Altia Financial Statements Release

1 January – 31 December 2016

ALTIA

Renewed Altia further improved its profitability

Altia's profitability continued to improve in 2016 in spite of net sales being lower than in the previous year. The comparable operating result improved to EUR 26.4 (23.6) million, which is 7.4 % (6.2 %) of net sales. The IFRS operating result was EUR 46.3 (25.3) million due to changes in deferred supplementary pension obligations and sales of assets. The Group's net sales totalled EUR 356.6 million, which is 6.3 % lower than in the previous year (EUR 380.7 million). The decrease in net sales was particularly attributable to lower contract manufacturing volumes, but it was also due to the continued measures to consolidate the product portfolio as well as unfavorable changes in exchange rates. Altia's statement of financial position has further strengthened.

January–December 2016 in brief

(including comparative figures for the corresponding period in 2015)

- Net sales was EUR 356.6 (380.7) million
- IFRS operating result was EUR 46.3 (25.3) million and 13.0 % (6.6 %) of net sales. Comparable operating result was EUR 26.4 (23.6) million, which is 7.4 % (6.2 %) of net sales
- Result for the period amounted to EUR 34.6 (21.0) million
- Gearing was 2.5 % (12.0 %)
- The equity ratio was 43.8 % (36.6 %)
- Comparable return on capital employed (ROCE) was 9.1% (8.1 %)
- The Board of Directors proposes dividends of EUR 10.4 (10,4) million to be paid for the financial year 2016

KEY RATIOS OF THE GROUP	2016	2015	2014
Net sales, EUR million	**356.6**	**380.7**	**426.3**
Comparable EBITDA, EUR million	**40.8**	**38.0**	**35.5**
(% of net sales)	11.5	10.0	8.3
Operating result, EUR million	**46.3**	**25.3**	**-18.6**
(% of net sales)	13.0	6.6	-4.4
Comparable operating result, EUR million	**26.4**	**23.6**	**17.9**
(% of net sales)	7.4	6.2	4.2
Profit before taxes, EUR million	**43.5**	**26.3**	**-20.4**
(% of net sales)	12.2	6.9	-4.8
Return on equity (ROE), %	20.5	13.7	-11.2
Return on invested capital (ROI), %	14.5	8.6	-4.0
Comparable Return on capital employed (ROCE), %	9.1	8.1	5.5
Interest-bearing net debt, EUR million	4.7	20.4	49.3
Gearing, %	2.5	12.0	34.2
Equity ratio, %	43.8	36.6	28.7
Net cash flow from operating activities, EUR million	29.4	34.8	74.8
Earnings/share, EUR	0.96	0.58	-0.50
Equity/share, EUR	5.34	4.75	4.00
Number of personnel on average	829	879	987

CEO Pekka Tennilä's comments:

”The past year marked the end of Altia's strategy period that began in autumn 2014 and had the objective of improving Altia's profitability and financial position. Our relative profitability doubled during the strategy period, which we can be very pleased with. In 2016, our comparable operating profit margin increased to 7.4 per cent of net sales. This is the highest number achieved during Altia's current structure. Our comparable operating profit grew to EUR 26.4 million, which further strengthens our statement of financial position and enables investments in business development as well as a good level of dividend distribution to the owner for the second consecutive year.

Our business developed favorably in our strategic focus areas, both in our own core brands as well as in our key partner brands. At the same time, our total net sales declined, as expected, due to factors including the lower volume of industrial contract services and planned changes to our wine portfolio. We continued to focus on value creation and were able to improve absolute profitability year-on-year across all of our own product categories.

We continued to make strong investments in product development. In the Aquavit category, we successfully launched a new lower-alcohol product in the form of O.P. Anderson Petronella. The Koskenkorva Vodka brand renewal, launched in late spring, was successful and opened up new export opportunities. In the glogg category, we carried out a renewal of the Blossa product family, including the launch of non-alcoholic product varieties, and we successfully increased our absolute sales as well as our market share in the category.

Focusing on core businesses played a central role throughout the recently concluded strategy period. In 2016, we sold the Koskenkorva feed processing business to A-rehu and restructured energy production and distribution at the Rajamäki plant.

As an important element of Altia's strategy, we continued our determined efforts to enhance the efficiency of our cost structure and achieved EUR 20 million in cost savings during the strategy period. At the same time, we launched investment projects to develop operational efficiency, quality and flexibility as well as to support growth opportunities.

