FINANCIAL STATEMENTS

2012

RAMIRENT
LET'S SOLVE IT

"2012 WAS A GOOD YEAR FOR RAMIRENT AND WE MET ALL OUR FINANCIAL TARGETS. DUE TO STRONG FOCUS ON DEVELOPING A COMMON AND CONSISTENT BUSINESS MODEL, RAMIRENT HAS BECOME A STRUCTURED COMPANY THAT CAN SUPPLY TOTAL SOLUTIONS TO FULFIL THE CUSTOMERS' NEEDS."

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FROM CEO

"WE WANT TO ACHIEVE PROFITABLE GROWTH WHILE KEEPING THE CUSTOMER FIRST IN EVERYTHING WE DO."

2012 was a good year for Ramirent and we met all our financial targets. Due to strong focus on developing a common and consistent business model, Ramirent has become a structured company that can supply total solutions to fulfil the customers' needs. In 2013, we will continue to pursue sustainable and profitable net sales growth by running a more stable and balanced business that is constantly going forward.

Year 2012 was a good year for the Ramirent Group. We reached all-time high net sales with annual growth of 10 percent to EUR 714 million. Our profitability development was strong as well, as our EBIT increased with 25 percent to EUR 92 million. Our financial position strengthened, cash flow increased significantly and all financial targets were met. We are the leading rental company in Finland, Norway, Denmark and Eastern and Central Europe, and the second largest in Sweden.

As we entered year 2012, our aim was to continue with the strategic objectives and the good work carried out already in 2011, despite the continued uncertainty of the macroeconomic environment in the core markets. In the course of the year, the overall market activity in our core markets turned out to develop more positively than expected.

During the year, we continued the work of developing a common and consistent business model to realize synergies in all operating countries. Our focus was on empowering people. We want to deploy the synergies of the one-company structure, without taking the entrepreneurial spirit out of it. We established a more structured matrix organisation with functional boards covering all geographic areas, and launched a new IT platform first in Norway. The launch will continue in 2013 – first in Denmark and later in other operating countries. This internal development helped Ramirent to become a truly international Group with best practices shared across the border. Hereby we can supply total solutions and work in the biggest projects while maintaining the values of entrepreneurship.

2012 was also characterised by consolidation, as the 11 acquisitions executed in 2011 were fully integrated into our existing operations. In addition, Ramirent decided to form a joint venture for the Russian and Ukrainian businesses together with Cramo. With the joint venture, we are in better position to benefit from the opportunities, while limiting the risks.

Another objective successfully accomplished was balancing our customer portfolio further. During the year, we gained new customers in the industrial and municipal sectors. Significantly, we strengthened our presence in energy, shipyards, mining, wind power as well as oil and gas.

We updated our strategic and financial targets in the end of 2012. We want to achieve profitable growth while keeping the customer first in everything we do. To reach these targets, we have improved the structure of our customer operations, adjusted the sales organisations and trained our people. We have also set clear sales targets, given the teams tools to meet those targets, and will also measure the success in the future. We will continue to empahize the know-how, safety and well-being of our personnel in 2013.

Sustainability is important to Ramirent, and in the past year, we put even more focus on environment, safety and health, as well as on the quality of the customised solutions we provide to our customers. These issues will be high on our agenda also in 2013, helping Ramirent to continue as the leading company of the rental industry.

We expect that the rental industry keeps growing in the future as well. Strongest growth drivers are the low levels of rental penetration in many European countries, a desire to outsource equipment in an increasing number of companies and the promising long-term growth prospects in emerging construction markets. Ramirent is in an excellent position to gain foothold in these market areas, being a modern, agile and forward-looking rental company, ready to meet our customers' needs.

"RAMIRENT IS IN THE FOREFRONT OF THE RENTAL INDUSTRY."

Entering 2013, the economic situation is still uncertain. We will continue to pursue sustainable and profitable growth of net sales. We shall develop operations of high quality, keep the customer's interest our first priority and further lower the risk level in our operation. We are well prepared for the future and capable of managing different and challenging market scenarios.

As we prepare for the challenges of 2013, I would like to thank our employees for their strong drive in enhancing and increasing the efficiency of our operations in 2012. We have met the targets we set for the year. At the same time, we are running a more stable and risk-balanced business that is constantly going forward. We are in the forefront of the rental industry, and we need everyone's commitment to be able to further benefit our customers' business in 2013. A warm thank you also goes to our shareholders and customers for their confidence in us during the year.

Magnus Rosén, President and CEO

STRATEGY

Ramirent sharpened its strategy and renewed the long-term financial targets in 2012.

CUSTOMER FIRST

VISION

To be the leading and most progressive equipment rental solutions company in Europe, setting the benchmark for industry performance and customer service.

MISSION

We simplify business by delivering Dynamic Rental Solutions™.

KEY STRATEGIC PRIORITIES FOR 2013–2015

1. Customer first
2. Sustainable, profitable growth
3. Common Ramirent platform
4. Balanced business portfolio

RENEWED LONG-TERM FINANCIAL TARGETS

1. Return on equity, ROE, of **18%** over a business cycle
2. Net debt to EBITDA below **1.6x** at the end of each fiscal year
3. Dividend payout ratio of at least **40%** of net profit

VALUES – OUR GUIDE IN THE DAILY DECISIONS

OPEN
We are open-minded and transparent to each other, our customers and our company.

PROGRESSIVE
We are forward-moving, innovative and creative and apply experience and competence to everything we do.

ENGAGED
We are committed, caring and professional all the way from assignment to solution.

BRAND PROMISE

LET'S SOLVE IT

STRATEGIC PRIORITIES FOR 2013–2015

Ramirent sharpened its strategy and renewed long term financial targets in November 2012. The aim of the Ramirent Group's strategy is to generate healthy returns to the shareholders under financial stability. Four key strategic priorities in 2013 and beyond are:

1. CUSTOMER FIRST

Ramirent offers Dynamic Rental Solutions™ that simplify its customers' business. Ramirent's broad offering provides customers with comprehensive, high-value rental solutions from a single point of contact. This is a clear benefit for the customers and differentiates Ramirent from most competitors.

Ramirent puts Customer First in all everyday business actions. Strong local customer orientation is maintained by a wide network of customer centre in the operating countries. Ramirent provides tailored offerings and approaches for different customer segments, with increased focus on sustainability, safety and quality. Excellence in key account management is a priority in our everyday work.

2. SUSTAINABLE PROFITABLE GROWTH

Ramirent targets to be the leading general rental company in the markets it operates. The company offers products and solutions tailored to the needs of local markets, and pursues market specific opportunities to develop its product offering. Ramirent targets to set a benchmark for industry performance and service quality in the markets it operates.

Ramirent will seek growth from the increasing trend to outsource equipment fleets. In addition, growth will be accelerated with selective bolt-on acquisitions to strengthen Ramirent's geographic presence and offering. Also, opportunities to enter new market segments are carefully assessed.

Ramirent is seeking financial stability and sustainable, profitable net sales growth. Focus is being set to operational quality, cost efficiency and lower risk level, while at the same time not sacrificing opportunities for profitable growth. Over a business cycle, Ramirent aims to deliver a positive cash flow by right-sizing fleet capacity in relation to demand and thus optimising capital employed, and by managing and rationalising working capital.

3. COMMON RAMIRENT PLATFORM

Ramirent pursues a one-company structure by developing a common Ramirent Platform. The Ramirent platform provides possibilities for operational consistency, best practices sharing and cross-organisational learning. Development of group wide IT platform and shared support processes will assist in realising the synergies and to drive operational excellence. Strong focus on cost efficiency is being supported by advantages of scale and scope and commercial excellence in pricing practices.

4. BALANCED BUSINESS PORTFOLIO

Ramirent aims to balance its risk through a balanced portfolio of customers, products and markets. To offset the dependency on the construction sector, Ramirent targets to widen its customer base and thus grow the share of selected non-construction customer segments to 40% of net sales.

To fulfill the different needs of customers, Ramirent will have a broad portfolio of product and service offerings. Continuous innovation of progressive new concepts is important to Ramirent. While Ramirent's core market area is the Baltic Rim, it will also develop further a well-diversified geographic market presence.

Furthermore, Ramirent aims to implement the Group's business targets by ensuring that the businesses have the necessary resources, as well as skilled and motivated people at their disposal. Ramirent aims for financial stability by maintaining a strong financial position and pursues flexibility by optimising the balance between fixed versus variable costs and the use of external financing possibilities. With contingency planning as an integrated part of our operations we aim to reduce the risk of overinvesting.

RENEWED LONG TERM FINANCIAL TARGETS

1. PROFIT GENERATION:

Return on equity, ROE, of 18 per cent over a business cycle

2. LEVERAGE AND RISK:

Net debt to EBITDA below 1.6x at the end of each fiscal year

3. DIVIDEND:

Dividend payout ratio of at least 40% of net profit

The new long-term financial targets are aligned with the strategic priorities and have been set to further emphasize shareholder value creation. Ramirent's previous long-term financial targets were EPS over 15% p.a. over a business cycle, return of investment, ROI, over 18% p.a. over a business cycle, gearing of maximum 120% at the end of each fiscal year and a dividend payout ratio of at least 40% of the net profit.

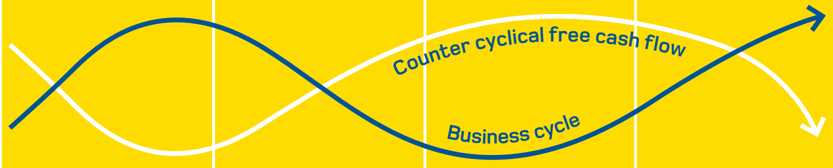
The new target for profit generation ROE captures shareholder value creation and the target level is comparable to Ramirent's previously used target of return on investment, ROI, of 18 per cent.

THE NEW LONG-TERM FINANCIAL TARGETS WERE MET IN 2012

ELEMENT	MEASURE	TARGET LEVEL	1–12/2012
Profit generation	ROE	18% p.a. over a business cycle	18.3%
Leverage and risk	Net Debt/EBITDA ratio	Below 1.6x at the end of each fiscal year	1.1x
Dividend	Dividend pay-out ratio	At least 40% of net profit	57.6%* of 2012 net profit

* Board's proposal

STRATEGY IMPLEMENTATION	Growth	Stability	Positioning	Growth
In 2012 Ramirent focused on three strategic priorities: • Sustainable top-line growth • Operational excellence • Reduced risk level	Strong market conditions and substantial growth 2004–2007	Major decline in demand 2008	Weak market conditions 2009–2010	Increased demand and investments 2011–2012



The Net debt to EBITDA target level is comparable to the previously used gearing target of maximum 120% at the end of each fiscal year.

The dividend target remains unchanged enabling a healthy return for Ramirent's shareholders as well as providing Ramirent with the potential to invest in its core business and thus to ensure that future growth can be created while maintaining financial stability.

STRATEGY IN ACTION IN 2012

Ramirent had an active acquisition year in 2011 but in 2012 the mindset was primarily set to seeking of organic growth, integration of acquisitions and strengthening of financial position of the Group. The acquired businesses were successfully integrated into the common "Ramirent platform". The financial position of the Group developed through strong increase of cash flow after investments that totalled EUR 54.2 (-52.0) million at year end, and the level of net debt decreased to EUR 239.4 (262.8) million.

In October, Ramirent announced that it will form a joint venture in Russia and Ukraine together with Cramo. The joint venture combines Ramirent's businesses in Russia and Ukraine and Cramo's businesses in Russia, excluding Kaliningrad. The joint venture will be a leading rental services company in both countries with estimated combined net sales of approximately EUR 52 million in 2012. Ramirent will own 50 per cent of the joint venture and both owners have a strong mutual interest and commitment to develop the business further. The transaction will create a strong player, which will have increased financial resources and organisational capabilities to capture the significant growth opportunities in the Russian and Ukrainian markets. In Russia and Ukraine, the construction market is huge and the momentum for developed rental services is significant, as the countries are only in the early phase of developing a modern rental industry. The joint venture will be able to present a compelling value proposition for both new and existing customers and to take lead to further develop the rental industry as a whole in these markets.

During the year, Ramirent made one outsourcing deal with Consto AS in Norway. Due to the weakening trend of construction activity in Central Europe, Ramirent reorganised its operations in these countries, and customer centers and number of employees were reduced to correspond to the new market situation. Fleet capacity was mainly relocated to the Baltic area, which experienced a good recovery in demand.

Strong focus on the development of new solution concepts continued. Seven solutions concepts, which satisfy an inherent need in most of Ramirent's customer industries, were developed in the areas of temporary power, climate control, safety, eco-efficiency, temporary space and access control. In 2012, Ramirent SafeSolve and Ramirent EcoSolve concepts were already launched in Sweden and Norway. The new solution concepts are ready to be launched in other markets during 2013.

Ramirent continued to develop new inroads into new customer industries. The share of net sales from sectors beyond construction increased from 25 to 32%. Especially energy, shipyards, mining, wind power and oil and gas were important focus industries in 2012.

The work on documenting common processes for the Ramirent platform advanced according to plan and Ramirent was able to launch the first pilot in Norway during the second half of the year. More countries will be connected to the common platform in 2013.

FINANCIAL TARGETS IN 2012

Ramirent's long term financial targets over a businesss cycle for 2012 were:

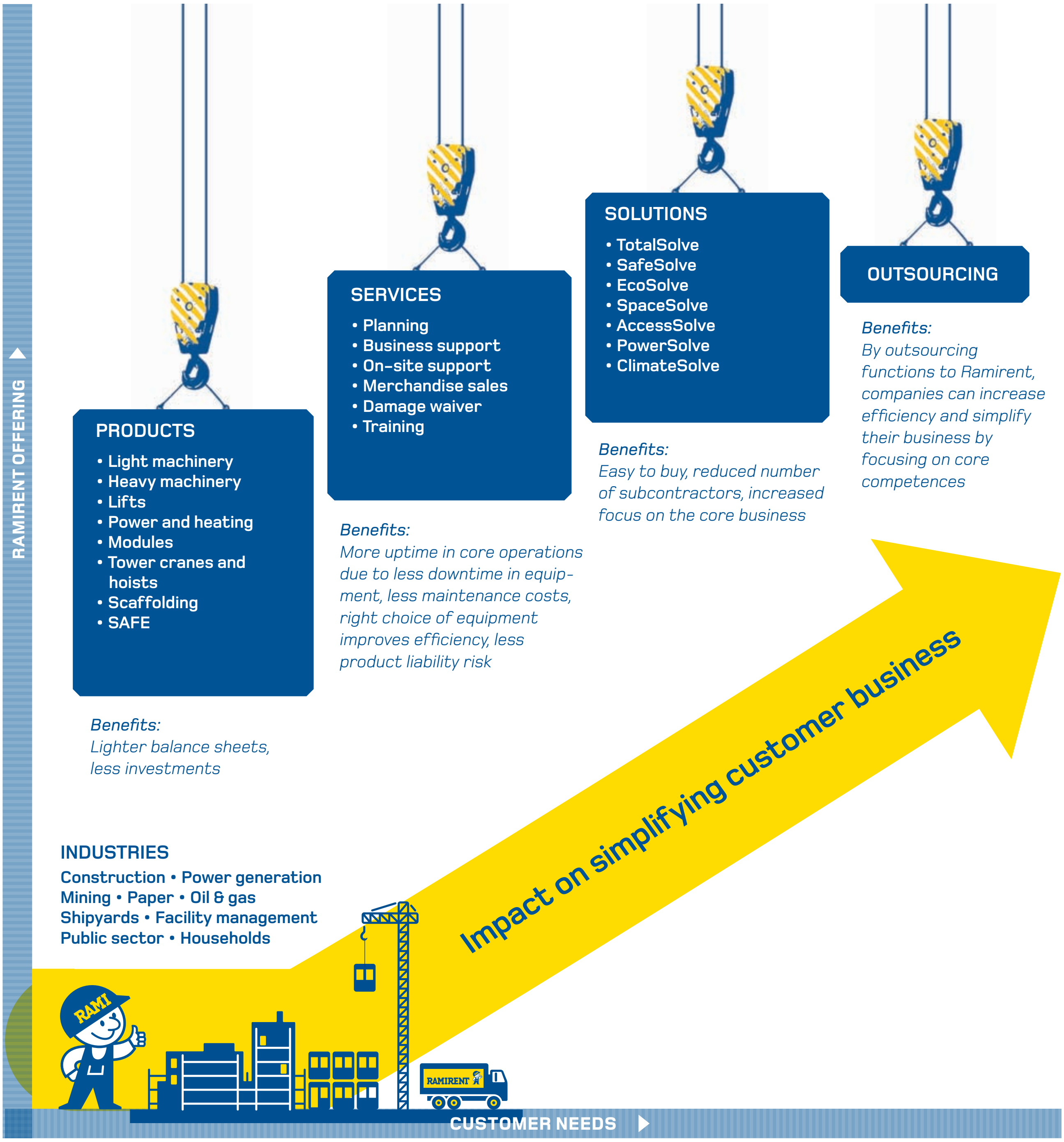
1. **Earnings per share growth of at least 15% p.a.**
2. **A return on invested capital of at least 18% p.a.**
3. **A gearing of less than 120% at the end of each fiscal year below 120%**
4. **Dividend payout ratio of at least 40% of annual earnings per share**

Ramirent renewed its long-term targets at the end of november 2012.

