements Bulletin has been prepared in accordance with IAS 34: Interim Financial Reporting. In the preparation of this Financial Statements Bulletin, Cramo has applied the same accounting principles as in its financial statements for 2011.

The figures in this Financial Statements Bulletin are unaudited.

CONSOLIDATED BALANCE SHEET (EUR 1,000)	31 Dec 2012	31 Dec 2011
ASSETS		
Non-current assets		
Tangible assets	615,034	622,214
Goodwill	169,736	165,318
Other intangible assets	111,751	123,250
Deferred tax assets	14,604	15,312
Available-for-sale financial investments	349	350
Shares in joint ventures	97	48
Trade and other receivables	1,071	3,553
Total non-current assets	**912,641**	**930,043**
Current assets		
Inventories	13,902	18,310
Trade and other receivables	132,222	142,954
Income tax receivables	4,794	5,563
Derivative financial instruments	303	730
Cash and cash equivalents	10,340	22,532
Total current assets	**161,562**	**190,089**
Assets available for sale	3,540	6,680
Assets to be transferred to joint venture	30,392	
TOTAL ASSETS	**1,108,136**	**1,126,812**
EQUITY AND LIABILITIES		
Equity		
Share capital	24,835	24,835
Share issue		17
Other reserves	304,373	300,723
Fair value reserve	119	119
Hedging fund	-8,144	-5,168
Translation differences	7,710	1,041
Retained earnings	154,115	122,654
Equity attributable to shareholders of the parent company	**483,007**	**444,221**
Hybrid capital	49,630	49,630
Total equity	**532,637**	**493,851**
Non-current liabilities		
Interest-bearing liabilities	271,713	311,461
Derivative financial instruments	8,861	6,775
Deferred tax liabilities	80,188	85,399
Pension obligations	1,574	1,448
Other non-current liabilities	752	3,369
Total non-current liabilities	**363,087**	**408,452**
Current liabilities		
Interest-bearing liabilities	87,577	101,422
Derivative financial instruments	1,347	1,838
Trade and other payables	119,460	116,485
Income tax liabilities	1,055	4,763
Total current liabilities	**209,439**	**224,508**
Liabilities to be transferred to joint venture	2,974	
Total liabilities	**575,499**	**632,960**
TOTAL EQUITY AND LIABILITIES	**1,108,136**	**1,126,812**

CONSOLIDATED INCOME STATEMENT 1 Jan 2012 - 30 Jun 2012 (EUR 1,000)	10-12/12	10-12/11	1-12/12	1-12/11
Sales	**184,603**	**192,903**	**688,391**	**679,892**
Other operating income	3,316	3,044	11,321	7,697
Change in inventories of finished goods and work in progress	-81	-566	836	-425
Production for own use	0	3,904	3,657	10,302
Materials and services	-68,101	-72,745	-242,137	-248,393
Employee benefit expense	-37,173	-39,003	-143,728	-135,751
Other operating expenses	-36,334	-37,926	-138,763	-144,628
Depreciation and impairment on tangible assets and assets available for sale	-24,283	-25,806	-101,571	-97,624
EBITA	**21,946**	**23,804**	**78,005**	**71,071**
% of sales	**11.9 %**	**12.3 %**	**11.3 %**	**10.5 %**
Amortisation and impairment on intangible assets resulting from acquisitions	-4,659	-8,496	-13,569	-16,751
Operating profit / loss (EBIT)	**17,287**	**15,308**	**64,436**	**54,320**
% of sales	**9.4 %**	**7.9 %**	**9.4 %**	**8.0 %**
Finance costs (net)	-5,445	-5,054	-20,432	-22,169
Income from joint ventures	-2	-	43	22
Profit / loss before taxes	**11,841**	**10,277**	**44,048**	**32,173**
% of sales	**6.4 %**	**5.3 %**	**6.4 %**	**4.7 %**
Income taxes	2,158	275	-5,508	-8,668
Profit / loss for the period	**13,999**	**10,551**	**38,540**	**23,505**
% of sales	**7.6 %**	**5.5 %**	**5.6 %**	**3.5 %**
Attributable to:				
Equity holder of parent	13,999	10,551	38,540	23,505
Non-controlling interest				
Profit / loss attributable to equity holders' of parent				
Earnings per share, undiluted, EUR	0.34	0.26	0.93	0.60
Earnings per share, diluted, EUR	0.34	0.25	0.93	0.60

COMPREHENSIVE INCOME STATEMENT 1 Jan 2012 - 30 Jun 2012 (EUR 1,000)	10-12/12	10-12/11	1-12/12	1-12/11
Profit / loss for the period	**13,999**	**10,551**	**38,540**	**23,505**
Other comprehensive income				
-Change in hedging fund, net of tax	-1,295	-4,859	-2,976	-3,971
-Change in exchange rate differences, net of tax	14,447	-4,732	15,387	301
Total other comprehensive income	**13,152**	**-9,591**	**12,411**	**-3,670**
Comprehensive income for the period	**27,151**	**960**	**50,951**	**19,835**