As part of our updated strategy, we crystallized Altia's mission, *Let's Drink Better*. We want to build and co-create a new, positive and responsible drinking culture. Altia's strategy is focused on profitable growth. We will strengthen our Nordic core brands, grow our wine business and expand to new sales channels. We will pursue a long-term improvement in the results of our operations through the continuous renewal of our offering and operating methods.”

Operating environment 2016

Total market growth in Altia's main markets has remained weak. Consumers prefer increasingly lower alcohol volume beverages. Currently in Finland and Sweden there is an on-going debate about alcohol legislation, unrecorded import and related side-effects. In Finland the overall reform of the Alcohol Act, which is under preparation, is expected to clarify industry regulation.

In Estonia, past and future increases in alcohol taxation have opened a significant market on the Latvian side of the border. The cross-border trade between Denmark, Sweden and Germany is estimated to have declined slightly due to the implementation of border controls.

The following table illustrates the trends in the total sales of alcoholic beverages in Finland, Sweden and Norway. The figures are based on the sales volumes by litre published by the monopolies (Alko, Systembolaget and Vinmonopolet).

Development of total sales of alcoholic beverages in the monopoly markets (% change compared to the previous year)	2016 %	2015 %
Finland, total sales	***-0.5***	***-2.8***
Spirits	-0.2	-3.1
Wine	-1.3	-2.5
Sweden, total sales	***0.9***	***0.1***
Spirits	0.9	2.2
Wine	1,0	-0.1
Norway, total sales	***0.7***	***-0.8***
Spirits	0.6	-0.6
Wine	1.0	-1.3

In Finland, the modest decline in sales that began in the autumn continued until the end of the reporting period. In terms of product groups, the decline was particularly visible in fortified wines and bitters. Gins, dark rums as well as sparkling and rosé wines continued to grow.

In Sweden, total sales continued to grow. Red wines continued to decline not only in absolute volume, but also in their relative share compared to the fastest-growing product groups, white and sparkling wines. The sales of rosé wines were higher than in the comparison period. As in Finland, the fastest-growing product groups among spirits were gins and dark rums. Liqueur sales continued to grow.

In Norway, total sales turned to growth. The exception to the growth in the spirits category were grape distillates, the sales of which fell by 5.6 % from the previous year. In the light wines category, sparkling wines saw a strong growth of nearly 20 %. Red wine sales continued to decline slightly.

Strategy

Strategy 2014–2016

In September 2014, Altia announced its strategy which extended to the end of 2016. The focus of the strategy was on improving the company's financial position, business operations and profitability. In accordance with the strategy, Altia's focus during the strategy period was on strengthening its core brands and key partnerships, value creation, sales channel development and the continuous improvement of efficiency.

The company made progress towards these objectives during the strategy period. The company's relative profitability (profit margin) improved from 3.7 % to 7.4 % in 2014–2016. Altia has a strong statement of financial position and the company had close to zero net debt at the end of 2016. According to Altia's view this creates a solid foundation for future growth opportunities. Altia has strengthened its own core brands and successfully increased their sales and profitability in a challenging market environment. The sales of Altia's key partner brands have also increased as a result of stronger cooperation with partners.

Altia's net sales declined as expected during the strategy period for two reasons. The volume of the partner business has declined following the company's streamlining of its product portfolio since 2014. The net sales of industrial services decreased, mainly due to the discontinuation of contract services at the Svendborg plant in Denmark. Both of the aforementioned measures are in line with the company's strategy of focusing on its core operations.

Value creation was one of the key themes of the 2014–2016 strategy period. Altia was successful in value creation, particularly with respect to product renewals, product positioning and brand building, and with the help of innovation and supply chain efficiency. The company's profitability has improved across all of its categories of own products.

During the strategy period, Altia streamlined its market functions and organisation to better serve its customers and partners as well as react faster to the changing needs of customers and consumers. The company has also invested in brand building, innovation and the development of sales operations and sales channels.

Improving efficiency was a significant element of Altia's strategy for 2014–2016. Efficiency improvement and cost reduction measures achieved cost savings in excess of EUR 20 million during the strategy period. In balance sheet management, the company achieved its capital efficiency target. In addition to improving its management of working capital, the company sold non-core assets during the strategy period.