All financial targets were reached in the end of 2012. During the year, Ramirent had intensive and determined focus on cautious capital spending, strict cost control and strengthening of the balance sheet. This focus was bearing fruit as Ramirent managed to improve its EPS by 43% and ROI increased to 18.8% in demanding market conditions.

Ramirent's gearing improved during the year and was 65% at the end of the year. The Board of Directors proposes to the Annual General Meeting 2013 that a dividend of EUR 0.34 (0.28) per share be paid for the financial year 2012. With the proposed dividend, the payout ratio is 58% of the net profit and thus above the target level.

OUR OFFERING AND IMPACT ON THE MARKET



OPERATING ENVIRONMENT

In 2012, demand development was volatile in Ramirent core markets. Rental equipment demand in Nordic countries remained stable, whereas it weakened in Central Europe throughout the year. Market demand in Eastern Europe was relatively healthy.

THE CYCLICAL NATURE OF THE CONSTRUCTION INDUSTRY

The equipment rental industry in which Ramirent operates is heavily influenced by the overall development of the construction industry. Presently the construction industry represents more than two-thirds of Ramirent's net sales by customer sector. The construction industry consists of different subsectors: residential construction, non-residential construction, renovation construction and infrastructure construction. Main customer sectors for Ramirent are residential construction and non-residential construction.

The industry is exposed to cyclical fluctuations. Individual subsectors do not, however, show similar trends simultaneously, but have different growth patterns. In addition, there are differences between various geographical markets.

Market visibility was low in 2012 due to the financial turmoil in Europe. During the second half of the year, Eurozone fell into recession. Economic growth in Nordic countries slowed down, excluding Norway. However, rental equipment demand in Nordic countries remained stable. In Central Europe, market situation weakened throughout the year. Market demand in Eastern Europe was relatively healthy.

In the construction industry, year 2012 was fairly stable in general. Estimates for construction development output were weakened during the year in the Nordic countries with the exception of the strong Norwegian construction market. Also, all estimates were lowered in particular in Central Europe. In contradiction, estimates for the Baltic countries strengthened during the year, and maintained approximately the same in Russia.

During the year Ramirent had a strong focus on developing its offering and driving customer satisfaction, maintaining good profitability and regaining a strong financial position. Ramirent's geographical footprint has proved to be attractive, as especially Nordic countries have avoided deep recession. As the market conditions weakened in Central Europe, Ramirent scaled down operations and relocated fleet capacity mainly to the Baltic area.

THE CYCLICAL NATURE OF OTHER INDUSTRY AND CUSTOMER SECTORS

As Ramirent serves customers also outside the construction industry, its operations are affected by general industrial production cycles. Other industrial and customer sectors relevant to Ramirent include, depending on the country, manufacturing, mining, shipbuilding, energy and utilities, as well as the public sector and households. Especially energy and utilities, mining and shipbuilding offer good growth opportunities for Ramirent.

The different industries and customer sectors are exposed to cyclical fluctuations, but have different growth patterns. When compared to Ramirent's other operating countries, Finland and Norway have a larger exposure to industry sectors outside the construction industry compared to the Group's other operating countries.

In 2012, the main growth driver in the Nordic countries was construction and industrial activity. The Baltic countries saw growth especially in energy-related investments. In Russia and Ukraine, growth was supported by infrastructure


Construction sector

Ship building


Public sector


Aviation


Oil & gas sector


Energy sector


Households


Retail and Services

KEY MARKET GROWTH DRIVERS The five key growth drivers in Ramirent's operating countries support the growth of the equipment rental business in both the short and long term.

1 Rental penetration

- In the long term, rental penetration is expected to increase in Europe as users recognise the advantages of renting.
- Rental penetration in Sweden is the highest in Nordic countries. Rental penetration in Central Europe is in general relatively low. In Eastern Europe, equipment rental markets are developing and offering substantial growth possibilities.
- Rental penetration is expected to increase in Europe as construction companies will focus on their core businesses and they are willing to lighten their balance sheets.
- In the short term, the economic downturn might decrease customers' need to rent due to the lower utilisation of their own fleets.

2 Equipment outsourcing

- There is a general trend among companies towards outsourcing non-core activities in order to release capital and improve flexibility.
- An increasing number of companies have discovered the benefits of outsourcing their own fleet particularly during the downturn, and this trend is expected to continue in both the short and long term.
- Ramirent is experienced in tailoring solutions for customers seeking to outsource their own machinery operations.

3 Integrated solutions

- Customers are increasingly interested in giving a broader rental-related responsibility to rental companies in their projects.
- Broader rental related responsibility is driven by increasing requirements for having the fleet maintained and operated appropriately and delivered to the site on time.
- Ramirent is experienced in taking on broad responsibility and managing the entire fleet capacity and related solutions on a project site.

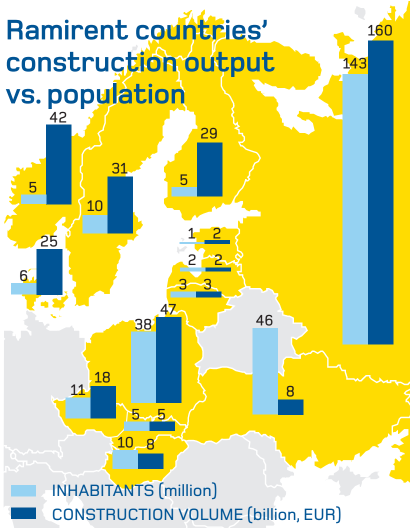
4 Market consolidation

- The equipment rental industry is highly fragmented. The market downturn is challenging for many rental firms, and this may affect the industry structure in the short term.
- Ramirent's financial strength and strong market position in all of its operating countries enable it to play an active role and seize opportunities in the market consolidation, while maintaining a strong financial position.

5 Long-term growth in emerging markets

- There is long-term growth potential in construction volumes per capita in Ramirent's Central and Eastern European markets when compared to more mature Western Europe. This indicates long-term growth potential for the equipment rental sector in these markets.

Ramirent countries' construction output vs. population



Source: Euroconstruct, December 2012

construction. In Russia, long-term market potential for equipment rental business remains attractive.

RAMIRENT IS WELL PREPARED FOR CHANGES IN MARKET CONDITIONS

Ramirent is well prepared to meet the risks related to changes in market conditions in the industry sectors with the following measures:

BROADEST RANGE OF RENTAL EQUIPMENT AND DYNAMIC RENTAL SOLUTIONS™

Ramirent offers its Dynamic Rental Solutions™ through one of Europe's largest equipment fleets. Dynamic Rental Solutions™ represent a range of customer-driven and value-adding turnkey solutions highlighting Ramirent's problem-solving approach.

Ramirent's Rental Services consist of, for example, Planning, Business support, On-Site Support, Consumables Sales, Rental Protection Cap and Training. Equipment Rental is divided into eight product categories: Lifts, Heavy Machinery, Tower Cranes and Hoists, Scaffolding, Modules, SAFE, Light Machinery and Power and Heating. This wide range of rental products and services allows Ramirent to focus on current market and customer needs. Ramirent is also able to move its fleet from one market area to another to meet market demand. Ramirent can also provide customised equipment rental solutions for almost any project. In solutions, equipment rental and services are bundled together and offered for customers in order to help them to focus on their core business. Equipment rental solutions include for example energy saving services, work safety services, temporary space services for any requirement and reliable power services. Ramirent has branded different solutions areas and trademarked them.

Ramirent has further increased the emphasis on environment, safety, health and quality of its customised solutions provided to customers during 2012. This work will continue in 2013.

WELL DIVERSIFIED GEOGRAPHICAL MARKET PRESENCE AND LEADING MARKET POSITIONS

Ramirent operates in the Nordic countries and in Central and Eastern Europe. The geographical spread, together with leading market positions, hedges the company against changes in individual markets. Ramirent is also looking to increase its geographical spread, mainly through acquisitions. This would further strengthen the company's ability to reduce the impact of market fluctuations.

In 2012, Ramirent was the leading rental company in Finland, Norway, Denmark, Europe East and Europe Central and the second largest in Sweden.

WIDE CUSTOMER BASE

Ramirent has a wide customer base, which covers multiple sectors also outside building and construction. The company aims to increase the share of other industry sectors to 40% of net sales. Outside construction, the most important customer sectors are power generation, shipyards, public sector and households.

During the year we further widened our customer portfolio by strengthening our presence especially in energy, shipyards and mining industries. Non-construction industries accounted approximately one-third of our net sales in 2012.

STRONG FINANCIAL POSITION – INDEPENDENCY OF ECONOMIC CYCLES AND EXTERNAL FINANCING POSSIBILITIES

Ramirent's target is to have a solid financial position through a strong balance sheet and prudent capital management, including the sale of non-performing fleet. The company also aims to maintain financial stability through regularly updated contingency plans, increased use of temporary personnel in project business, and strict risk management routines.

In 2012, our financial position strengthened, our cash flow increased and all financial targets were met.

RAMIRENT PLATFORM

Ramirent's target is to create operational excellence by developing a one-company structure, the Ramirent Platform. It consists of, for example, Dynamic Rental Solutions™, a uniform ERP system, and a standardised management system. Ramirent has an experienced management team, and the company invests in continuous management development to ensure that it has the required resources as well as skilled and motivated people at its disposal also in the future. The objective is to enhance the company's sustainable overall business development and performance.

Ramirent continued the work to develop a consistent business model to realise synergies in all operating countries during the year. We established a more structured matrix organisation with functional boards covering all geographic areas, and launched the new IT platform first in Norway.

CONSTRUCTION MARKET INDICATORS

European Rental Association (ERA) estimates rental penetration rates in the construction sector. In 2012, formula of rental penetration calculation has been changed in order to improve the overall quality and consistency of the data.

The new formula of rental penetration calculation is:

$$\frac{\text{Rental Turnover (country, year)}}{\text{Total Output of Construction Sector (country, year)}} = \text{CONSTRUCTION INDUSTRY PENETRATION \%}$$

RENTAL PENETRATION, 2012 (ERA)	FINLAND	SWEDEN	NORWAY	DENMARK	EUROPE CENTRAL*	EUROPE EAST**
Construction Industry Penetration % (New, 2012)	1.25%	3.05%	1.65%	1.70%	≤1.00%	≤1.00%
Rental Turnover, EUR billion	0.445	1.423	0.895	0.427	n.a	n.a
Total output of construction sector, EUR billion	35.789	47.000	53.664	25.292	77.417	163.4
Construction Industry Penetration % (Old, 2011)***	30%	45%	30%	40%	10%-20%	15%-25%

The average construction industry penetration in Europe is at the level of 1.30%. In the long-term, rental penetration in Europe is expected to increase as construction and industrial companies recognize the advantages of renting. Compared for example to the UK market, penetration rates in Ramirent's operating countries are clearly lower level. Penetration rates are expected to increase especially in Central and Eastern Europe as renting gradually becomes more common.

CONSTRUCTION MARKET OUTLOOK

COUNTRY	2012E		2013F		2014F		SOURCE
Nordic countries							
Finland	-3.4%	▼	-2.3%	▼	0.8%	▲	Euroconstruct
Sweden	-2.4%	▼	0.2%	▲	2.6%	▲	Euroconstruct
Norway	4.7%	▲	5.6%	▲	2.5%	▲	Euroconstruct
Denmark	0.5%	▲	2.2%	▲	4.4%	▲	Euroconstruct
Europe Central							
Poland	1.6%	▲	-3.4%	▼	-1.0%	▼	Euroconstruct
Czech Republic	-5.4%	▼	-1.9%	▼	0.8%	▲	Euroconstruct
Slovakia	-13.3%	▼	-1.0%	▼	2.2%	▲	Euroconstruct
Hungary	-9.0%	▼	0.9%	▲	3.4%	▲	Euroconstruct
Europe East							
Russia	3.0%	▲	0–5%	▲	0–5%	▲	Euroconstruct
Estonia	23.0%	▲	2.0%	▲	-3.0%	▼	Euroconstruct
Latvia	8.0%	▲	4.0%	▲	-2.0%	▼	Euroconstruct
Lithuania	1.0%	▲	3.0%	▲	-1.0%	▼	Euroconstruct
Ukraine	n.a.		n.a.		n.a.		Euroconstruct

*Source: Euroconstruct December 2012

Source: European Rental Association, November 2012
Calculated with 2012 average exchange rates.
* Includes Poland, Hungary, the Czech Republic and Slovakia
** Includes Russia, Baltic countries and Ukraine
*** ERA's old formula of rental penetration calculation was :

$$\frac{\text{New equipment sold to rental companies}}{\text{New equipment sold to construction sector}} = \textbf{Construction Industry Penetration, \%}$$

YEAR IN BRIEF

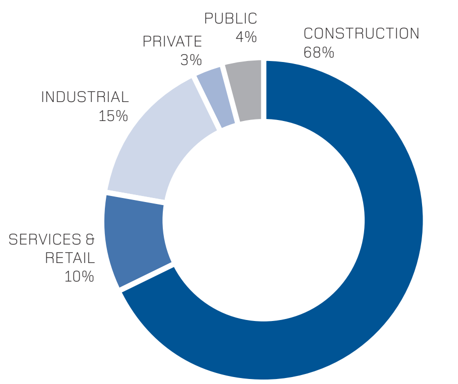
PROFITABILITY IMPROVED AND SALES ALL-TIME HIGH

KEY FIGURES MEUR	1–12/12	1–12/11	CHANGE
Net sales	714.1	649.9	9.9%
EBITDA	210.2	181.8	15.7%
% of net sales	29.4%	28.0%	
EBITA [1]	100.3	79.4	26.4%
% of net sales	14.1%	12.2%	
EBIT	92.3	74.1	24.5%
% of net sales	12.9%	11.4%	
EBT	82.9	60.8	36.4%
% of net sales	11.6%	9.3%	
Earnings per share (EPS), (basic and diluted), EUR	0.59	0.41	42.7%
Gross capital expenditure on non-current assets	124.0	242.2	-48.8%
Gross capital expenditure,% of net sales	17.4%	37.3%	
Cash flow after investments	54.2	-52.0	204.1%
Invested capital at the end of period	608.4	591.2	2.9%
Return on invested capital (ROI), % [2]	18.8%	15.7%	
Return on equity (ROE), % [2]	18.3%	13.9%	
Net debt	239.4	262.8	-8.9%
Net debt to EBITDA	1.1x	1.4x	-21.2%
Gearing, %	65.1%	80.6%	
Equity ratio, %	44.3%	40.7%	
Personnel at end of period	3,005	3,184	-5.6%

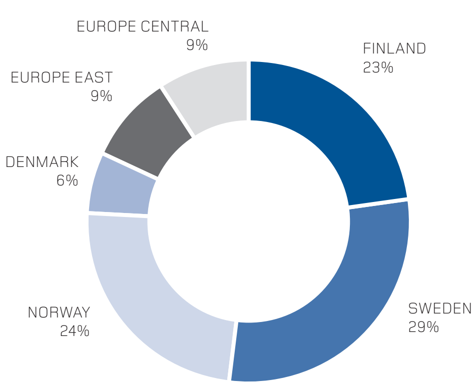
1) EBITA is operating result before amortisation and impairment of intangible assets.
2) The figures are calculated on a rolling twelve month basis.

The Board proposes to raise the dividend to EUR 0.34 (0.28) per share for the year 2012.