CHANGES IN CONSOLIDATED STATEMENT OF EQUITY (EUR 1,000)	Share capital	Share issue and other reserves	Fair value reserve	Retained earnings, translation differences, hedging fund	Attributable to equity holders of the parent company	Non-controlling interest	Hybrid capital	Total equity
At 1 Jan 2011	**24,835**	**188,797**	**117**	**104,588**	**318,337**	**503**	**49,630**	**368,470**
Total comprehensive income				19,834	**19,834**			**19,834**
Dividend distribution				-3,163	**-3,163**			**-3,163**
Exercise of share options		7,279			**7,279**			**7,279**
Share issue		97,398			**97,398**			**97,398**
Issue of shares related to business combination		7,266			**7,266**			**7,266**
Share-based payments				2,843	**2,843**			**2,843**
Non-controlling interest				427	**427**	-503		**-76**
Hybrid capital				-6,000	**-6,000**			**-6,000**
Changes within equity			2	-2				
At 31 Dec 2011	**24,835**	**300,740**	**119**	**118,527**	**444,222**		**49,630**	**493,851**
At 1 Jan 2012	**24,835**	**300,740**	**119**	**118,527**	**444,222**		**49,630**	**493,851**
Total comprehensive income				50,951	**50,951**			**50,951**
Dividend distribution				-12,374	**-12,374**			**-12,374**
Exercise of share options		3,633			**3,633**			**3,633**
Share-based payments				2,576	**2,576**			**2,576**
Hybrid capital				-6,000	**-6,000**			**-6,000**
At 31 Dec 2012	**24,835**	**304,373**	**119**	**153,681**	**483,007**		**49,630**	**532,637**

CONSOLIDATED CASH FLOW STATEMENT 1 Jan 2012 - 31 Dec 2012 (EUR 1,000)	1-12/12	1-12/11
Net cash flow from operating activities	**145,992**	**138,496**
Net cash flow from investing activities	**-83,776**	**-193,804**
Cash flow from financing activities		
Change in interest-bearing receivables	2,528	244
Change in finance lease liabilities	-39,353	-32,944
Change in interest-bearing liabilities	-21,591	-6,964
Hybrid capital	-6,000	-6,000
Proceeds from share options exercised	3,633	7,279
Proceeds from share issue	-	97,397
Non-controlling interest	-	-76
Dividends paid	-12,374	-3,163
Net cash flow from financing activities	**-73,157**	**55,773**
Change in cash and cash equivalents	**-10,941**	**465**
Cash and cash equivalents at period start	22,532	22,313
Cash to be transferred to joint venture	-2,005	
Translation differences	754	-246
Cash and cash equivalents at period end	**10,340**	**22,532**

COMMITMENTS AND CONTINGENT LIABILITIES	31 Dec 2012	31 Dec 2011
Pledges, finance lease	109,314	148,502
Interest on hybrid capital	4,027	4,022
Investment commitments	12,220	10,431
Commitments to office and depot rents	116,734	130,880
Operational lease payments	36,069	45,084
Other commitments	15	643

DERIVATIVE FINANCIAL INSTRUMENTS (EUR 1,000)	31 Dec 2012	31 Dec 2011
Fair value		
Interest rate swaps	-8,862	-6,775
Currency forwards	-956	-1,107
Nominal value		
Interest rate swaps	90,000	181,645
Currency forwards	184,809	202,932

MODULAR SPACE ORDER BOOK (EUR 1,000)	31 Dec 2012	31 Dec 2011
Value of outstanding orders for modular space	89,509	102,660
Value of orders for modular space rental	87,596	95,615
Value of orders for sale of modular space	1,913	7,044

SHARE RELATED KEY FIGURES	10-12/12	10-12/11	1-12/12	1-12/11
Earnings per share (EPS), EUR 1)	0.34	0.26	0.93	0.60
Earnings per share (EPS), diluted, EUR 2)	0.34	0.25	0.93	0.60
Shareholders' equity per share, EUR 3)			11.58	10.83
Number of shares, end of period			42,024,675	41,439,086
Number of shares, issue-adjusted, average 4)			41,356,347	39,098,751
Number of shares, issue-adjusted, end of period 4)			41,708,387	41,122,798
Number of shares, diluted by share options, average			41,587,100	39,380,527

1) Calculated from issue-adjusted average number of shares
2) Calculated from diluted average number of shares
3) Calculated from issue-adjusted number of shares at the end of the period
4) Number of shares deducted by own shares held by Cramo Group

INFORMATION PRESENTED BY BUSINESS SEGMENT

The Group's segments are divided geographically and consist of Finland, Sweden, Norway, Denmark, Central Europe and Eastern Europe.