Strategy update

Through its operations, Altia wants to promote a responsible Nordic drinking culture. This idea is expressed in the company's mission: *Let's Drink Better*. Altia strives to be a drinks company that pursues growth in market share through strong consumer insight and market development.

Altia's strategy has five key focus areas: 1) Strengthening Nordic core brands, 2) Executing a step change in wines, 3) Strengthening strategic partnerships, 4) Expanding into new sales channels, and 5) Funding and enabling the growth.

Financial performance

Altia Group's net sales totalled EUR 356.6 million, which is EUR 24.1 million (6.3 %) less compared to the previous year (EUR 380.7 million). The decrease in net sales was largely attributable to the discontinuation of contract services at the Svendborg plant in Denmark. Net sales were also reduced by previously implemented changes in the feed processing business as well as the effects of barley prices on sales prices in the starch and feed business. The sales of alcoholic beverages were slightly lower than in the previous year, mainly due to strategic changes to the product portfolio. Exchange rates also had a negative effect on net sales.

Other operating income was EUR 12.6 (10.0) million. Other income in the reporting period included proceeds from the sale of fixed assets to the amount of EUR 4.3 (2.7) million. Other operating income included income primarily from the sales of steam, energy and water amounting to EUR 3.7 (3.4) million, and rental income of EUR 0.9 (0.7) million.

Employee benefit expenses totalled EUR 36.6 (54.7) million. The reported employee benefit expenses in year 2016 were affected by changes in the deferred supplementary pension obligation pursuant to IFRS standards (IAS 19). In conjunction with changes to statutory pension security, Altia switched from the voluntary defined benefit pension insurance that was ended in the beginning of 1994 to a defined contribution system. At the same time, the company discontinued annual index-based increases and decided to implement a significant one-time increase in pension benefits instead. Following these changes, Altia no longer has any deferred pension obligations based on Finnish supplementary pensions under IFRS standards (IAS 19). As a result, the employee benefits expenses for 2016 were EUR 16.4 million lower than previous year. Employee benefit expenses include wages and salaries EUR 41.1 (42.7) million. An accrual for annual bonuses, including social expenses, amounted to EUR 3.0 (3.6) million.

Other operating expenses amounted to EUR 74.8 (79.1) million. The IFRS operating result was EUR 46.3 (25.3) million and the profit margin was 13.0 % (6.6 %). The comparable operating result was EUR 26.4 (23.6) million, which is 7.4 % (6.2 %) of net sales.

The items affecting comparability were as follows:

EUR million	2016	2015
Comparable operating result (EBIT)	***26.4***	***23.6***
Change in deferred pension obligations, IFRS (IAS 19)	16.3	
Restructuring costs	- 0.6	- 1.0
Sale of assets	4.2	2.7
Total items affecting comparability	***19.9***	***1.7***
Operating result	***46.3***	***25.3***

The sales of assets affecting comparability comprised proceeds from the sale of non-core assets and real estate property. Restructuring costs were related to non-recurring employee benefit expenses and, in the comparison period, also to strategic changes to the product portfolio.

Net financial expenses decreased to EUR 2.2 (2.8) million due to a reduction in interest-bearing debt.

The Group's share of profits in associated companies and joint ventures amounted to EUR -0.6 million (3.8). The result includes impairment of EUR 3.0 million recognised on the shares of joint venture in conjunction with the reclassification of assets according to IFRS 5.

Taxes for the reporting period were EUR 9.0 (5.2) million, which corresponds to an effective tax rate of 20.6 % (20.0 %). More detailed information on Altia's tax footprint is provided in the separate Responsibility Report.

The profit for the financial year showed a significant improvement and amounted to EUR 34.6 (21.0) million.

The assumptions related to defined benefit pension plans under IFRS (IAS 19) were updated with respect to inflation and interest rates at the end of the reporting period. The remeasurement of pension plans had an effect of EUR -0.4 (5.8) million on comprehensive income and equity.

Financing, liquidity and statement of financial position

Net cash flow from operating activities totalled EUR 29.4 (34.8) million. The amount of receivables sold at the end of the reporting period was at EUR 85.5 (91.4) million.

The Group's liquidity reserve comprised a revolving credit facility of EUR 50.0 million as well as overdraft facilities of EUR 20.0 million. Both were unused on 31 December 2016. Altia Group's liquidity position was good throughout the reporting period.