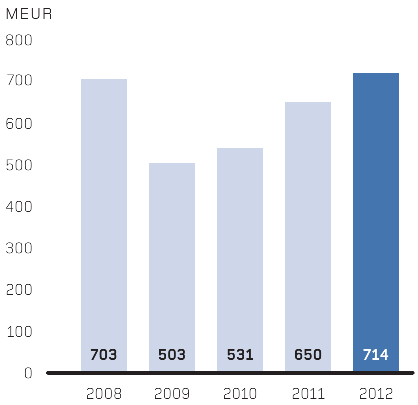
SALES PER CUSTOMER SECTOR



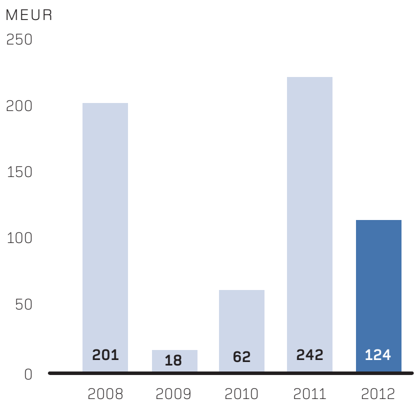
SALES PER SEGMENT



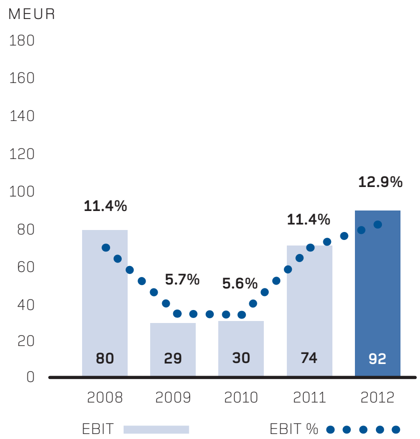
GROUP SALES DEVELOPMENT



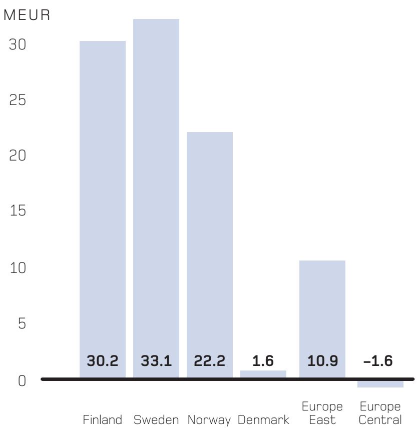
CAPITAL EXPENDITURE



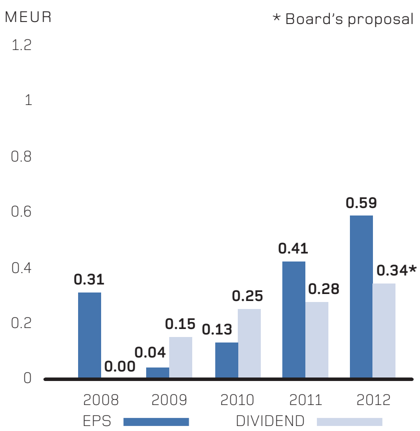
EBIT AND MARGIN



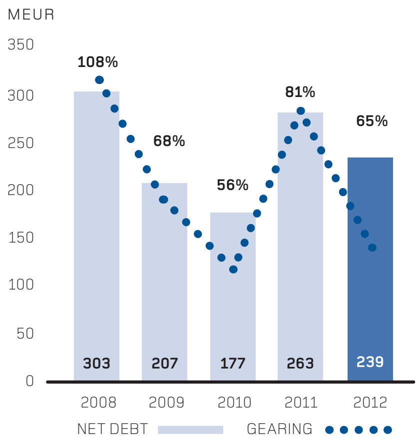
EBIT PER SEGMENT 2012



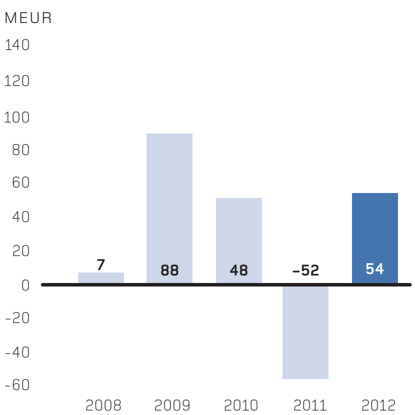
EARNINGS & DIVIDEND PER SHARE



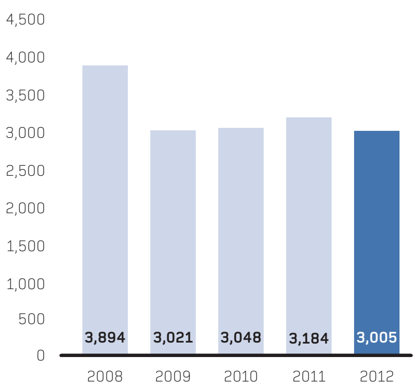
NET DEBT AND GEARING



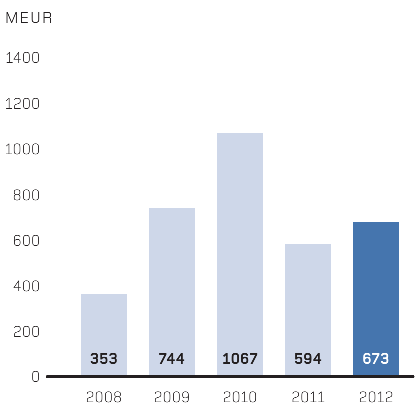
CASH FLOW AFTER INVESTMENTS



PERSONNEL



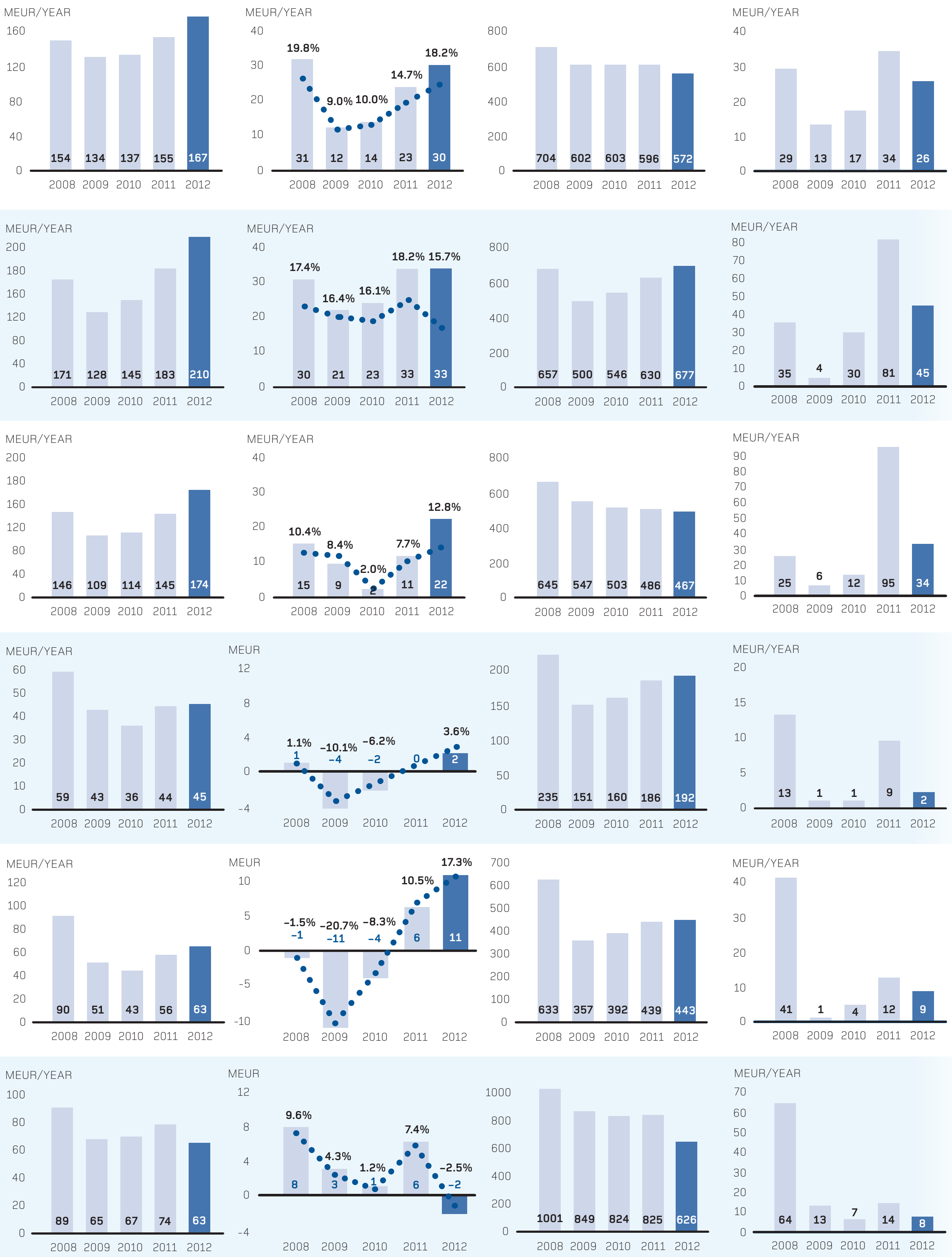
MARKET CAPITALISATION



SEGMENT	MARKET POSITION	NUMBER OF CUSTOMER CENTERS	RENTAL PENETRATION* High Medium Low	STRENGTHS	COMPETETIVE LANDSCAPE
 Finland	#1	76	1.25% (Medium)	• The widest assortment of products and services in the market • The most extensive customer centre network in the country • Strong construction and industrial know-how	Two large nationwide companies and many local and specialist operators
 Sweden	#2	79	3.05% (Medium)	• Extensive product and service offering in the market • Wide customer centre network in the country • Strong construction and industrial know-how	Two large nationwide companies and many local and specialist operators
 Norway	#1	42	1.65% (Medium)	• The widest assortment of products and services in the market • The most extensive customer centre network in the country • Strong construction and industrial know-how	Two strong companies with number of local and specialist operators
 Denmark	#1	19	1.70% (Medium)	• Good assortment of products and services in the market • Extensive customer centre network in the country • Strong construction and industrial know-how	Highly fragmented market with around 400 local and specialist operators
 Europe East	#1**	62	≤ 1.00% (Low)	• The widest assortment of products and services in the market • Extensive customer centre network • Strong construction and industrial know-how	Mainly national and local specialist operators
 Europe Central	#1***	80	≤ 1.00% (Low)	• The widest assortment of products and services in the market • The most extensive customer centre network as a whole (inc. Poland, Hungary, Slovakia and the Czech Republic) • Strong construction and industrial know-how	Mainly national and local specialist operators

* The formula of rental penetration calculation can be found on page 13.
** Russia 1 (inc. St.Petersburg and Moscow), Ukraine 1, Baltic Countries 1. Starting from 2013, Russia and Ukraine are part of joint venture formed by Ramirent and Cramo
*** Poland 1, Hungary 1, Slovakia 1, Czech Republic 1 (exc.formworks rental)

SALES	EBIT & MARGIN	PERSONNEL	CAPITAL EXPENDITURE



EBIT EBIT %

BOARD OF DIRECTORS' REPORT

OPERATIONS

Ramirent is an international Group focused on construction machinery and equipment rentals, operating in the Nordic, Central and Eastern European markets. The Group is headquartered in Vantaa and had 358 (406) permanent customer centres in 13 countries on 31 December 2012.

MARKET REVIEW

In 2012, overall market activity remained on a fairly high level in the construction and various industrial sectors in the Nordic Countries throughout the year. Norway experienced the strongest market conditions of the Nordic countries. In Europe East, especially infrastructure construction activity supported growth in the Russian and Ukrainian market. The Baltic countries experienced a recovery in construction activity and in particular in infrastructure and energy-related investments. Market conditions remained weak in all Europe Central countries.

NET SALES

Ramirent Group's January–December 2012 net sales increased 9.9% to EUR 714.1 (2011:649.9; 2010:531.3) million due to the recovery in the construction market in the Nordic and Europe East countries. At comparable exchange rates, the Group's net sales increased 7.7% for the full year. Net sales increased in all segments, except Europe Central, compared to previous year. Finland contributed 23.1% (23.6%) to the Group's sales, Sweden 29.1% (27.8%), Norway 24.1% (22.1%), Denmark 6.2% (6.7%), Europe East 8.8% (8.5%) and Europe Central 8.7% (11.3%).

Net sales development by segment was as follows:

(EUR MILLION)	1–12/12	% OF TOTAL 2012	1–12/11	% OF TOTAL 2011	CHANGE 12/11
Finland	166.5	23.1%	154.7	23.6%	7.6%
Sweden	209.9	29.1%	182.7	27.8%	14.9%
Norway	174.0	24.1%	144.8	22.1%	20.2%
Denmark	44.7	6.2%	44.1	6.7%	1.3%
Europe East	63.3	8.8%	56.1	8.5%	13.0%
Europe Central	62.7	8.7%	73.9	11.3%	–15.1%
Net items not allocated to operating segments	–7.1		–6.3		11.5%
Total	**714.1**		**649.9**		**9.9%**

FINANCIAL RESULTS

Profits improved as a result of higher capacity utilisation and healthier price levels. The fixed cost level remained stable thanks to strict cost control and lower level of personnel. Number of customer centres decreased as part of adapting to the market demand.

Ramirent Group's January–December operating result before depreciation (EBITDA) was EUR 210.2 (181.8) million, representing 29.4% (28.0%) of net sales. Credit losses and net change in the allowance for bad debt totalled EUR –6.4 (–4.0) million. Depreciations increased to EUR 117.9 (107.7) Ramirent Group's operating result before depreciation and amortisation (EBITA) was 100.3 (79.4) million representing 14.1% (12.2%). The Group's operating result (EBIT) was EUR 92.3 (2011:74.1; 2010: 29.7) million, representing 12.9% (11.4%) of net sales.

Net financial items were EUR –9.4 (–13.4) million, including EUR 2.3 (–0.6) million net effect of exchange rate changes. The Group's result before taxes was EUR 82.9 (60.8) million. Income taxes amounted to EUR –19.3 (–16.0) million. Income taxes were positively impacted by the decrease of Swedish corporate income tax rate from 26.3 per cent to 22 per cent. The change comes into force only from 1 January 2013, but as it was enacted by Swedish Parliament at the end of 2012, the deferred taxes have been calculated with the new rate. The effect of the change to Group's taxes was EUR 4.4 million.

Net result for the financial year 2012 was EUR 63.6 (44.7) million. Earnings per share were EUR 0.59 (2011: 0.41; 2010: 0.13). The return on invested capital was 18.8% (2011: 15.7%; 2010: 8.6%), and return on equity was 18.3% (2011: 13.9%; 2010: 4.7%). The equity per share was EUR 3.41 (2011: 3.02; 2010: 2.93) at the end of the period.

EBIT and EBIT–margin by segment were as follows:

(EUR MILLION)	1–12/12	EBIT–MARGIN	1–12/11	EBIT–MARGIN
Finland	30.2	18.2%	22.8	14.7%
Sweden	33.1	15.7%	33.2	18.2%
Norway	22.2	12.8%	11.2	7.7%
Denmark	1.6	3.6%	0.1	0.2%
Europe East	10.9	17.3%	5.9	10.5%
Europe Central	–1.6	–2.5%	5.5	7.4%
Net items not allocated to operating segments	–4.2		–4.5	
Total	**92.3**	**12.9%**	**74.1**	**11.4%**

CAPITAL EXPENDITURE, CASH FLOW AND FINANCIAL POSITION

Ramirent Group's January–December 2012 gross capital expenditure on non-current assets totalled EUR 124.0 (242.2) million, of which EUR 16.2 (111.2) million relates to acquisitions. In some of the acquisitions Ramirent agreed to pay contingent consideration to the sellers. The estimated contingent considerations are included in the total gross capital expenditure. Including acquisitions, investments into machinery and equipment during January–December 2012 totalled EUR 101.3 (169.2) million.

Disposals of tangible non-current assets at sales value were EUR 28.0 (27.0) million, of which EUR 27.1 (26.7) million was attributable to rental machinery and equipment.

The Group's twelve-month cash flow from operating activities was EUR 174.0 (177.4) million, whereof change in net working capital amounted to EUR –25.2 (5.5) million. Cash flow from investing activities was EUR –119.8 (–229.5) million. Cash flow from operating and investing activities totalled EUR 54.2 (–52.0) million.

In the period January–December 2012, dividends were paid in the amount of EUR 30.1 (27.0) million and own shares were repurchased in the amount of EUR 2.7 (3.4) million.

At the end of the year, interest-bearing liabilities amounted to EUR 240.7 (265.2) million. Net debt totalled EUR 239.4 (262.8) million and gearing was 65.1% (80.6%). Net debt to EBITDA ratio was 1.1x (1.4x) at the end of the year.

On 31 December 2012, Ramirent had unused committed back-up loan facilities available of EUR 150.9 million.

Total assets amounted to EUR 830.7 (801.1) million at the end of 2012, whereof property, plant and equipment amounted to EUR 451.5 (487.3) million. The Group's equity totalled EUR 367.7 (326.0) million and the Group's equity ratio was 44.3% (40.7%).

Non-cancellable minimum future lease payments off balance sheet totalled EUR 101.6 (116.6) million at the end of the period, whereof EUR 3.7 (12.3) million arose from leased rental equipment and machinery.

PERSONNEL AND CUSTOMER CENTRES	EMPLOYEES AVERAGE			CUSTOMER CENTRES 31 DECEMBER		
	2012	2011	2010	2012	2011	2010
Finland	587	601	626	76	83	84
Sweden	688	583	534	79	79	73
Norway	472	512	519	42	42	42
Denmark	182	160	149	19	22	20
Europe East	436	419	381	62	58	48
Europe Central	687	854	817	80	122	111
Group administration	25	21	18	–	–	–
TOTAL	**3 077**	**3 150**	**3 043**	**358**	**406**	**378**

BUSINESS EXPANSIONS AND ACQUISITIONS

The acquisition of Swedish TLM (Tannefors Lift och Maskinuthyrning) a leading machine rental company in the Östergötland region came into effect from 1 January 2012. On 7 June 2012 Ramirent acquired the equipment and machinery operation of Norwegian construction company Consto A.S. and signed agreement with an expected annual sales level of approximately EUR 1.6 million.

JOINT VENTURE IN RUSSIA AND UKRAINE

On 31 October 2012, Ramirent and Cramo announced to form a joint venture for their Russian and Ukrainian businesses. A Finnish limited liability company Eastbound Machinery Oy was established for that purpose at the end of 2012. The closing of the transaction is subject to approval of competition authorities.

Ramirent's net sales in Russia and Ukraine were EUR 33.6 million combined in 2012. EBIT amounted to EUR 5.6 million representing a margin of 16.7%. Number of employees was 238 and number of customer centres was 19.

The new company will be accounted for by the equity method in Ramirent's financial statements, where the share of the net profit of the joint venture is reported as part of operative profit. As of the formation of the joint venture, net sales from the operations in Russia and Ukraine will no longer be reported as part of Ramirent Group's net sales. The transaction is expected to have a positive, but not material, net contribution to the profit in 2013.