Sales (EUR 1,000)	10-12/12	10-12/11	1-12/12	1-12/11
Finland	28,576	34,036	112,666	127,565
Sweden	88,109	89,380	322,359	308,949
Norway	23,384	20,996	84,167	79,265
Denmark	8,965	11,253	37,684	34,965
Central Europe	16,981	19,700	66,973	71,213
Eastern Europe	19,916	19,453	70,263	66,575
Inter-segment sales	-1,328	-1,916	-5,720	-8,640
Group sales	**184,603**	**192,903**	**688,391**	**679,892**

EBITA (EUR 1,000)	10-12/12	10-12/11	1-12/12	1-12/11
Finland	6,530	6,147	20,975	20,238
% of sales	*22.9 %*	*18.1 %*	*18.6 %*	*15.9 %*
Sweden	16,157	17,964	57,578	58,047
% of sales	*18.3 %*	*20.1 %*	*17.9 %*	*18.8 %*
Norway	1,790	588	5,276	857
% of sales	*7.7 %*	*2.8 %*	*6.3 %*	*1.1 %*
Denmark	-3,607	-147	-5,022	-2,132
% of sales	*-40.2 %*	*-1.3 %*	*-13.3 %*	*-6.1 %*
Central Europe	826	326	-236	3,708
% of sales	*4.9 %*	*1.7 %*	*-0.4 %*	*5.2 %*
Eastern Europe	3,191	2,880	6,722	1,708
% of sales	*16.0 %*	*14.8 %*	*9.6 %*	*2.6 %*
Non-allocated capital gains and other income			2,196	
Non-allocated Group activities	-2,900	-4,086	-9,761	-11,756
Eliminations	-42	132	277	402
Group EBITA	**21,946**	**23,805**	**78,005**	**71,072**
% of sales	***11.9 %***	***12.3 %***	***11.3 %***	***10.5 %***

Reconciliation of Group EBITA to Earnings before taxes (EUR 1,000)	10-12/12	10-12/11	1-12/12	1-12/11
Group EBITA	21,946	23,805	78,005	71,072
Amortisation and impairment on intangible assets resulting from acquisitions	-4,659	-8,496	-13,569	-16,751
Net finance items	-5,445	-5,054	-20,432	-22,169
Share of profit from associate	-2	22	43	22
Earnings before taxes	**11,841**	**10,277**	**44,048**	**32,173**

Depreciation and impairment on tangible assets (EUR 1,000)	10-12/12	10-12/11	1-12/12	1-12/11
Finland	-3,881	-4,962	-16,958	-17,873
Sweden	-10,138	-9,434	-41,258	-36,573
Norway	-3,099	-2,959	-11,517	-10,808
Denmark	-1,434	-888	-5,073	-3,988
Central Europe	-2,295	-2,798	-9,598	-8,991
Eastern Europe	-3,547	-4,740	-17,494	-19,512
Non-allocated items and eliminations	112	-24	327	121
Total	**-24,283**	**-25,806**	**-101,571**	**-97,624**

Capital expenditure (EUR 1,000)	10-12/12	10-12/11	1-12/12	1-12/11
Finland	7,488	7,439	23,585	27,594
Sweden	9,175	19,918	55,206	93,519
Norway	3,748	4,184	10,900	26,174
Denmark	245	2,308	2,433	5,460
Central Europe	2,873	2,109	19,566	90,043
Eastern Europe	1,891	2,569	12,527	17,989
Non-allocated items and eliminations	217	710	860	1,727
Total	**25,637**	**39,238**	**125,078**	**262,506**

Assets (EUR 1,000)	31 Dec 2012	31 Dec 2011
Finland	153,423	176,307
Sweden	516,589	507,339
Norway	124,866	112,042
Denmark	43,859	44,376
Central Europe	97,505	95,965
Eastern Europe	130,615	139,431
Non-allocated items and eliminations	41,278	51,352
Total	**1,108,136**	**1,126,812**

Non-interest bearing liabilities (EUR 1,000)	31 Dec 2012	31 Dec 2011
Finland	20 822	30 329
Sweden	111 379	115 490
Norway	28 105	15 335
Denmark	9 935	7 388
Central Europe	14 374	17 520
Eastern Europe	11 915	14 272
Non-allocated items and eliminations	19 678	19 745
Total	**216 210**	**220 078**