Interest-bearing debt decreased to EUR 72.8 (96.7) million. The Group's interest-bearing net debt amounted to EUR 4.7 (20.4) million at year-end and gearing was 2.5 % (12.0 %). The equity ratio was 43.8 % (36.6 %).

The consolidated statement of financial position total value decreased to EUR 438.6 (466.7) million. This was primarily due to the amortisation of loans and the reduction of pension liability.

Events after the reporting period

Michael Bech-Jansen, SVP, Commercial Operations, resigned from the company on 15 January 2017.

Market outlook

The development of the Group's business operations and profitability are affected by factors such as the market situation and competitive environment, economic outlook, passenger import and changes in alcohol taxation and regulations. Sales in the sector are seasonal, with net sales and operating profit generally being significantly higher in the fourth quarter of the year compared to other quarters. Raw material prices and currencies are expected to remain volatile.

Outlook for the year 2017

Unfavorable development in net sales of alcoholic and other beverages is expected to stabilize or turn to moderate growth. Comparable operating result and relative profitability are expected to improve from the year 2016.

Altia Plc
Board of Directors

Further information:
Pekka Tennilä, CEO
Matti Piri, CFO

Altia is a leading wine and spirits company offering quality brands in the Nordic and Baltic countries. Altia produces, markets, sells, imports and exports alcoholic beverages. Altia's own brands such as Koskenkorva, O.P. Anderson, Blossa, Chill Out, Renault, Larsen, Valhalla and Xanté have a strong market position and many of them a long heritage to cherish. Altia's partner brands represent local and international brands from all over the world. Sustainability is an essential business factor for Altia. The company wants to enhance a modern, responsible Nordic drinking culture. www.altiagroup.com

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	1 Jan - 31 Dec 2016	1 Jan - 31 Dec 2015
NET SALES	356.6	380.7
Other operating income	12.6	10.0
Change in inventories of finished goods and work in progress	-1.7	-0.6
Materials and services	-195.3	-216.6
Employee benefit expenses	-36.6	-54.7
Depreciation, amortisation and impairment	-14.5	-14.4
Other operating expenses	-74.8	-79.1
	-321.1	-364.9
OPERATING RESULT	**46.3**	**25.3**
Financial income	1.3	0.8
Financial expenses	-3.4	-3.6
Share of profit in associated companies and joint ventures	-0.6	3.8
RESULT BEFORE TAXES	**43.5**	**26.3**
Income taxes	-9.0	-5.2
RESULT FOR THE PERIOD	**34.6**	**21.0**
OTHER COMPREHENSIVE INCOME:		
Items that will never be reclassified to profit or loss		
Remeasurements of defined benefit liability plans	-0.4	5.8
Related tax	0.1	-1.2
Total	-0.4	4.6
Items that may be reclassified to profit or loss		
Cash flow hedges	0.1	-0,0
Share of other comprehensive income in associated companies and joint ventures	0.0	-0.1
Foreign currency translation differences	-2.7	1.5
Other changes	-0,0	0.0
Related tax	-0,0	0.0
Total	-2.6	1.5
Other comprehensive income for the period, net of tax	-2.9	6.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**31.6**	**27.1**
Result for the period attributable to:		
Shareholders of the parent company	34.6	21.0
	34.6	**21.0**
Total comprehensive income attributable to:		
Shareholders of the parent company	31.6	27.1
	31.6	**27.1**
Earnings per share based on result attributable to the shareholders of the parent company (in euros) (basic/diluted):	0.96	0.58

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	31 Dec 2016	31 Dec 2015
ASSETS		
Non-current assets		
Goodwill	83.1	84.4
Other intangible assets	36.7	40.7
Property, plant and equipment	70.0	74.6
Investments in associated companies and joint ventures	-	14.9
Available-for-sale financial assets	0.8	0.8
Other receivables	0.3	0.5
Deferred tax assets	4.6	10.7
Total non-current assets	**195.6**	**226.5**
Current assets		
Inventories	96.3	101.2
Trade receivables and other receivables	63.8	59.1
Current tax assets	1.4	3.5
Cash and cash equivalents	68.0	76.3
Total current assets	**229.6**	**240.2**
Non-current assets held for sale	**13.4**	**-**
TOTAL ASSETS	**438.6**	**466.7**