DEVELOPMENT BY OPERATING SEGMENT

FINLAND

Ramirent's net sales in Finland increased by 7.6% to EUR 166.5 (154.7) million in 2012. EBIT increased to EUR 30.2 (22.8) million, representing a margin of 18.2% (14.7%). EBIT improved thanks to good price discipline and enhanced utilisation rates. Demand for rental equipment in the construction sector remained stable in 2012. Ramirent experienced good demand from shipyards and the industrial sector. According to the forecast published by the Euroconstruct in December 2012, construction market declined by 3.4% in 2012. Main reason for the decline was lower activity in residential and non-residential construction.

SWEDEN

Ramirent's net sales in Sweden increased by 14.9% to EUR 209.9 (182.7) million in 2012 or by 10.8% at comparable exchange rates. EBIT remained on the previous year level at EUR 33.1 (33.2) million, representing a margin of 15.7% (18.2%). According to the forecast published by the Euroconstruct in December 2012, construction market decreased by 2.0% in 2012. New residential construction started to weaken gradually during the year. However, construction of non-residential buildings remained fairly stable. Demand in infrastructure construction showed again positive development.

NORWAY

Ramirent's net sales in Norway increased by 20.2% to EUR 174.0 (144.8) million in 2012 or by 15.3% at comparable exchange rates. EBIT increased to EUR 22.2 (11.2) million, representing a margin of 12.8% (7.7%). EBIT strengthened clearly due to good growth in net sales, higher utilisation rates and good cost control. Building contractor Consto AS outsourced its equipment and machines to Ramirent in June 2012. According to the forecast provided by Euroconstruct in December 2012, total construction market increased by 4.7% in 2012. Residential construction showed strong development throughout the year. Good demand in the non-residential construction supported Ramirent's performance in 2012. Ramirent's growth was also driven by good demand from the oil and gas industry.

DENMARK

Ramirent's net sales in Denmark increased by 1.3% to EUR 44.7 (44.1) million in 2012 or by 1.2% at comparable exchange rates. EBIT amounted to 1.6 (0.1) million representing a margin of 3.6% (0.2%). EBIT improved despite weakening market situation, due to good cost control. According to the forecast published by Euroconstruct in December 2012, the Danish construction market grew by 0.5% in 2012. The market of residential construction weakened due to lower level of housing start-ups in 2012. Non-residential construction and infrastructure construction remained stable.

EUROPE EAST (RUSSIA, THE BALTIC STATES AND UKRAINE)

Ramirent's net sales in Europe East increased by 13.0% to EUR 63.3 (56.1) million in 2012 or by 11.1% at comparable exchange rates. EBIT increased to EUR 10.9 million (5.9), representing a margin of 17.3% (10.5%). Profitability improved based on good growth in net sales and improved price levels. According to the forecast published by the Euroconstruct in December 2012, construction market increased by 3.0% in Russia, 23% in Estonia, 8.0% in Latvia and 1.0% in Lithuania in 2012. The main drivers of the growth in Baltic countries were increasing energy-related investments, renovation as well as growing infrastructure construction. The markets of residential construction as well as infrastructure construction developed positively in Russia. In Ukraine, infrastructure construction remained healthy.

EUROPE CENTRAL (POLAND, CZECH REPUBLIC AND SLOVAKIA AND HUNGARY)

Ramirent's net sales in Europe Central decreased by 15.1% to EUR 62.7 (73.9) million in 2012 or by 13.6% at comparable exchange rates. EBIT weakened to –1.6 (5.5) million, representing a margin of –2.5% (7.4%). EBIT decreased due to lower utilisation rates and high price pressure. Demand for rental equipment has weakened considerably in 2012 in all countries. Ramirent scaled down operations in the Czech Republic and Slovakia and relocated fleet capacity mainly to the Baltic countries. According to the forecast published by the Euroconstruct in December 2012, the construction market increased by 1.6% in Poland in 2012. In the Czech Republic, Slovakia and Hungary market situation was challenging throughout the year. In these countries, construction markets fell between 5.0% and 15.0% in 2012.

CHANGES IN GROUP STRUCTURE

Swedish companies TLM i Linköping AB, TLM i Norrköping AB, TLM i Motala AB, Hyrman i Lund AB and Maskindepon i Lund AB were merged to Ramirent AB in 2012.

Finnish companies Uudenmaan Telineasennus Oy and Rami-Muotit Oy were merged to Ramirent Finland Oy in 2012.

CHANGES IN THE GROUP MANAGEMENT TEAM IN 2012

On 4 June 2012, Anna Hyvönen (44), Lic. Tech. was appointed SVP Finland segment and member of Ramirent Group Management Team. Hyvönen will also be responsible for managing Ramirent's operations in the Baltic countries starting from 1 January 2013.

After the end of the review period, on 8 January 2013, Erik Alteryd (49) was appointed new, SVP, Sweden segment and member of Ramirent Group Management Team. He will assume his position latest in July 2013.

The composition of the Ramirent Group Management Team as of 31 December 2012 was as follows: Magnus Rosén, President and CEO of Ramirent Group as well as head of Sweden segment until July 2013; Jonas Söderkvist, CFO; Anna Hyvönen SVP, Finland segment; Bjørn Larsen, SVP, Norway segment; Erik Høi, SVP, Denmark segment; Tomasz Walawender, SVP, Europe Central segment; Franciska Janzon, Director, Corporate Communications; Mikael Kämpe, Director, Group Fleet; and Dino Leistenschneider Director, Sourcing.

SHARES

TRADING IN THE SHARE

Ramirent Plc's market capitalisation at the end of 2012 was EUR 673 (594) million. Share price closed at EUR 6.25 (5.50). The highest quotation for the period was EUR 8.81 (12.37), and the lowest EUR 5.35 (4.12). The volume weighted average trading price was EUR 6.61 (7.57).

The value of share turnover during the review period was EUR 196.1 (359.5) million, equivalent to 29,743,535 (47,165,625) traded Ramirent shares, i.e., 27.6% (43.4%) of Ramirent's total number of shares outstanding.

SHARE CAPITAL AND NUMBER OF SHARES

At the end of the review period, Ramirent Plc's share capital was EUR 25.0 million, and the total number of Ramirent shares outstanding was 107,667,136.

OWN SHARES

At the end of December 2012, Ramirent Plc held 1,030,192 of the Company's own shares, representing 0.95% of the total number of Ramirent's shares.

DECISIONS AT THE AGM 2012

Ramirent Plc's Annual General Meeting was held in Helsinki, Finland on 28 March 2012. It adopted the 2011 financial statements and discharged the members of the Board of Directors and the President and CEO from liability.

The Annual General Meeting resolved that a dividend of EUR 0.28 per share be paid for fiscal year 2011. It was decided that the dividend be paid on 11 April 2012.

The number of members of the Board of Directors was confirmed as seven (7). Board members Kaj-Gustaf Bergh, Johan Ek, Peter Hofvenstam, Erkki Norvio, Susanna Renlund and Gry Hege Sølsnes were re-elected. Kevin Appleton was elected as new member of the Board for the term that will continue until the end of the next Annual General Meeting. The remunerations for the Chairman and for the Vice-Chairman remained unchanged. The remunerations for the other members of the Board of Directors were raised from EUR 1,700 per month to 2,250 per month. Remunerations of attendance at the board and committee meetings and other similar board assignments remained unchanged.

The number of auditors was confirmed as one (1) and PricewaterhouseCoopers Oy ("PwC") was re-elected as the Company's auditor with Authorised Public Accountant Ylva Eriksson as principally responsible auditor for the term that will continue until the end of the next Annual General Meeting. The auditor's compensation will be paid against an invoice as approved by the Company.

The General Meeting approved the authorisation for the Board of Directors to decide on the repurchase of a maximum of 10,869,732 Company's own shares until the next Annual General Meeting. It also contains an entitlement for the Company to accept its own shares as pledge.

INCENTIVE PROGRAMME LTI2012

On 15 February, 2012 the Board of Directors of Ramirent Plc approved a new share-based incentive program for the executives of the company. The aim of the program is to combine the objectives of the shareholders and the executives and to offer the executives a competitive reward program based on holding the Company's shares.

The earning period of the program is calendar years 2012-2014. The potential reward from the program will be based on the Group's cumulative Economic Profit and on the Group's Total Shareholder Return (TSR). The maximum reward to be paid on the basis of the earning period 2012-2014 will correspond to the value of up to 350,000 Ramirent Plc shares (including also the proportion to be paid in cash).

DECISION TO REPURCHASE OWN SHARES

On 15 February, 2012 the Board of Directors of Ramirent Plc has, based on the authorisation by the Annual General Meeting held on 7 April 2011, decided on the repurchase of up to 350,000 shares of the Company. The repurchase will not commence until one week after the publication of the Board's decision on 16 February 2012.

STRATEGY AND FINANCIAL TARGETS

Ramirent's Board of Directors renewed the Group's long-term financial targets in November 2012. Ramirent's strategy is focused on three major objectives:

1. Sustainable profitable growth through strengthening the customer offering, widening the customer portfolio and, growing through outsourcing deals and selected acquisitions. Ramirent concentrates on the customers through a strong local customer orientation, tailored offerings with high focus on environment and sustainability, safety, health and quality as well as excellence in key account management

2. Operational excellence through developing a one-company structure, "the Ramirent platform"; and

3. Reducing the risk level through a balanced business portfolio and risk management practices.

The aim of the Ramirent Group's strategy is to generate healthy returns to the shareholders under financial stability.

The Board renewed the long-term financial targets as follows:

1. Profit generation: Return on equity, ROE, of 18% over a business cycle

2. Leverage and risk: Net debt to EBITDA below 1.6x at the end of each fiscal year

3. Dividend: Dividend pay-out ratio of at least 40% of the net profit.

RISK MANAGEMENT AND BUSINESS RISKS

Risks are events or circumstances, which, if materialised, can either positively or negatively affect the chances of Ramirent achieving its targets. Risk management in Ramirent is consistent and its purpose is to ensure continuity of operations and that Ramirent Group reaches it's strategic, including financial, objectives. Ramirent's risk management focus is on proactive measures, protecting operations, limiting negative impacts and utilising opportunities.

The Board of Directors approves the risk policy principles. Risk mapping and assessment is conducted as a part of annual strategy process in country, segment and Group level. In the risk assessment the impact and probability of each risk is evaluated based on impact on the financial result during the assessment year and three subsequent years. Indicators to follow are set and measures to be taken if the risks materialise are described in an action plan drafted during assessment of risks. Action plans include the nomination of responsible persons and timeline for the actions to be completed. The Group Management Team, together with the segment and country management, is responsible for monitoring risk indicators regularly and implementing risk management measures whenever needed. Risk management plans are implemented at the Group, segment and country levels. Risk management measures have been implemented in proportion to the scope of the operations and to the practical measures available. Additionally the scope and content of internal audit plan has been updated in accordance with the risk map. Some risks are beyond the Company's control and thus it can only prepare for reducing the impact. The strategic risks described below are risks that Ramirent and its shareholders are exposed to.

Changes in the demand of customer industries affect Ramirent's operations as well as its financial position. Such changes may be related to, among other things, economic cycles, and changed strategies in customer companies, product requirements or environmental aspects. The main risks affecting Ramirent's business operations, its profitability and financial position are those connected with the economic cycles in the main customer segment of the construction industry. The condition of the financial markets may limit the accessibility to financing for new projects and a softening of housing demand in both developed and developing markets, which will negatively affect Ramirent's customers and thereby also the Ramirent Group. A high share of fixed costs also makes adapting to quick changes in market demand challenging. Ramirent strives to reduce risk of being overly dependent on any sector by seeking new customer groups outside the construction sector and contracts with longer durations.

Ramirent operates flexibly by offering general rental services from single product to managing the entire fleet capacity for a project site, technical support and local presence. In addition, Ramirent operates cost-efficiently in an effort to ensure competitiveness. Ramirent has continued to adjust cost structure and develop the operating models. Ramirent continues to invest in education and develop tools for project management in order to run projects professionally and cost-efficiently.

Ramirent has developed different forecasting tools to be able to predict possible changes in demand levels and to plan the fleet capacity and price levels accordingly. A common fleet structure has been created in order to optimise utilisation and defend price levels. Reallocation of Ramirent's relatively uniform fleet structure may be used in response to less demand, but not a broad market downturn. Ramirent will continue to streamline its fleet in accordance with the fleet strategy drafted for each market and within the selected brands. Special attention has been placed in fleet management processes such as maintenance and repair in order to utilise the fleet in maximum. Work will be continued in processes over the fleet security and control. An essential part of Ramirent's risk management is also to maintain and develop appropriate insurance coverage of our fleet. During 2012 a new concept for insurance coverage has been rolled out.

Ramirent's operations are dependent on external, internal and embedded information technology services and solutions. Ramirent aims to use reliable information technology solutions and information security management to avoid interruptions, exposure to data loss, compromised confidentiality or usability of information. A common platform is being built to realise synergies in the Group and to ensure long-term profitability. As many other changes in the business model are planned to take place at the same time, the adequacy of resources, the schedule and scope remain challenging. Change management programs and change communication has been enhanced and will be continued throughout the whole project, taking these into account when drafting uniformed operating principles.

Ramirent applies a decentralised organisational model, which implies a high degree of autonomy for its business units. With many decision-makers fraudulent activities is a risk. Business control in such an organisation imposes requirements on reporting and supervision, which may be cumbersome for certain parts of the organisation and could make it difficult for Group management to implement measures quickly at the business unit level in changing circumstances. Group instructions and reporting quality is continuously developed, but different systems, chart of accounts, reporting and management cultures hampers transparency. Ramirent has developed the communication and training of Group instructions, and continues to improve reporting quality.

Implementation of Code of Ethics is integral part of internal audit scope and program. The whistle blowing system has been published on the homepages and intranet of all countries and Group to encourage both employees and third party to report any misconduct. Reported matters are investigated and responsible persons will be made accountable, in case of any misconduct.

Ramirent is subject to certain financial risks such as foreign currency, interest rate and liquidity and funding risks. The financial risk management in Ramirent strives to secure the sufficient funding for operational needs and to minimise the funding costs and the effects of foreign exchange rate, interest rate and other financial risks cost-effectively.

Fluctuations in currency exchange rates can significantly affect Ramirent's financial result. The effect of exchange rate fluctuations is visible when translating the net sales and financial results of our subsidiaries outside the euro zone into Euros. Changes in the exchange rates may increase or decrease net sales or results, even though no real change has occurred. Ramirent's business units hedge in full the currency exposures. In addition, they can hedge anticipated foreign currency denominated cash flows by taking into account the significance of such cash flows, the competitive situation and other possibilities to adjust. Hedging operations are handled centrally through Group Treasury.

Credit risk is defined as the possibility of a customer not fulfilling its commitments towards Ramirent. Ramirent's business units are responsible for credit risks related to sales activities. The business units assess the credit quality of their customers, by taking into account customer's financial position, past experience and other relevant factors. When appropriate, advance payments, deposits, letters of credit and third party guarantees are used to mitigate credit risks. The maximum credit risk equals the carrying value of trade receivables. Customer credit risks are diversified as Ramirent's trade receivables are generated by a large number of customers. Local practices are continuously developed and Ramirent is closely monitoring credit risks and regularly makes provisions for risk in trade receivables.

For detailed review of Ramirent's financial risks, reference is made to note no. 28 of the consolidated financial statements.

ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

All IFRS's in force on 31 December 2012 that are applicable to Ramirent's business operations, including all SIC and IFRIC interpretations thereon, have been complied with when preparing year 2012 and comparable year 2011 figures. International financial reporting standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, refer to the standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the EU. The notes to the consolidated financial statements conform also with the Finnish accounting and company legislation.

EVENTS AFTER THE BALANCE SHEET DATE

On 8 January 2013, Erik Alteryd (49), M.Sc. Eng. was appointed as SVP, Ramirent Sweden segment and member of Ramirent Group Management Team. He will assume his new role latest in July 2013.

MARKET OUTLOOK 2013

Overall equipment rental market in Europe is expected to grow modestly in 2013, according to European Rental Association (ERA). According to a forecast published by the Euroconstruct in December 2012, the Finnish construction market is expected to decline by 2.3% in 2013. Residential construction is estimated to be slightly below the level of long-term trend. Non-residential construction is expected to remain fairly stable in 2013.

In Sweden, construction is forecasted to increase by 0.2% in 2013 according to Euroconstruct forecast in December 2012. Residential and non-residential construction are expected to remain stable. Infrastructure construction is forecasted to increase in 2013, according to Byggindustri.

Norwegian construction market is expected to grow in 2013. Euroconstruct forecasts that the construction market will grow by 5.6% in 2013. Market activity is estimated to remain good especially in residential as well as infrastructure construction. Demand in several industrial sectors is expected to remain favourable.

Danish construction market is estimated to grow by 2.2% in 2013, according to the Euroconstruct. Construction of non-residential buildings and infrastructure construction are forecasted to grow slightly in 2013. Residential construction is expected to remain stable.

According to the Euroconstruct, market situation in Europe Central (Poland, the Czech Republic, Slovakia and Hungary) is going to remain challenging in 2013. In Europe East (Russia, Estonia, Latvia, Lithuania and Ukraine) construction markets are expected to grow modestly in 2013. Especially Russian market is likely to show positive development.

Overall equipment rental market in Europe is expected to grow modestly in 2013, according to European Rental Association (ERA). According to the ERA, turnover in rental equipment industry is forecasted to increase in Finland and Norway in 2013. Rental volumes are expected to increase slightly in Sweden and Denmark. In Europe Central, turnover in rental equipment market is estimated to decline compared to the last year. In Europe East, rental volumes are expected to remain stable.