QUARTERLY SEGMENT INFORMATION

Sales by segment (EUR 1,000)	10-12/12	7-9/12	4-6/12	1-3/12	10-12/11	7-9/11	4-6/11
Finland	28 576	29 136	25 606	29 348	34 036	34 067	31 271
Sweden	88 109	80 994	75 799	77 457	89 380	78 980	72 488
Norway	23 384	20 864	19 121	20 798	20 996	20 687	17 378
Denmark	8 965	13 248	7 281	8 189	11 253	9 705	7 750
Central Europe	16 981	19 973	18 238	11 782	19 700	20 957	19 945
Eastern Europe	19 916	19 773	16 704	13 870	19 453	19 254	14 999
Inter-segment sales	-1 328	-1 610	-1 329	-1 453	-1 916	-2 012	-2 695
Group sales	**184 603**	**182 378**	**161 420**	**159 991**	**192 903**	**181 637**	**161 135**

EBITA by segment (EUR 1,000)	10-12/12	7-9/12	4-6/12	1-3/12	10-12/11	7-9/11	4-6/11
Finland	6 530	7 811	3 685	2 949	6 147	7 667	4 248
% of sales	*22,9 %*	*26,8 %*	*14,4 %*	*10,0 %*	*18,1 %*	*22,5 %*	*13,6 %*
Sweden	16 157	16 979	11 561	12 881	17 964	17 173	13 566
% of sales	*18,3 %*	*21,0 %*	*15,3 %*	*16,6 %*	*20,1 %*	*21,7 %*	*18,7 %*
Norway	1 790	1 865	697	923	588	1 004	-1 150
% of sales	*7,7 %*	*8,9 %*	*3,6 %*	*4,4 %*	*2,8 %*	*4,9 %*	*-6,6 %*
Denmark	-3 607	577	-547	-1 445	-147	295	-646
% of sales	*-40,2 %*	*4,4 %*	*-7,5 %*	*-17,6 %*	*-1,3 %*	*3,0 %*	*-8,3 %*
Central Europe	826	2 324	929	-4 314	326	2 932	1 640
% of sales	*4,9 %*	*11,6 %*	*5,1 %*	*-36,6 %*	*1,7 %*	*14,0 %*	*8,2 %*
Eastern Europe	3 191	3 660	672	-801	2 880	2 569	-1 524
% of sales	*16,0 %*	*18,5 %*	*4,0 %*	*-5,8 %*	*14,8 %*	*13,3 %*	*-10,2 %*
Non-allocated capital gains and other income	0	0	0	2 196	0	0	0
Non-allocated Group activities	-2 900	-2 061	-2 719	-2 083	-4 086	-1 281	-1 904
Eliminations	-42	0	70	249	132	122	103
Group EBITA	**21 946**	**31 155**	**14 348**	**10 555**	**23 805**	**30 479**	**14 334**
% of sales	***11,9 %***	***17,1 %***	***8,9 %***	***6,6 %***	***12,3 %***	***16,8 %***	***8,9 %***

LARGEST SHAREHOLDERS

	TEN LARGEST SHAREHOLDERS 31 Dec 2012	SHARES	%
1	Hartwall Capital Oy Ab	6,491,702	15.45
2	K. Hartwall Invest Oy	2,132,000	5.07
3	Rakennusmestarien Säätiö (Construction engineers' fund)	2,129,422	5.07
4	Mariatorp Oy	1,400,000	3.33
5	Wipunen varainhallinta Oy	1,200,000	2.86
6	Nordea Nordenfund	902,997	2.15
7	Odin Finland	841,518	2.00
8	Fondita Nordic Micro Cap	670,000	1.59
9	Investment fund Aktia Capital	550,000	1.31
10	Nordea Life Assurance Finland Ltd.	400,000	0.95
	Ten largest owners, total	**16,717,639**	**39.78**
	Nominee registered	7,082,955	16.85
	Others	18,224,081	43.37
	Total	**42,024,675**	**100.00**

There were no material transactions with related parties during the period under review.

This report includes certain forward-looking statements based on the management's expectations at the time they were made. These involve risks and uncertainties and are subject to change due to changes in general economic and industry conditions.

Vantaa 7 February 2013
Cramo Plc
Board of Directors

BRIEFING

Cramo will hold a briefing and a live webcast at Kämp Kansallissali, address: Aleksanterinkatu 44 A, 2nd floor, Helsinki, on Friday, 8 February 2013 at 11:00 am. The briefing will be in English.

To watch the briefing live on the Internet, go to www.cramo.com. A replay of the webcast will be available at www.cramo.com from 8 February 2013 in the afternoon.

PUBLICATION OF FINANCIAL INFORMATION 2013

The Annual Report containing the full financial statements for 2012 will be published in electronic format in week 10/2013.

The 2013 Annual General Meeting will take place on Tuesday, 26 March 2013, in Helsinki.

Cramo will publish three Interim Reports in 2013.

The January–March Interim Report will be published on Friday, 3 May 2013.

The January–June Interim Report will be published on Tuesday, 13 August 2013.

The January–September Interim Report will be published on Wednesday, 30 October 2013.

FURTHER INFORMATION

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