EUR million	31 Dec 2016	31 Dec 2015
EQUITY AND LIABILITIES		
Share capital	60.5	60.5
Share premium fund	0.0	0.0
Hedging reserve	-1.4	-1.6
Translation differences	-12.3	-9.6
Retained earnings	145.4	121.7
Equity attributable to shareholders of the parent company	192.2	171.0
Total equity	**192.2**	**171.0**
Non-current liabilities		
Deferred tax liabilities	20.7	23.2
Interest-bearing financial liabilities	64.9	88.4
Pension obligations	1.8	21.6
Other liabilities	-	4.9
Total non-current liabilities	**87.4**	**138.1**
Current liabilities		
Interest-bearing financial liabilities	7.8	8.3
Trade payables and other payables	144.1	147.0
Current tax liabilities	2.2	2.4
Total current liabilities	**154.1**	**157.6**
Liabilities related to assets held for sale	**4.9**	**-**
Total liabilities	**246.4**	**295.7**
TOTAL EQUITY AND LIABILITIES	**438.6**	**466.7**

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	1 Jan - 31 Dec 2016	1 Jan - 31 Dec 2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Proceeds from sales	351.4	390.9
Proceeds from other operating income	8.3	7.3
Payments for other operating expenses	-325.4	-356.8
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE FINANCIAL ITEMS AND TAXES	34.3	41.4
Interests paid and payments for other financial expenses	-2.7	-3.7
Interests received and other financial income from operating activities	0.8	1.1
Income taxes paid	-2.9	-3.9
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**29.4**	**34.8**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property, plant and equipment and intangible assets	-8.7	-11.3
Proceeds from sale of property, plant and equipment	4.5	1.0
Acquisition of other shares	-0,0	-
Proceeds from sale other investments	-	1.7
Repayment of loan receivables	0.2	0.2
Dividends received	1.0	1.0
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)	**-3.1**	**-7.4**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Changes in commercial paper program	-	-13.0
Proceeds from non-current borrowings	-	30.0
Repayment of non-current borrowings	-22.5	-60.2
Dividends paid and other distribution of profits	-10.4	-
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**-32.9**	**-43.2**
INCREASE+ / DECREASE- (A+B+C) IN CASH AND CASH EQUIVALENTS	-6.6	-15.8
CASH AND CASH EQUIVALENTS AT 1 JAN	76.3	91.1
Effect of exchange rate fluctuations on cash held	-1.6	1.0
CASH AND CASH EQUIVALENTS AT 31 DEC	68.0	76.3

CASH AND CASH EQUIVALENTS		
Cash at hand and in bank	68.0	73.9
Cash equivalents	-	2.4
Total cash and cash equivalents	**68.0**	**76.3**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to shareholders of the parent company								Total equity
EUR million	Share capital	Share premium	Hedging reserve	Translation differences	Treasury shares	Retained earnings	Total	
Equity at 1 January 2015	**60.5**	**0.0**	**-1.5**	**-10.1**	**-0.1**	**95.1**	**143.9**	**143.9**
Total comprehensive income								
Result for the period	-	-	-	-	-	21.0	**21.0**	**21.0**
Other comprehensive income (net of tax)								
Cash flow hedges	-	-	-0.0	-	-	-	**-0.0**	**-0.0**
Foreign currency translation differences	-	-	-	0.5	-	1.0	**1.5**	**1.5**
Remeasurements of defined benefit liability	-	-	-	-	-	4.6	**4.6**	**4.6**
Other changes	-	-	-	-	-	-0.0	**-0.0**	**-0.0**
Total comprehensive income for the peric	-	-	**-0.0**	**0.5**	-	**26.6**	**27.1**	**27.1**
Equity at 31 December 2015	**60.5**	**0.0**	**-1.6**	**-9.6**	**-0.1**	**121.7**	**171.0**	**171.0**
Equity at 1 January 2016	**60.5**	**0.0**	**-1.6**	**-9.6**	**-0.1**	**121.7**	**171.0**	**171.0**
Total comprehensive income								
Result for the period	-	-	-	-	-	34.6	**34.6**	**34.6**
Other comprehensive income (net of tax)								
Cash flow hedges	-	-	0.1	-	-	-	**0.1**	**0.1**
Foreign currency translation differences	-	-	-	-2.7	-	-0,0	**-2.7**	**-2.7**
Remeasurements of defined benefit liability	-	-	-	-	-	-0.4	**-0.4**	**-0.4**
Other changes	-	-	-	-	-	0.0	**0.0**	**0.0**
Total comprehensive income for the peric	-	-	**0.1**	**-2.7**	-	**34.2**	**31.6**	**31.6**
Transactions with the owners								
Dividend distribution	-	-	-	-	-	-10,4	-10,4	-10,4
Equity at 31 December 2016	**60.5**	**0.0**	**-1.4**	**-12.3**	**-0.1**	**145.5**	**192.2**	**192.2**