RAMIRENT OUTLOOK 2013

For the full year 2013, EBITA (operating profit before amortisation and impairment of intangible assets) is expected to remain at the 2012 level.

CORPORATE GOVERNANCE STATEMENT

Ramirent has issued a Corporate Governance Statement for financial year 2012. The Corporate Governance Statement has been composed in accordance with recommendation 51 of the new Corporate Governance Code. The Corporate Governance Statement is issued as a separate report which is available in Ramirent's Annual Report 2012 and on Ramirent's web pages www.ramirent.com.

PROPOSAL OF THE BOARD ON THE USE OF DISTRIBUTABLE FUNDS

The parent company's distributable equity on 31 December 2012 amounted to EUR 404,328,383.59 of which the net profit from the financial year 2012 is EUR 18,750,030.85

The Board of Directors proposes to the Annual General Meeting 2013 that a dividend of EUR 0.34 (0.28) per share be paid for the financial year 2012. The proposed dividend will be paid to shareholders registered in Ramirent's shareholder register maintained by Euroclear Finland Ltd on the record date 2 April 2013. The Board of Directors proposes that the dividend be paid on 11 April 2013.

ANNUAL GENERAL MEETING 2013

Ramirent Plc's Annual General Meeting will be held on Tuesday 26 March 2013, at 4:30 p.m. at Pörssisali, Pörssitalo (address: Fabianinkatu 14, 00100 Helsinki, Finland). The stock exchange release to convene the AGM 2013 will be published on the Company's website on 1 March 2013. Ramirent Plc's Annual Report will be published on the Company's website on 1 March 2013.

CONSOLIDATED FINANCIAL STATEMENTS – IFRS

CONSOLIDATED INCOME STATEMENT

(EUR 1,000)	Note	2012	2011
Net sales	1	**714 083**	**649 861**
Other operating income	2	3 026	1 526
Material and service expenses	3	–237 184	–209 357
Employee benefit expenses	4	–166 550	–156 101
Other operating expenses	6	–103 249	–104 214
Share of results of associated companies and joint ventures	12	116	74
Depreciation and amortisation	5	–117 943	–107 659
Operating result (EBIT)		**92 298**	**74 131**
Financial income	7	20 320	11 405
Financial expenses	7	–29 733	–24 776
Result before taxes (EBT)		**82 885**	**60 760**
Income taxes	8	–19 257	–16 030
Net result for the financial year		**63 628**	**44 730**
Net result for the year attributable to			
Owners of the parent company		**63 628**	**44 730**
Non–controlling interests		–	–
Earnings per share (EPS)			
EPS on parent company shareholders' share of profit, basic, EUR	9	0.59	0.41
EPS on parent company shareholders' share of profit, diluted, EUR	9	0.59	0.41

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1,000)	2012	2011
Net result for the financial year	**63 628**	**44 730**
Other comprehensive income:		
Translation differences	11 855	–4 923
Cash flow hedges	–1 335	–3 059
Portion of cash flow hedges reclassified to profit or loss	270	623
Income tax on other comprehensive income	332	716
Other comprehensive income for the year, net of income tax	**11 123**	**–6 643**
Total comprehensive income for the year	**74 751**	**38 087**
Total comprehensive income attributable to		
Owners of the parent company	74 751	38 087
Non–controlling interests	–	–

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET

(EUR 1,000)	Note	31 Dec 2012	31 Dec 2011
ASSETS			
Non-current assets			
Property, plant and equipment	10	451 511	487 310
Goodwill	11	133 515	124 452
Other intangible assets	11	40 381	35 719
Investments in associates and joint ventures	12	1 125	953
Available-for-sale investments	13	412	415
Deferred tax assets	14	9 189	12 183
Total non-current assets		**636 133**	**661 032**
Current assets			
Inventories	15	15 250	17 309
Trade and other receivables	16	135 600	120 000
Current tax assets		145	344
Cash and cash equivalents	17	1 338	2 431
Total current assets		**152 333**	**140 084**
Assets to be transferred to the Joint Venture	18	42 250	–
TOTAL ASSETS		**830 716**	**801 117**

(EUR 1,000)	Note	31 Dec 2012	31 Dec 2011
EQUITY AND LIABILITIES			
Equity belonging to the parent company's shareholders			
Share capital	20	25 000	25 000
Revaluation fund		–4 924	–4 192
Invested unrestricted equity fund		113 329	113 329
Retained earnings		234 266	191 862
Total equity belonging to the parent company’s shareholders		367 672	326 000
Non-controlling interests		–	–
Total equity		**367 672**	**326 000**
Non-current liabilities			
Deferred tax liabilities	21	73 333	73 690
Pension obligations	22	8 693	7 226
Provisions	23	972	1 553
Interest bearing liabilities	24	191 199	219 773
Other liabilities	25	8 071	11 748
Total non-current liabilities		**282 268**	**313 990**
Current liabilities			
Trade payables and other liabilities	26	112 956	109 020
Provisions	23	826	1 163
Current tax liabilities		10 936	5 496
Interest bearing liabilities	24	49 513	45 448
Total current liabilities		**174 231**	**161 127**
Liabilities to be transferred to the Joint Venture		**6 545**	**–**
Total liabilities		**463 044**	**475 117**
TOTAL EQUITY AND LIABILITIES		**830 716**	**801 117**

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR 1,000)	Share capital	Revaluation fund	Invested unrestricted equity fund	Translation differences	Retained earnings	Total equity
Equity 1.1.2011	**25 000**	**–2 472**	**113 329**	**–591**	**182 374**	**317 640**
Result for the period	–	–	–	–	44 730	44 730
Other comprehensive income for the period	–	–1 720	–	–4 923	–	–6 643
Total comprehensive income for the period	**–**	**–1 720**	**–**	**–4 923**	**44 730**	**38 087**
Share based payments	–	–	–	–	655	655
Purchase of treasury shares	–	–	–	–	–3 378	–3 378
Dividend distribution	–	–	–	–	–27 004	–27 004
Total transactions with shareholders	**–**	**–**	**–**	**–**	**–29 728**	**–29 728**
Equity 31.12.2011	**25 000**	**–4 192**	**113 329**	**–5 514**	**197 376**	**326 000**
Result for the period	–	–	–	–	63 628	63 628
Other comprehensive income for the period	–	-732	–	11 855	–	11 123
Total comprehensive income for the period	**–**	**-732**	**–**	**11 855**	**63 628**	**74 751**
Share based payments	–	–	–	–	–217	–217
Purchase of treasury shares	–	–	–	–	–2 714	–2 714
Dividend distribution	–	–	–	–	**–30 147**	**–30 147**
Total transactions with shareholders	**–**	**–**	**–**	**–**	**–33 078**	**–33 078**
Equity 31.12.2012	**25 000**	**–4 924**	**113 329**	**6 341**	**227 926**	**367 672**

Revaluation fund is used for reporting of cash flow hedges and fair value adjustments of available–for–sale–financial assets.
The notes are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1,000)	Note	2012	2011
Cash flow from operating activities			
Result before taxes		82 885	60 760
Adjustments			
Depreciation and amortisation	5	117 943	107 659
Adjustment for proceeds from sale of used rental equipment		12 542	12 327
Financial income and expenses	7	9 413	13 371
Other adjustments		–1 438	–3 986
Change in working capital			
Change in trade and other receivables		–15 367	–12 681
Change in inventories		1 576	–1 350
Change in non–interest–bearing liabilities		–11 422	19 511
Interest paid		–12 293	–11 899
Interest received		3 470	184
Income taxes paid		–13 325	–6 463
Net cash generated from operating activities		**173 985**	**177 433**
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash		–13 940	–72 665
Investment in tangible non–current assets		–99 177	–124 119
Investment in intangible non–current assets		–7 598	–33 042
Proceeds from sale of tangible and intangible non–current assets (excl. used rental equipment)		897	351
Net cash flow from investing activities		**–119 818**	**–229 475**
Cash flow from financing activities			
Dividends paid		–30 147	–27 004
Purchase of treasury shares		–2 714	–3 378
Borrowings and repayments of short–term debt (net)		5 500	30 584
Proceeds from long–term borrowings		9 311	79 741
Repayments of long–term debt		–37 211	–26 822
Net cash flow from financing activities		**–55 261**	**53 121**
Net change in cash and cash equivalents during the financial year		**–1 094**	**1 079**
Cash at the beginning of the period		2 431	1 352
Translation difference		–	–1
Cash at the end of the period	17	**1 338**	**2 431**

The notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

BUSINESS ACTIVITIES

Ramirent Plc is a Finnish public limited liability company organised under the laws of Finland and domiciled in Helsinki, Finland. Ramirent Plc's registered address is Äyritie 16, FI–01510 Vantaa, Finland. Ramirent Plc's shares are listed on the NASDAQ OMX Helsinki.

Ramirent Plc is the parent company for Ramirent Group. Ramirent Group's business activities comprise rental of construction machinery and equipment for construction and industry. In addition to this, the Group provides services related to the rental of machinery and equipment and also conducts some trade of construction related machinery, equipment and accessories.

Ramirent is an international Group that operated in 2012 in 13 countries – Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Russia, Ukraine, Poland, Hungary, the Czech Republic and Slovakia. The business operations are conducted from a total of 358 (406) rental customer centres located in these countries.

At the end of 2012 Ramirent employed 3,005 (3,184) people. The consolidated net sales amounted to EUR 714.1 (649.9) million, of which 77% (76%) was generated outside Finland.

These Group consolidated financial statements were authorised for issue by the Board of Directors on 11 February 2013.

ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). All IAS and IFRS standards in force on 31 December 2012 that are applicable to Ramirent's business operations, including all SIC and IFRIC interpretations thereon, have been complied with when preparing both year 2012 and comparative year 2011 figures.

International financial reporting standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, refer to the standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the EU. The notes to the consolidated financial statements conform also with the Finnish accounting and company legislation.

Consolidated financial statements have been presented in thousand EUR unless otherwise stated. Due to roundings the sum of individual figures may differ from the totals.

Ramirent has adopted the following new or amended standards and IFRIC interpretations beginning 1 January 2012:

IFRS 7 (amendment) "Financial instruments: Disclosures -Transfers of Financial Assets" (effective from 1 July 2011).

IFRS 1 (amendment) "First time adoption of International Financial Reporting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters" (effective from 1 July 2011).

The above amendments do not have any material impact on Ramirent's financial reporting.

BASIS FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are prepared under the historical cost method, with the exception of available–for–sale investments, derivative instruments, share–based payment expenses and assets and liabilities connected with defined benefit pension plans.

Available–for–sale investments and derivative instruments are measured at fair value.

Assets are classified as held for sale and measured at the lower of their carrying value or the fair value less cost to sell, if their carrying value is recovered principally through a sale transaction rather than through a continuing use.

GOING CONCERN

The consolidated financial statements have been prepared on a going concern basis.

APPLICATION OF ESTIMATES

The preparation of financial statements in conformity with IFRS requires the company's management to make and rely on certain estimates and to make certain judgements when applying the company's accounting principles. Although these estimates are based on management's best knowledge of events and transactions, actual results may, nevertheless, differ from the estimates.

The most common and significant situations when management uses judgement and makes estimates are when it decides on the following:

- probability of future taxable profits against which tax deductible temporary differences can be utilised thus giving rise to recognition of deferred income tax assets
- fair value (collectable amount) of trade receivables
- amount of provisions

- actuarial assumptions applied in the calculation of defined benefit obligations
- measurement of fair value of assets acquired in connection with business combinations
- contingent considerations arrangements in acquisitions, and
- future business estimates and other elements of impairment testing.

CONSOLIDATION PRINCIPLES

Subsidiaries

The consolidated financial statements include the parent company Ramirent Plc and all of its subsidiaries. The parent company has, either directly or indirectly through some other subsidiary, a control over all its subsidiaries. Control is the power to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities.

The consolidated financial statements are prepared by use of the acquisition method, according to which the assets, liabilities and contingent liabilities of the acquired company are measured at their fair value at the date of acquisition. The date of acquisition is the date when control is gained over the subsidiary. A subsidiary is consolidated from the date of acquisition until the date when the parent company loses control over the subsidiary. If control over the subsidiary is lost, the remaining investment is measured at fair value through profit or loss. If the parent company retains control, impacts from changes in ownership in a subsidiary are recognised directly in Group's equity.

The cost of goodwill is the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable net assets, liabilities and contingent liabilities of the acquiree at the date of acquisition. It represents a consideration made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised as assets. Any contingent consideration will be measured at fair value and subsequently re–measured through profit or loss. All acquisition–related costs, such as experts' fees, are expensed. There is a choice on an acquisition–by–acquisition basis to measure the non–controlling interest in the acquiree either at fair value or at the non–controlling interest's proportionate share of the acquiree's net assets.

The net assets acquired are denominated in the functional currency of the acquired subsidiaries and translated to the parent company's functional currency EUR at the balance sheet rates. The result of this is that goodwill on all acquisitions measured in any other currency than EUR is subject to exchange rate differences, which causes a fluctuation of the goodwill amount and any fair value adjustment amount when translated to the parent company's functional currency EUR.

All Group internal transactions, balances and internal unrealised profits as well as Group internal dividends are eliminated. Unrealised losses are eliminated in the same way as unrealised profits, but only to the extent that there is no evidence of impairment.

The non–controlling interest of the net result and non–controlling interest of the total comperehensive income of Ramirent's subsidiaries is presented separately from the consolidated net result and the total comprehensive income belonging to the parent company's shareholders. Likewise in the consolidated balance sheet the non–controlling interest of the equity of Ramirent's subsidiaries is presented as a separate equity item apart from the consolidated equity belonging to the parent company's shareholders.

Associates

Associates are entities over which Ramirent has significant influence but not control, accompaniying a direct or indirect shareholding of between 20% and 50% of the voting rights. Investments is associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised in the balance sheet at cost, and the carrying amount is increased or decreased to recognise Ramirent's share of the profit or loss after the date of the acquisition. The share of the profit or loss is presented separately in the consolidated income statement.

Joint ventures

Investments in joint ventures in which Ramirent has the power to jointly govern the financial and operating activities of the entity are accounted for using the equity method.

FOREIGN CURRENCY TRANSACTIONS

The result and financial position of each Group company is measured in the currency of the primary economic environment in which the company is operating (functional currency). The consolidated financial statements are presented in EUR, which is the functional currency of Group's parent company Ramirent Plc.

Foreign currency transactions are translated to EUR using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities denominated in foreign currencies are translated to EUR using the exchange rates prevailing at the reporting date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the transaction of monetary assets and liabilities denominated in foreign currencies are for operating items recognised in other operating expenses in profit or loss, whereas those stemming from financing items are recognised in financial income and expenses in profit or loss.

The income statements of the Group's subsidiaries whose functional currencies are not EUR are translated to EUR using the average exchange rates for the financial period. Their balance sheets are translated to EUR at the exchange rates prevailing at the reporting date.

The difference arising due to the consolidation process between the net result for the financial period in the consolidated income statement and that in the consolidated balance sheet is recognised as translation differences in other comprehensive income and presented in translation differences in equity in the consolidated balance sheet. Exchange rate differences arising from the elimination of the acquired net assets of the foreign subsidiaries at the acquisition date are also recognised as translation differences in other comprehensive income and presented in translation differences in equity in the consolidated balance sheet. When a subsidiary is disposed, any translation difference relating to the disposed subsidiary and previously presented in equity is transferred in profit or loss as part of the gain or loss of the sale or liquidation.

REPORTING BY SEGMENT

Segment information is presented for Ramirent's operating segments, which are determined by geographical split. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's CEO (the Chief Operating Decision–maker).

Ramirent's operating segments are:

- Finland
- Sweden
- Norway
- Denmark
- Europe East (The Baltics and Russia and Ukraine)
- Europe Central (Poland, Czech Republic and Slovakia and Hungary)

Revenue in all segments consists of rental income and services, sales income of goods and sales income of used rental equipment.

The geographical income statement information is presented according to location of selling entity, whereas asset and liability information is presented by asset and liability location.

The pricing for Group internal transactions between the different operating segments is based on the arm's length principle.

The segment's invested capital comprises of assets and liabilities that the segment utilises in its business operations to the extent assets and liabilities are reported regularly to Chief Operating Decision–maker in Ramirent Group.

REVENUE RECOGNITION

All rental income and income from sale of goods are accounted for as revenues. The revenues are reported to the fair value of what has been received in cash or will be received in cash, net of sales discounts, VAT and other taxes directly linked to the sales amount.

Rental revenue and revenues from services related to the rental income are recognised in the period when the service is rendered to the customer.

Income from sale of inventories and sale of rental machinery and equipment is recognised as revenue when the significant risks and benefits related to the ownership have been transferred to the buyer and the seller no longer retains control or managerial involvement in the goods.

EMPLOYEE BENEFITS

Pension obligations

The Group companies have organised their pensions by means of various pension plans in accordance with local conditions and practices. Defined contribution plans exist in all countries in which Ramirent is operating, whereas defined benefit plans exist in Sweden and Norway only.

The pension contributions paid or payable for defined contribution pension plans are expensed in profit or loss during the financial period to which the cost relate.

The defined benefit pension obligation due to defined benefit pension plans have been recognised in the balance sheet on the basis of actuarial calculations. The actuarial calculations are based on projected unit credit method by applying market interest rates quoted at the reporting date for low risk government or corporate bonds the maturity of which materially corresponds to the maturity of the defined benefit pension obligation.