KEY RATIOS OF THE GROUP		2016	2015	2014
Income statement				
Net sales	EUR million	356.6	380.7	426.3
Comparable EBITDA	EUR million	40.8	38.0	35.5
(% of net sales)	%	11.5	10.0	8.3
Operating result	EUR million	46.3	25.3	-18.6
(% of net sales)	%	13.0	6.6	-4.4
Comparable EBIT	EUR million	26.4	23.6	17.9
(% of net sales)	%	7.4	6.2	4.2
Profit before taxes	EUR million	43.5	26.3	-20.4
(% of net sales)	%	12.2	6.9	-4.8
Statement of financial position				
Cash and cash equivalents	EUR million	68.0	76.3	91.1
Total equity	EUR million	192.2	171.0	143.9
Interest-bearing liabilities	EUR million	72.8	96.7	140.3
Non-interest-bearing liabilities	EUR million	173.6	199.0	217.2
Invested capital	EUR million	265.0	267.7	284.2
Profitability				
Return on equity (ROE)	%	20.5	13.7	-11.2
Return on invested capital (ROI)	%	14.5	8.6	-4.0
Comparable Return on capital employed (ROCE)	%	9.1	8.1	5.5
Financing and financial position				
Interest-bearing net debt	EUR million	4.7	20.4	49.3
Gearing	%	2.5	12.0	34.2
Equity ratio	%	43.8	36.6	28.7
Net cash flow from operating activities	EUR million	29.4	34.8	74.8
Share-based key ratios				
Earnings/share	EUR	1.0	0.58	-0.50
Equity/share	EUR	5.34	4.75	4.00
Personnel				
Number of personnel on average		829	879	987

RECONCILIATION OF KEY RATIOS TO IFRS FIGURES

EUR million	2016	2015	2014
Items affecting comparability			
Change in deferred pension obligations , IFRS (IAS 19)	16.3	-	-
Restructuring costs	-0.6	-1.0	-5.5
Impairment loss	-	-	-31.4
Sales of assets	4.2	2.7	0.5
Total items affecting comparability	**19.9**	**1.7**	**-36.4**
Comparable EBITDA			
Operating result	46.3	25.3	-18.6
Less:			
Depreciation, amortisation and impairment	14.5	14.4	49.0
Total items affecting comparability	-19.9	-1.7	5.1
Comparable EBITDA	**40.8**	**38.0**	**35.5**
% of Net sales	11.5	10.0	8.3
Comparable EBIT			
Operating result	46.3	25.3	-18.6
Less:			
Total items affecting comparability	-19.9	-1.7	36.4
Comparable EBIT	**26.4**	**23.6**	**17.9**
% of Net sales	7.4	6.2	4.2

FORMULAS FOR CALCULATION OF KEY RATIOS

Comparable operating result (EBIT)	=		Operating result - items affecting comparability
Comparable EBITDA	=		Operating profit + depreciation, amortisation and impairment - items affecting comparability
Cash and cash equivalents	=		Cash at hand and in bank + financial securities
Invested capital	=		Total equity + interest-bearing liabilities
Return on equity (ROE), %	=	100 x	Profit (loss) for the period / Total equity average *)
Return on invested capital (ROI), %	=	100 x	Profit (loss) for the period + interest expenses / Total equity + interest-bearing liabilities average *)
Comparable Return on capital employed (ROCE), %	=	100 x	Comparable EBIT / Total assets - current liabilities average *)
Equity ratio, %	=	100 x	Total equity / Total assets - advances received
Gearing, %	=	100 x	Interest-bearing liabilities - cash and cash equivalents / Total equity
Earnings/share	=		Result for period attributable to shareholders of the parent company / Share-issue adjusted averate number of shares during the period
Equity/share	=		Equity attributable to shareholders of the parent company / Share-issue adjusted number of shares at the end of period
Dividend/share	=		Dividend distribution for period / Number of shares (basic) at the end of period

*) 12- month rolling average