The pension expenses for defined benefit pension plans are recognised in profit or loss during the total projected service period for the employees covered by the plans. Actuarial gains and/or losses less than the greater of 10% of the present value of the defined benefit obligation and the fair value of the plan assets are not recognised as pension obligation in the balance sheet (the "corridor" approach). To the extent that those actuarial gains and/or losses exceed the aforementioned 10% threshold, they are credited/debited to the pension expenses in profit or loss over the expected average remaining working lives of the employees participating in the defined benefit pension plans.

Share–based payments

Ramirent has share–based incentive programs for its key managers. Any reward is subject to achievement of the targets set by the Board of Directors.

The incentive programs are partly equity–settled and partly cash–settled. The costs are accrued over the vesting period for each program. The part of the reward that is settled in shares is valued at fair value at the grant date and the costs are recognised in equity. The part of the reward that is settled in cash is recognised as a liability. The liability is remeasured at each reporting date for subsequent changes in the fair value of the liablility. The cash–settled portion relates to personal taxes and other employer's contributions.

The incentive programs are described in more detail in note no. 4 to the consolidated financial statements.

OPERATING RESULT (EBIT)

The operating profit or loss is the total of net sales and other operating income from which expenses for material and services, employee benefits and other operating expenses as well as depreciation, amortisation and impairment charges on non–current assets are subtracted. The share of result in associates and joint ventures is included in the operating result.

Foreign currency differences stemming from working capital items are included in the operating result, whereas foreign currency differences from financial assets and liabilities are included in financial income and expenses.

EBITA

EBITA is calculated as operating result before amortisation and impairment of intangible assets.

BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form a part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Other interest and other costs related to interest bearing liabilities are recognised as an expense in profit or loss when incurred.

Transaction expenses directly attributable to the raising of loans from financial institutions, and which are clearly connected to a specific loan, are offset against the initial loan amount in the balance sheet and recognised as financial expenses in profit or loss using the effective interest method.

INCOME TAXES

Income taxes consist of current income taxes and deferred income taxes. Current income taxes include income taxes for the current fiscal year as well as adjustments to the current income taxes for previous fiscal years in terms of tax expenses or tax refunds that had not been recognised in prior year profit or loss. The income tax charge for the current fiscal year is the sum of the current income taxes recorded in each Group company, which are calculated on the company specific taxable income using the tax rates prevailing in the different countries where the Group companies are operating.

Deferred income taxes are calculated on all temporary differences between the carrying value and the tax bases of assets and liabilities. The main temporary differences arise from the depreciation difference on non–current assets, the measurement at fair value of derivative financial instruments, defined benefit pension plans, tax losses carried forward and the measurement at fair value in business combinations. Deferred income taxes are not recognised on subsidiary retained earnings to the extent that it is not probable that the timing difference will materialise in the foreseeable future.

Deferred income taxes are calculated using the country specific tax rates enacted or substantially enacted in local tax laws as at balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Income taxes on items recognised in other comprehensive income are also recognised in other comprehensive income.

GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

For business combinations executed after the IFRS transition date (1 January 2004) goodwill represents the excess of the cost of a business combination over the acquirer's interest in the recognised net fair value of the identifiable assets, liabilities and contingent liabilities.

Goodwill is not amortised, but instead it is subject to annual impairment testing procedure once a year, or more frequently if events or changes in circumstances indicate that it might be impaired. For this purpose goodwill has been allocated to the cash generating units "CGU" which it relates to. An impairment charge on goodwill is recognised in the consolidated income statement, if the impairment test shows that its carrying amount exceeds its estimated recoverable amount, in which case its carrying amount is written down to its recoverable amount. Thus, subsequent to its initial recognition, goodwill acquired in a business combination is carried at initial cost less any accumulated impairment charges recognised after the acquisition date. An impairment loss on goodwill cannot be reversed.

Other intangible assets

An intangible asset is recognised only if it is probable that the future economic benefits that are attributable to the asset will flow to the entity, and the cost can be measured reliably.

Other intangible assets comprise software licenses and costs for IT–systems which are stated at initial cost less cumulative amortisation and accumulated impairment charges. The initial cost comprises expenses directly attributable to the acquisition of the asset and other expenses associated with the development of the system.

In addition to the aforementioned categories, other intangible assets also include non–competition, customer and cooperation agreements acquired and identified in business combinations. They are carried at initial fair value at the date of acquisition less cumulative amortisation and accumulated impairment charges.

Other intangible assets with a finite economic useful life are amortised over their estimated useful life. The estimated useful life and the amortisation methods used per asset category are as follows:

• Software licenses and IT–systems	linear	3–5 years
• Non–competition agreements	linear	2–3 years
• Customer agreements	linear	3–10 years
• Cooperation agreements	linear	3–5 years

Amortisation methods, useful lifes and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation ceases when an asset is classified as held for sale in accordance with IFRS 5 "Non–current Assets Held for Sale and Discontinued Operations". Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell.

Gains on sold intangible assets are recognised as other operating income, whereas losses are recognised as other operating expenses in profit or loss.

TANGIBLE ASSETS

A tangible asset is recognised in the balance sheet only if it is probable that future economic benefits associated with the asset will flow to the entity and its cost can be measured reliably.

Tangible assets (land, buildings and structures, machinery and equipment, other tangible assets) acquired by Group companies are stated at original acquisition cost less accumulated depreciation and accumulated impairment charges, except when acquired in connection with a business combination when they are measured at fair value at acquisition date less depreciation and impairment charges accumulated after the acquisition date.

The acquisition cost includes all expenditure attributable to bringing the asset to working condition. In addition to direct purchasing expenses it also includes other expenses related to the acquisition, such as duties, transport costs, installation costs, inspection fees, etc.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Major repairs may qualify for the capitalisation criteria for subsequent expenditures. This is the case when the costs spent on the repair enhance the capacity of the asset or extends its useful life compared to its capacity or useful life before the repair. If not, subsequent expenditures are not capitalised in the balance sheet, but instead recognised as expenses in profit or loss. Ordinary repair and maintenance expenditures are expensed in profit or loss when incurred.

Tangible assets are subject to linear item–by–item depreciation during their estimated useful life. Land is not subject to depreciation.

The depreciation methods and estimated useful lifes per asset category as follows:

• Buildings and structures	linear	10–30 years
• Machinery and equipment for own use	linear	3–10 years
• Other tangible assets	linear	3–8 years
• Itemised rental machinery, fixtures and equipment		
- Lifting and loading equipment	linear	8–15 years
- Minor machinery	linear	3–8 years
- Portable spatial units	linear	10 years
• Non–itemised rental machinery, fixtures and equipment		
- Scaffolding	linear	10 years
- Formwork and supporting fixtures	linear	10 years
- Other non–itemised tangible assets	linear	10 years

Depreciation methods, useful lifes and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation ceases when assets are classified as held for sale in accordance with IFRS 5 "Non–current Assets Held for Sale and Discontinued Operations". Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell.

Gains and losses on disposed tangible assets are recognised in profit or loss. Sales income from sold rental machinery and equipment is recognised in net sales, whereas the costs related to the sales are recognised as material and service expenses. Sales gains from sold other tangible assets are recognised as other operating income, whereas sales losses are recognised as other operating expenses.

IMPAIRMENT OF ASSETS AND IMPAIRMENT TESTING

Non–current assets are reviewed regularly as to whether there are any indications that any asset is impaired, i.e. whether any events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Goodwill is subject to an annual impairment testing process. Goodwill is allocated to cash–generating units for the purpose of impairment testing. The allocation is made to those cash–generating units or groups of cash–generating units that are expected to benefit from the business combination in which the goodwill arose.

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount for non–current assets is the higher of their fair value less cost to sell and their value in use. The value in use is determined by reference to discounted cash flows expected to be generated by the asset. The financial valuation models used for impairment testing require application of estimates.

For machinery and equipment in rental use special attention is paid to utilisation rate and in cases where the utilisation rate is low the need for impairment is considered. An impairment loss is recognised when an asset's carrying amount is higher than its recoverable amount. Impairment losses are recognised in profit or loss.

A recognised impairment loss is reversed only if such changes of circumstances have occurred which have had an increasing effect on the recoverable amount compared to its amount when the impairment loss was recognised. Impairment losses may not, however, be reversed in excess of such a reversal amount which would cause the assets carrying value after the reversal to be higher than the carrying value it would have had if no impairment loss would have been recognised.

An impairment loss on goodwill cannot be reversed.

LEASES

Leases of tangible non–current assets, where the company has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the commencement of the lease term at the lower of the fair value of the leased asset and the present value of the underlying minimum lease payments. Each lease payment is allocated between the reduction of capital liability and finance charges to achieve a constant interest rate charge on the finance lease liability.

The finance lease liability, net of finance charges, is included in interest bearing liabilities. The finance charge is recognised as financial expenses in profit or loss over the lease period. The leased assets are depreciated during their useful life in accordance with the depreciation principles applied by the company for different categories of non–current assets.

Leases of assets where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Ramirent's operating leases comprise of lease agreements of rental machinery and equipment, renting agreements for property and other operating lease agreements.

Operating lease agreements are usually made for a certain period of time. The agreements may include clauses on termination period or termination fee payable in case of termination before expiration date. Their expenses are recognised as other operating expenses in profit or loss.

The Group's obligations in terms of future minimum non–cancellable leasing payments are reported as off–balance sheet notes information. The notes information contains the future minimum non–cancellable leasing payments. Split–rental and re–renting agreements are used for short–term leasing of rental machinery and equipment. Their expenses are included in material and service expenses in profit or loss. Split–rental and re–renting agreements do not contain any future obligations related to future minimum non–cancellable leasing payments.

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Cost is determined using the weighted average cost formula. The cost is defined as all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Inventories comprise assets that are held for sale in the ordinary course of business, or in the form of materials or supplies to be consumed in the rendering of services.

FINANCIAL ASSETS, FINANCIAL LIABILITIES, DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

Classification of financial assets and liabilities

Financial instruments are classified as financial assets at fair value through profit or loss, loans and other receivables, available–for–sale financial assets and liabilities at amortised cost. The Group determines the classification of financial assets and liabilities at the date of the initial acquisition on the basis of the purpose for which the financial assets or liabilities were acquired. Purchases and sales of financial assets are recognised on the trade date.

Available–for–sale financial assets

Available–for–sale financial assets comprise mainly of equity securities. They are measured at fair value.The fair value of publicly quoted equity shares is determined based on their market value. The fair value of unlisted equity shares is based on valuations of external consultans or they are, provided that a fair value is not available, carried at original cost. Fair value changes of available–for–sale financial assets are recognised net of income taxes in other comprehensive income and presented in the revaluation fund. Transaction expenses are included in the initial acquisition cost. When disposed of, the accumulated fair value changes that had been recognised in other comprensive income and presented in the revaluation fund are recognised to financial income and expenses in profit or loss. Changes in fair value are removed from other comprehensive income and recognised as financial expenses in profit or loss to the extent they cause impairment losses. Ramirent assesses at each reporting date whether there is evidence that a financial asset is impaired. All available–for–sale financial assets are presented as non–current assets if their sale is not regarded as probable within the following 12 months after the reporting date. Otherwise they are presented as current assets.

Loans and receivables

Loans and receivables are non–derivative financial assets, the settlements of which are fixed or can be determined and which are not quoted on active markets and which the company does not hold for trade. These include the financial assets that the company has received by transferring money, goods or services, Ramirent's loans and receivables comprise trade and other receivables.

Loans and receivables are measured at amortised cost using the effective interest method. They are presented as non–current assets to the extent that they fall due more than 12 months after the reporting date.

Trade receivables are carried at their fair value (collectable amount), which is the originally invoiced amount less an estimated allowance for impaired receivables. An impairment loss is recognised on trade receivables if payment is delayed more than 90 days or if a trade receivable has been determined as uncollectable. The allowance need is determined on a lot–by–lot inspection of overdue receivables.

Financial liabilities

All financial liabilities, except for derivative instruments, are recognised at the date that they are originated and measured at amortised cost using the effective interest method.

Transaction expenses directly attributable to the raising of loans from financial institutions, and which are clearly connected to a specific loan, are offset against the initial loan amount in the balance sheet and recognised as financial expenses in profit or loss using the effective interest method.

Financial liabilities are included in both non–current and current liabilities and they can be interest or non–interest bearing.

Other liabilities comprise of contingent considerations and other liabilities for the purchase prices of acquired subsidiaries and business operations.

Derivative instruments and hedge accounting

The main derivative instruments used by the company for the financial years 2012 and 2011 were interest rate and foreign currency derivatives. They have been used as hedging instruments in accordance with the company's finance policy.

Hedge accounting is applied for interest rate swaps. The hedged item comprises the future cash flow on interest expenses payable on interest bearing debt.

In addition to interest rate swap's some short–term currency forwards have also been used. The hedge accounting is not applied for the currency forwards, and thus they have been classified as financial instruments at fair value through profit or loss. Their fair value changes are recognised fully as financial income or expenses in profit or loss.

The hedging instruments are initially recognised at fair value on the date of entering the derivative contract. After the initial recognition they are re–measured at fair values, which are based on quoted market prices and rates by the banks. The change of the fair value is recognised in other comprehensive income and presented in the revaluation fund to the extent that the hedging is effective. The ineffective part of the hedging is recognised as financial income or expenses in profit or loss immediately.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. If the hedging instrument expires or is sold or if its resignation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction affects profit or loss. If the forecast transaction in no longer expected to occur, the cumulative gain or loss previously recognised in equity is transferred to profit or loss.

The hedging relationship is documented according to the requirement of IAS 39 and the hedging instruments are subject to prospective and retrospective testing of effectiveness.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and at banks, deposits held at call with banks and other short–term highly liquid financial investments with a maturity shorter than 3 months. When bank overdrafts show a liability balance, they are presented as interest–bearing liabilities.

PROVISIONS

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that a future outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The most usual types of provisions that may exist are restructuring provisions. They are recognised only when general recognition criteria for provisions are fulfilled. Additionally, the Group needs to follow a detailed formal plan about the business concerned, the location and number of employees affected, a detailed estimate of the associated costs and appropriate time–line. Restructuring provisions are disaggregated into provisions for termination benefits and terminated lease agreement for premises and rental machinery.

DIVIDENDS

The dividend proposed by Ramirent's Board of Directors is included in retained earnings in the consolidated balance sheet. Retained earnings are reduced by the dividend payable only after it has been approved by the General Meeting of Shareholders.

EARNINGS PER SHARE

Basic earnings per share (EPS) are calculated by dividing the net result belonging to the parent company's shareholders with the weighted average number of shares during the financial period. Treasury shares, if any, are subtracted from the number of outstanding shares.

The diluted EPS is calculated by dividing the net result belonging to the parent company's shareholders with the weighted average number of shares during the financial period to which the additional calculated number of shares presumed to have been subscribed with options is added. Option rights and share–based payment arrangements have a diluting effect if the share market price is higher than the subscription price of the shares which includes the fair value of any services to be supplied to the Group in the future under the share–based payment arrangements and if all the conditions have realised at the reporting date.

APPLICATION OF NEW AND REVISED IFRS'S AND IFRIC INTERPRETATIONS

The IASB has published the following standards or interpretations that are not yet effective and that Ramirent has not yet adopted. Ramirent will adopt them as from their effective dates, if the effective date is the same as the beginning of the financial year, or if the effective date is different, they will be adopted as from the beginning of the following financial year.

IAS 12 (amendment) "Income taxes - Deferred tax: Recovery of Underlying Assets" (effective from 1 January 2013). The amendment will not have any impact on Ramirent's financial reporting.

IAS 1 (amendment) "Presentation of Items of Other comprehensive income" (effective from 1 July 2012). The amendment changes the grouping of items presented in OCI. Items that would be reclassified to profit or loss at a future point in time would be presented separately from items that will never be reclassified.

IAS19 (amendment) "Employee Benefits" (effective from 1 January 2013). The impact will be as follows: to eliminate the corridor approach and recognise all actuarial gains and losses in OCI as they occur; to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). Ramirent will present the effect of the application of this amendment in note 22.

IFRS 1 (amendment) "First time adoption of International Financial Reporting Standards, on government loans (effective from 1 January 2013). The amendment will not have any impact on Ramirent's financial reporting. The amendment has not yet been endorsed by EU.

IFRS 9 "Financial Instruments" (effective from 1 January 2015). This standard is a part of a wider project to replace IAS 39. New standard provides guidance in respect of classification and measurement of financial instruments. Later phases relate to impairment of financial instruments and hedge accounting. In Ramirent's estimation, this standard will not have any material impact on valuation of Ramirent's financial instruments compared with present IAS 39 but will have some effect on presentation of Ramirent's financial instruments. The standard has not yet been endorsed by EU.

IFRS 10 "Consolidated Financial Statements" (effective from 1 January 2014) builds on existing principles by identifying the concept of control as the determining factor in whether the entity should be included within the consolidated financial statements of the parent company. The standard will not have any material impact on Ramirent's financial reporting.

IFRS 11 "Joint Arrangements" (effective from 1 January 2014). The standard will not have any material impact on Ramirent's financial reporting.

IFRS 12 "Disclosures of Interest in Other Entities" (effective from 1 January 2014). The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates and/or structured entities.

IFRS 13 "Fair Value Measurement" (effective from 1 January 2013). The standard will not have any material impact on Ramirent's financial reporting.

IAS 27 (revised) "Separate financial statements" (effective from 1 January 2014). The standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included to new IFRS 10.

IAS 28 (revised) "Associates and joint ventures" (effective from 1 January 2014). The standard include requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

IFRS 7 (amendment) "Financial instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities" (effective from 1 January 2013). The amendment will not have any material impact on Ramirent's financial reporting.

IAS 32 (amendment) "Financial instruments: Presentation – Offsetting Financial Assets and Financial Liabilities" (effective from 1 January 2014). The amendment will not have any material impact on Ramirent's financial reporting.

Annual improvements to IFRSs 2009-2011 (effective from 1 January 2013) The amendments have not yet been endorsed by EU.

Amendment to IFRSs 10, 11 and 12 on transition guidance (effective from 1 January 2014).

Other changes or amendments to other published IFRS standards and IFRIC's do not have any material impact on Ramirent's financial reporting.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

1. SEGMENT INFORMATION

The Group comprises six operating segments: Finland, Sweden, Norway, Denmark, Europe East (The Baltics and Russia and Ukraine) and Europe Central (Poland, Czech Republic and Slovakia and Hungary). Part of Europe Central operations were reorganised during 2012 by reporting operations in Poland, Czech Republic and Slovakia under single unit that is included in segment Central as a reportable segment. Similar change has been made in Europe East related to Russia and Ukraine, where operations are now under one management and they are also reported under single unit that is included in East as a reportable segment. In presenting information on the basis of operating segments, revenue is split to segments based on the geographical location of selling entity, and segment assets and liabilities are based on the geographical location of assets and liabilities. In the Ramirent Group the Group's CEO (Chief Operating Decision-maker) reviews regularly a report of operating result and invested capital of the operating segments.

Ramirent Plc charges management fee for the services rendered from its subsidiaries. The cost is included in segments operating result.

Non-current assets in a following table include all non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets.

YEAR 2012 SEGMENT INFORMATION

(EUR 1,000)	FINLAND	SWEDEN	NORWAY	DENMARK	EUROPE EAST	EUROPE CENTRAL	SEGMENTS TOTAL
External revenues	164 997	207 522	173 553	44 601	63 030	60 380	714 083
Inter-segment revenue	1 530	2 403	466	73	290	2 309	7 071
Total revenue	166 526	209 925	174 019	44 674	63 320	62 689	721 154
Depreciation and amortisation	–21 117	–31 642	–29 577	–7 145	–12 618	-15 942	-118 041
Operating result (EBIT)	30 247	33 054	22 205	1 617	10 936	-1 556	96 502
Non-current assets	108 446	195 345	179 341	24 802	68 322	73 809	650 065
Reportable total assets	140 672	244 881	230 542	40 092	89 090	91 978	837 256
Reportable non-interest bearing liabilities	31 488	76 640	72 815	9 298	10 531	11 421	212 194
Capital expenditure (capitalised gross)	25 654	45 455	33 565	2 012	9 767	8 037	124 490
Number of employees							
At reporting date	572	677	467	192	443	626	2 977
Average during the financial year	587	688	472	182	436	687	3 052

YEAR 2011 SEGMENT INFORMATION

(EUR 1,000)	FINLAND	SWEDEN	NORWAY	DENMARK	EUROPE EAST	EUROPE CENTRAL	SEGMENTS TOTAL
External revenues	151 419	182 012	144 265	43 512	55 832	72 821	649 861
Inter-segment revenue	3 302	644	528	603	226	1 040	6 343
Total revenue	154 721	182 656	144 792	44 115	56 058	73 861	656 205
Depreciation and amortisation	–22 994	–23 993	–23 280	–6 914	–13 630	–17 126	–107 937
Operating result (EBIT)	22 790	33 205	11 218	102	5 882	5 470	78 667
Non-current assets	105 082	178 632	175 682	30 846	72 071	81 654	643 967
Reportable total assets	135 615	218 539	222 168	46 004	88 307	100 934	811 567
Reportable non-interest bearing liabilities	30 842	72 246	63 791	11 962	11 033	12 834	202 708
Capital expenditure (capitalised gross)	33 822	81 297	95 318	9 140	12 175	14 024	245 777
Number of employees							
At reporting date	596	630	486	186	439	825	3 162
Average during the financial year	601	583	512	160	419	854	3 128

INFORMATION ABOUT MAJOR CUSTOMERS

The Ramirent Group has one group of customers under common control that represent revenues of EUR 70.9 million (9.9 % of total revenues) (EUR 70.9 million, 10.9 % of total revenues in 2011). Revenues from this group of customers under common control are included in all operating segments.

INFORMATION ABOUT PRODUCTS AND SERVICES

(EUR 1,000)	2012	2011
Rental income	463 070	430 848
Service income	176 696	153 224
Sale of used rental machinery and equipment	27 115	26 658
Sale of goods	47 203	39 131
	714 083	649 861

RECONCILIATIONS

(EUR 1,000)	2012	2011
Total revenue for reportable segments	721 154	656 205
Elimination of inter-segment revenue	–7 071	–6 343
Consolidated revenue	714 083	649 861

	2012	2011
Total result (operating result) for reportable segments	96 502	78 667
Unallocated income	29	9
Unallocated expenses	–4 233	–4 545
Consolidated operating result	92 298	74 131
Financial income	20 320	11 405
Financial expenses	–29 733	–24 776
Consolidated result before income tax	82 885	60 760
Total assets for reportable segments	837 256	811 567
Elimination of inter-segment asset transfers	–6 752	–10 702
Unallocated assets	212	252
Consolidated total assets	830 716	801 117
Total non-interest bearing liabilities for reportable segments	212 194	202 708
Elimination of inter-segment liabilities	–9 584	–9 130
Unallocated liabilities	19 722	16 318
Consolidated total non-interest bearing liabilities	222 332	209 896

2. OTHER OPERATING INCOME

(EUR 1,000)	2012	2011
Gain on disposals of real estates and non-rental machinery and equipment	172	202
Rental income of real estates	654	484
Other income	2 200	840
	3 026	1 526

3. MATERIAL AND SERVICE EXPENSES

(EUR 1,000)	2012	2011
Cost of re-renting	–30 450	–27 868
Cost of sold rental equipment	–13 496	–12 952
Cost of goods sold	–34 190	–29 069
Repair and maintenance	–35 181	–33 886
Cost of external services	–70 191	–53 005
Transportation	–51 883	–50 589
Expensed equipment	–1 791	–1 987
	–237 184	–209 357

4. EMPLOYEE BENEFIT EXPENSES

(EUR 1,000)	2012	2011
Wages and salaries	–123 128	–116 805
Termination benefits	–975	–127
Social security	–17 201	–16 214
Post employment benefits		
Pension expenses – defined benefit plans	–1 381	–973
Pension expenses – defined contribution plans	–9 943	–7 812
Equity–settled share–based payment transactions	217	–655
Cash–settled share–based payment transactions	393	–472
Other personnel expenses	–14 532	–13 044
	–166 550	–156 101

PERFORMANCE–BASED LONG–TERM INCENTIVE PROGRAMS

Ramirent has three ongoing share–based incentive programs for its key managers, one approved by the Board in 2010 for the period 2010–2012, another approved by the Board in 2011 for the period 2011–2013 and a third one approved by the Board in 2012 for the period 2012–2014. In 2011 Ramirent also had an ongoing subprogram for Long–term incentive program 2007–2009.

Long–term incentive program 2007–2009

The incentive program for the period 2007–2009 consisted of three sub–programs, each having an earnings period of one year. Any reward was subject to achievement of the financial performance targets set by the Board of Directors. Subsequent to the earnings period, the participants of the program were required to acquire Ramirent shares to the full value of the reward after withholding taxes. The participant undertaked not to dispose of any of the Ramirent share acquired under the incentive program for a lock–up period of two years from the end of the earnings period. If the participant's employment with the Ramirent Group was terminated or notified to be terminated before the end of the lock–up period, the participant was obliged to either return these Ramirent shares without any consideration or payment, or to pay back to Ramirent the amount that corresponded the market value of the Ramirent shares at that time.

The first of the three subprograms started in 2007. The total amount of fully accrued bonus benefits for the subprogram 2007 during 2007–2009 was EUR 0.7 million. The second subprogram 2008 was launched in February 2008. The sub–program 2008 did not, however, result to any actual reward allocation, due to non–fulfillment of the performance criteria. The third sub–program 2009 was launched in February 2009, with financial performance criteria based on earnings per share and cash flow. The subprogram 2009 realised partly and was paid to the participants in March 2010. The total amount of fully accrued bonus benefit for the subprogram 2009 as at 31 December 2011 was 1.3 MEUR. The cost for 2011 was EUR 0.5 million (for 2010 EUR 0.5 million).

Long–term incentive program 2010

The Performance Share Program for the years 2010–2012 is targeted at approximately 50 managers. The members of the Group Management Team are included in the target group of the new incentive program. The Performance Share Program includes one earning period, calendar years 2010–2012. The potential reward from the program for the earning period will be based on the Group's Total Shareholder Return (TSR), on the Group's average Return on Invested Capital (ROI) and on the Group's cumulative Earnings per Share (EPS). The potential reward from the earning period 2010–2012 will be paid in 2013 partly in Company shares and partly in cash. The cash payment is intended to cover the personal taxes and tax–related costs arising from the reward. No reward will be paid to a manager, if his or her employment or service with the Group ends before the reward payment. The maximum reward to be paid on the basis of the earning period 2010–2012 corresponds to the value of up to 390,000 Ramirent Plc shares (including also the proportion to be paid in cash). The estimated reward realisation was revised based on the financial performance of the Group. Thus the cost accrued in 2010-2011 was reversed by EUR 0.8 million in 2012. The cost for 2011 was EUR 0.1 million.

Long–term incentive program 2011

The Performance Share Program for the years 2011–2013 is targeted at approximately 60 managers. The members of the Group Management Team are included in the target group of the incentive program. The Performance Share Program includes one earning period, calendar years 2011–2013. The potential reward from the program for the earning period 2011–2013 is based on the Group's Total Shareholder Return (TSR), on the Group's average Return on Invested Capital (ROI) and on the Group's cumulative Earnings per Share (EPS). The potential reward from the earning period 2011–2013 will be paid in 2014; partly in Ramirent shares and partly in cash. The cash payment is intended to cover the personal taxes and tax–related costs arising from the reward. No reward will be paid to a manager, if his or her employment or service with the Group is ended before the reward payment. The maximum reward to be paid on the basis of the earning period 2011–2013 corresponds to the value of up to 287,000 Ramirent Plc shares (including also the proportion to be paid in cash). The estimated reward realisation was revised in 2012 based on the financial performance of the Group. Thus the cost accrued in 2011 was reversed by EUR 0.1 million in 2012. The cost for 2011 was EUR 0.5 million.

Long–term incentive program 2012

The share–based incentive program for the years 2012–2014 is targeted at approximately 50 managers of the company for the earning period 2012–2014. The members of the Group

Management Team are included in the target group of the new incentive program The program includes matching shares and performance shares. The program includes one earning period, the calendar years 2012—2014. The potential reward from the program for the earning period 2012—2014 will be based on the Group's cumulative Economic Profit and on the Group's Total Shareholder Return (TSR). In order to receive shares under the program, the prerequisite for the top management is that an executive acquires and holds certain amount of the Company's shares in accordance with the decision by the Board of Directors.

The potential reward from the earning period 2012—2014 will be paid partly in the Company's shares and partly in cash in 2015. The cash payment is intended to cover the personal taxes and tax-related costs arising from the reward. No reward will be paid to an executive, if his or her employment or service with the Group Company ends before the reward payment. The maximum reward to be paid on the basis of the earning period 2012—2014 will correspond to the value of up to 350,000 Ramirent Plc shares (including also the proportion to be paid in cash). The accrued cost for 2012 was EUR 0.4 million.

The 2007–2009, 2010, 2011 and 2012 incentive programs are partly equity–settled and partly cash–settled. The costs are accrued over the vesting period for each program. The part of the reward that is settled in shares is valued at fair value at the grant date and the costs are recognised in equity. The part of the reward that is settled in cash is recognised as a liability. The liability is remeasured at each reporting date for subsequent changes in the fair value of the liablility. The cash–settled portion relates to personal taxes and other employer's contributions.

The aim of the incentive programs is to combine the objectives of the shareholders and the management in order to increase the value of the Company as well as to commit the managers to the Company, and to offer them competitive rewards based on the financial performance of the Company and the Company shares.

5. DEPRECIATION AND AMORTISATION

(EUR 1,000)	2012	2011
Tangible non–current assets		
Buildings and structures	–1 311	–437
Machinery and equipment	–107 649	–100 510
Leased machinery and equipment	–111	–572
Other tangible assets	–828	–894
Intangible non–current assets		
Other intangible assets	–7 629	–4 925
Other capitalised long–term expenditure	–415	–321
	–117 943	–107 659

6. OTHER OPERATING EXPENSES

(EUR 1,000)	2012	2011
Property operating leases	–27 007	–25 584
Other property expenses	–11 656	–11 409
IT and office	–18 191	–16 007
Other operating leases	–15 164	–21 194
External services	–10 021	–11 347
Credit losses	–11 205	–4 852
Change of allowance for credit losses	4 799	847
Restructuring	–355	–194
Other	–14 448	–14 474
	–103 249	**–104 214**
Audit and other fees to auditors:		
Audit	–350	–305
Audit related fees	–16	–11
Tax consulting fees	–162	–49
Other fees	–220	–93
	–748	–458

7. FINANCIAL INCOME AND EXPENSES

RECOGNISED IN INCOME STATEMENT

(EUR 1,000)	2012	2011
Financial income		
Dividend income on available-for-sale investments	–	1
Interest income on loans and receivables	566	596
Interest income on derivative instruments	2 391	2 544
Exchange rate gains on financial liabilities measured at amortised cost	17 362	8 264
	20 320	**11 405**
Financial expenses		
Interest expenses on financial liabilities measured at amortised cost		
Bank loans	–6 254	–8 169
Finance lease liabilities	–2	–57
Discount interest related to unpaid amount of acquisition costs on Business Combinations	–1 781	–1 017
Other financial expenses	–1 683	–2 464
Interest expense on derivative instruments	–4 657	–3 619
Net change in fair value of cash flow hedges transferred from equity	-292	–623
Exchange rate losses on financial liabilities measured at amortised cost	-15 064	–8 827
	–29 733	**–24 776**
Net financial costs	**–9 413**	**–13 371**

8. INCOME TAXES

(EUR 1,000)	2012	2011
Current income tax for the year	–18 402	–13 540
Income tax for prior years	–97	–132
Deferred taxes	–758	–2 358
	–19 257	**–16 030**

RECONCILIATION OF INCOME TAX TO THE FINNISH CORPORATE INCOME TAX RATE

	2012	2011
Profit before taxes	82 885	60 760
Income tax at Finnish tax rate (24.5% / 26.0%) on profit before tax	–20 307	–15 798
Impact of different tax rate outside Finland	-55	674
Impact of tax non-deductible expenses	–3 736	–1 655
Impact of tax exempt income	536	232
Impact of change in tax rates on deferred taxes	4 365	377
Income tax for prior years	–97	–132
Impact on non-recognition of deferred income tax assets on current year losses	–890	–627
Other items	927	899
	–19 257	**–16 030**

TAX EFFECTS OF COMPONENTS IN OTHER COMPREHENSIVE INCOME

	2012			2011		
(EUR 1,000)	BEFORE TAXES	TAX	AFTER TAXES	BEFORE TAXES	TAX	AFTER TAXES
Cash flow hedges	–1 065	332	–732	–2 436	716	–1 720

9. EARNINGS PER SHARE

	2012	2011
Profit attributable to the parent company shareholders (EUR thousand)	63 628	44 730
Weighted average number of outstanding shares, basic (thousand)	107 732	108 064
Earnings per share, basic (EUR)	0.59	0.41
Profit attributable to the parent company shareholders (EUR thousand)	63 628	44 730
Weighted average number of outstanding shares, diluted (thousand)	107 732	108 064
Earnings per share, diluted (EUR)	0.59	0.41

NOTES TO THE CONSOLIDATED BALANCE SHEET

10. PROPERTY, PLANT AND EQUIPMENT

MOVEMENT IN TANGIBLE ASSETS 2012

(EUR 1,000)	LAND	BUILDINGS & STRUCTURES	MACHINERY & EQUIPMENT	LEASED MACHINERY & EQUIPMENT	OTHER TANGIBLE ASSETS	TOTAL
Historical cost on 1 January	1 140	14 099	1 042 614	1 382	8 177	1 067 412
Additions	21	2 377	97 011	–	865	100 274
Business combinations	–	–	12 151	–	–	12 151
Disposals	–	–1 220	–49 048	–	–769	–51 037
Reclassifications	–	–80	678	-368	–309	–79
Assets to be transferred to the Joint Venture	–	–69	–65 044	–	–462	–65 575
Effect of movements in exchange rates	7	418	28 509	57	279	29 269
Historical cost on 31 December	1 168	15 524	1 066 871	1 071	7 781	1 092 415
Accumulated depreciation on 1 January	–	–3 117	–571 899	–1 102	–3 983	–580 102
Business combinations	–	–	–7 889	–	–	–7 889
Disposals	–	661	34 127	–	690	35 478
Reclassifications	–	4	–427	368	59	4
Assets to be transferred to the Joint Venture	–	24	33 993	–	103	34 119
Depreciation	–	–1 311	–107 649	–111	-828	–109 899
Effect of movements in exchange rates	–	–51	–12 370	–48	–146	–12 616
Accumulated depreciation on 31 December	–	–3 792	–632 115	–893	-4 105	–640 904
Carrying value on 1 January	1 140	10 981	470 715	280	4 194	487 310
Carrying value on 31 December	1 168	11 732	434 756	178	3 676	451 511

MOVEMENT IN TANGIBLE ASSETS 2011

(EUR 1,000)	LAND	BUILDINGS & STRUCTURES	MACHINERY & EQUIPMENT	LEASED MACHINERY & EQUIPMENT	OTHER TANGIBLE ASSETS	TOTAL
Historical cost on 1 January	1 143	6 411	932 823	1 026	7 132	948 535
Additions	–	7 018	117 652	–	1 553	126 223
Business combinations	–	1 003	55 845	3 142	401	60 391
Disposals	–	–174	–53 937	–453	–759	–55 323
Reclassifications	–	–	2 216	–2 339	88	–36
Effect of movements in exchange rates	–2	–160	–11 986	7	–238	–12 379
Historical cost on 31 December	1 140	14 099	1 042 614	1 382	8 177	1 067 412
Accumulated depreciation on 1 January	–	–2 794	–514 080	–522	–3 891	–521 287
Business combinations	–	–	–7 489	–	–33	–7 522
Disposals	–	73	42 261	–	692	43 026
Reclassifications	–	–	86	–	–66	20
Depreciation	–	–437	–100 510	–572	–894	–102 413
Effect of movements in exchange rates	–	40	7 833	–8	209	8 073
Accumulated depreciation on 31 December	–	–3 117	–571 899	–1 102	–3 983	–580 102
Carrying value on 1 January	1 143	3 618	418 743	504	3 241	427 248
Carrying value on 31 December	1 140	10 981	470 715	280	4 194	487 310

11. GOODWILL AND OTHER INTANGIBLE ASSETS

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS 2012

(EUR 1,000)	GOODWILL	OTHER INTANGIBLE ASSETS	OTHER CAPITALISED LONG-TERM EXPENDITURE	TOTAL
Historical cost on 1 January	129 198	44 968	8 918	183 084
Additions	–	136	7 429	7 565
Business combinations	7 986	3 948	–	11 935
Disposals	–	–1	–83	–84
Assets to be transferred to the Joint Venture	–3 068	–21	–	–3 090
Effect of movements in exchange rates	4 209	1 743	79	6 032
Historical cost on 31 December	138 325	50 773	16 343	205 441
Accumulated amortisation and impairment charges on 1 January	–4 746	–14 595	–3 571	–22 913
Disposals	–	1	12	13
Amortisation	–	–7 629	–415	–8 044
Assets to be transferred to the Joint Venture	–	9	–	9
Effect of movements in exchange rates	–64	-489	–57	–611
Accumulated depreciation on 31 December	–4 810	–22 703	–4 032	–31 546
Carrying value on 1 January	124 452	30 373	5 346	160 171
Carrying value on 31 December	133 515	28 069	12 311	173 895

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS 2011

(EUR 1,000)	GOODWILL	OTHER INTANGIBLE ASSETS	OTHER CAPITALISED LONG-TERM EXPENDITURE	TOTAL
Historical cost on 1 January	97 945	18 727	4 678	121 349
Additions	–	293	4 531	4 824
Business combinations	31 614	25 818	5	57 436
Disposals	–	–25	–35	–60
Reclassifications	–	203	–203	–
Effect of movements in exchange rates	–361	–48	–57	–467
Historical cost on 31 December	129 198	44 968	8 918	183 084
Accumulated amortisation and impairment charges on 1 January	–4 734	–9 609	–3 447	–17 791
Disposals	–	25	31	56
Amortisation	–	–4 925	–321	–5 246
Reclassifications	–	–126	126	–
Effect of movements in exchange rates	–12	40	39	68
Accumulated depreciation on 31 December	–4 746	–14 595	–3 571	–22 913
Carrying value on 1 January	93 211	9 118	1 230	103 559
Carrying value on 31 December	124 452	30 373	5 346	160 171

IMPAIRMENT TESTING OF GOODWILL

Goodwill is allocated to Ramirent's cash generating units (CGU's). Operating countries are defined as CGU's except for the Baltics, Russia and Ukraine and Poland, Czech Republic and Slovakia which each form one CGU. Part of Europe Central operations were reorganised during 2012 by reporting operations in Poland, Czech Republic and Slovakia under single unit that is included in segment Central as a reportable segment. Similar change has been made in Europe East related to Russia and Ukraine, where operations are now under one management and they are also reported under single unit that is included in East as a reportable segment.The goodwill split per segment is set forth in the table below. CGU's are operating segments in accordance with IFRS 8 before assessment of aggregation criteria.

ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS (CGU'S)

(EUR 1,000)	2012	2011
Finland	18 648	18 648
Sweden	55 098	45 367
Norway	35 524	33 666
Denmark	401	403
Russia	–	2 800
Ukraine	–	173
The Baltics	10 318	10 311
Poland, Czech Republic and Slovakia	10 618	–
Poland	–	2 487
Slovakia	–	7 896
Hungary	2 908	2 702
	133 515	**124 452**

The goodwills are in local currencies and currency exchange rate fluctuations effects the amounts of goodwill in EUR. The goodwill of Russia and Ukraine is presented in the consolidated balance sheet on Assets to be transferred to the Joint Venture.

Goodwill is subject to an annual impairment testing procedure by which its carrying amount is tested against its recoverable amount for each predetermined cash-generating unit (CGU). Impairment tests are made also when any triggering event of impairment is noted. An impairment loss is recognised if the carrying amount of the net assets (incl. goodwill) allocated to a CGU is higher than the CGU's recoverable amount. The recoverable amount of each CGU is determined by using the Discounted Cash Flow (DCF) method.

In the impairment testing the estimates for the 2013 cash flows are based on year 2013 budget. The cash flow estimates projected to years 2014–2017 are based on management's views on the growth and profitability of business, as well as capital requirements.

In the medium term an EBIT-margin of 18% and revenue/capital ratio of approximately 100% on a Group level are used in the testing. The medium term growth varies between 1.6 %-11.6 % p.a. depending on each country's medium term growth and inflation expectations. The long term growth is estimated to be 2.0 % p.a. in Nordic segments, 2.5 %–3.5 % p.a. in Europe East and 2.5 %p.a. in Europe Central segment which reflects both the expected growth and inflation in the operating country. The capital structure of CGU's reflects the capital structure of Ramirent Group.

The most important assumptions, in addition to the future cash flow estimates, are those made on the weighted average cost of capital (WACC), which is used in discounting the future cash flows. The cost of capital also includes the risk-free interest rates and risk premiums in the different countries where the CGUs are operating. Debt/equity ratio of 30% / 70% has been used in the DCF-calculations. The elements affecting the WACC are Ramirent's capital structure, equity beta, the CGU specific cost of equity and the cost of interest bearing debt.

The principal assumptions used in the year 2012 and 2011 impairment tests are set forth in the below two tables.

YEAR 2012 IMPAIRMENT TEST

	FINLAND	SWEDEN	NORWAY	DENMARK	THE BALTICS	RUSSIA AND UKRAINE	POLAND, CZECH REPUBLIC AND SLOVAKIA	HUNGARY
Growth in net sales *)	1.6%	3.2%	6.0%	6.8%	6.7%	11.6%	6.0%	7.5%
Long-term growth	2.0%	2.0%	2.0%	2.0%	2.5%	3.5%	2.5%	2.5%
Average EBIT-margin 2013–2017	19.0%	17.4%	18.1%	13.9%	19.4%	13.7%	12.5%	15.2%
WACC (after tax)	7.1%	6.6%	7.1%	6.7%	9.8%	12.7%	10.4%	13.4%
Discount rate (pre-tax WACC)	8.8%	8.3%	9.1%	8.2%	11.1%	15.0%	12.1%	14.8%

*) Average growth in net sales (2013–2017) p.a.

YEAR 2011 IMPAIRMENT TEST

	FINLAND	SWEDEN	NORWAY	DENMARK	RUSSIA	THE BALTICS	UKRAINE	POLAND	SLOVAKIA	HUNGARY
Growth in net sales *)	3.8%	6.0%	8.1%	10.0%	17.1%	12.8%	41.7%	3.8%	10.9%	9.6%
Long-term growth	2.0%	2.0%	2.0%	2.0%	4.0%	2.5%	4.0%	2.5%	2.5%	3.0%
Average EBIT-margin 2012–2016	18.9%	17.7%	17.5%	12.8%	18.6%	16.8%	17.5%	15.0%	13.5%	14.4%
WACC (after tax)	8.0%	7.8%	8.2%	8.0%	14.2%	10.9%	13.4%	10.9%	9.3%	12.6%
Discount rate (pre-tax WACC)	10.2%	10.0%	10.7%	9.9%	17.0%	12.4%	16.8%	13.0%	10.7%	13.6%

*) Average growth in net sales (2012–2016) p.a.

The impairment test has been done on the assets as per 31 October 2012. The previous impairment test was done as per 31 October 2011.

Based on the impairment tests 2012 and 2011, the recoverable amounts of the CGUs are higher than their carrying amounts for all units.

SENSITIVITY ANALYSIS

The main element of uncertainty connected with impairment testing is the management's assumption on future EBIT–level for each CGU. The outcome of future year EBIT is in turn dependent on the outcome of the estimated future net sales and the EBIT–%.

The below table shows the amounts by which the units' DCF less interest–bearing liabilities exceeds its carrying amount.

IMPAIRMENT TEST

(EUR MILLION)	2012	2011
Finland	256.9	180.6
Sweden	381.7	252.0
Norway	280.5	166.6
Denmark	89.8	56.7
Russia	–	11.3
Russia and Ukraine	14.6	–
The Baltics	42.4	27.2
Ukraine	–	2.9
Poland, Czech Republic and Slovakia	24.0	–
Poland	–	28.5
Slovakia	–	7.5
Hungary	2.6	3.3

The below tables show the required decline of estimated future free cash flow and the increase in discount rate per segment which would cause the recoverable amount of a CGU to equal the carrying amount of that CGU.

DECLINE OF FREE CASH FLOW

	2012	2011
Finland	–62.8%	–54.5%
Sweden	–58.5%	–52.9%
Norway	–54.1%	–42.7%
Denmark	–69.1%	–55.7%
Russia	–	–24.6%
Russia and Ukraine	–25.4%	–
The Baltics	–47.8%	–37.8%
Ukraine	–	–37.4%
Poland, Czech Republic and Slovakia	–22.6%	–
Poland	–	–43.9%
Slovakia	–	–30.9%
Hungary	–16.1%	–20.5%

Free cash flow comprises of EBIT added by depreciations and amortisations deducted by net capital expenditure and change in working capital.

INCREASE IN DISCOUNT RATE (PRE TAX), %-UNIT

	2012	2011
Finland	11.4%	9.2%
Sweden	8.9%	8.9%
Norway	8.4%	6.1%
Denmark	8.8%	6.5%
Russia	–	3.5%
Russia and Ukraine	3.1%	–
The Baltics	10.1%	5.8%
Ukraine	–	3.5%
Poland, Czech Republic and Slovakia	2.5%	–
Poland	–	6.6%
Slovakia	–	3.9%
Hungary	2.6%	2.3%

12. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

(EUR 1,000)	2012	2011
Carrying value on 1 January	953	–
Additions	1	879
Share of profit	116	74
Translation differences	55	–
Carrying value on 31 December	**1 125**	**953**

Information about the Group's associates and joint ventures is presented on this page:

31 DECEMBER 2012	DOMICILE	ASSETS	LIABILITIES	NET SALES	NET RESULT FOR THE FINANCIAL YEAR	INTEREST HELD, %
Rogaland Montasjebygg AS	Norway	950	40	2 952	289	40.00%
Eastbound Machinery Oy	Finland	1	–	–	–	50.00%

31 DECEMBER 2011	DOMICILE	ASSETS	LIABILITIES	NET SALES	NET RESULT FOR THE FINANCIAL YEAR	INTEREST HELD, %
Rogaland Montasjebygg AS	Norway	673	28	2 865	185	40.00%

In 2011 investments in associates were included in available for sale investments. The comparable information in 2012 has been adjusted and investments in associates are presented in separate line in the balance sheet.

13. AVAILABLE FOR SALE INVESTMENTS

(EUR 1,000)	2012	2011
Other shares	412	415
Carrying value on 31 December	**412**	**415**

Available for sale financial assets consist mainly of unlisted equity shares. In 2011 investments in associates were included in available for sale investments. The comparable information in 2012 has been adjusted and investments in associates are presented in separate line in the balance sheet (note 12).

14. DEFERRED TAX ASSETS

MOVEMENT IN DEFERRED TAX ASSETS IN YEAR 2012

(EUR 1,000)	BALANCE ON 1 JAN.	RECOGNISED IN INCOME STATEMENT	RECOGNISED IN OTHER COMPREHENSIVE INCOME	TRANSLATION DIFFERENCES	ASSETS TO BE TRANSFERED TO JOINT VENTURE	BALANCE ON 31 DEC.
Tax losses carried forward	6 634	–1 700	–	111	–920	4 125
Fair value adjustments	1 845	–2	328	–	–	2 171
Pension obligations	184	89	–	12	–	285
Effects of consolidation and eliminations	197	–	–	–75	–	122
Other temporary differences	3 323	–556	–	202	–483	2 486
	12 183	**–2 169**	**328**	**250**	**–1 403**	**9 189**

MOVEMENT IN DEFERRED TAX ASSETS IN YEAR 2011

(EUR 1,000)	BALANCE ON 1 JAN.	RECOGNISED IN INCOME STATEMENT	RECOGNISED IN OTHER COMPREHENSIVE INCOME	TRANSLATION DIFFERENCES	ACQUIS./DIS-POSAL	BALANCE ON 31 DEC.
Tax losses carried forward	7 253	–598	–	–21	–	6 634
Fair value adjustments	1 448	–321	716	2	–	1 845
Pension obligations	268	–84	–	–	–	184
Effects of consolidation and eliminations	197	–	–	–	–	197
Other temporary differences	4 159	–941	–	–133	238	3 323
	13 325	**–1 944**	**716**	**–152**	**238**	**12 183**

Consolidated financial statements include deferred tax assets based on tax losses carried forward in such subsidiaries that have reported loss in current or earlier period. Group management has assessed subsidiaries potential to utilise these losses during the utilisation period in each subsidiary. This assessment is based on the best available information of the future outlook in subsidiaries and if there is not sufficient certainty about subsidiaries potential to utilise these losses a portion of deferred tax asset has not been recognised. Total amount of deferred tax asset that has not been recognised is EUR 3.0 million (EUR 2.1 million in 2011).

15. INVENTORIES

(EUR 1,000)	2012	2011
Goods for sale	13 205	14 102
Spare parts and accessories to be consumed in rendering of services	2 026	3 051
Other	18	155
Carrying value on 31 December	**15 250**	**17 309**

16. TRADE AND OTHER RECEIVABLES

(EUR 1,000)	2012	2011
Sales receivables	132 752	118 750
Allowance for credit losses	-11 061	–14 660
Other receivables	1 457	2 072
Prepayments and accrued income	12 452	13 837
Carrying value on 31 December	**135 600**	**120 000**

PREPAYMENTS AND ACCRUED INCOME CONSIST OF

	2012	2011
Accrued rental income	1 961	2 085
Accrued interest income	131	421
VAT receivables	146	531
Prepaid insurance expenses	409	928
Prepaid property operating leases	1 839	2 207
Prepaid other operating leases	1 087	1 088
Other prepayments	6 879	6 577
	12 452	**13 837**

17. CASH AND CASH EQUIVALENTS

(EUR 1,000)	2012	2011
Carrying value on 31 December		
Cash at banks and in hand	1 338	2 431

Fair value of cash and cash equivalents does not differ from their carrying value.

18. ASSETS AND LIABILITIES TO BE TRANSFERRED TO THE JOINT VENTURE

Ramirent and Cramo have formed a joint venture in order to combine their business operations in Russia and Ukraine. The parent company of the joint venture will be created under a newly established Finnish limited liability company Eastbound Machinery Oy, to which Ramirent and Cramo will contribute their respective Russian and Ukrainian subsidiaries' shares as contributions in kind. The joint venture will be owned and controlled jointly by Ramirent (50 percent) and Cramo (50 percent).

The joint venture will become a leading rental services company in the Russian and Ukrainian markets. In 2012 the consolidated combined net sales of the joint venture amounted to approximately EUR 52 million and the EBITDA margin was circa 35%.

The combined entity will have approximately 400 employees and 22 own customer centres.

The closing of the transaction is subject to approval of competition authorities.

Ramirent's Russian and Ukrainian subsidiaries' assets and liabilities were classified as "to be transferred to the Joint Venture" on 31.10.2012 and they have been reported as part of the Europe East reporting segment. Going forward, the share of the result of the joint venture will be accounted for under the equity method and will continue to be reported in the Europe East reporting segment.

ASSETS TO BE TRANSFERRED TO THE JOINT VENTURE

(EUR 1,000)	2012
Non-current assets	
Property, plant and equipment	31 472
Goodwill	3 068
Other intangible assets	13
Deferred tax assets	1 403
Total non-current liabilities	**35 955**
Current assets	
Inventories	1 430
Trade and other receivables	4 344
Current tax assets	2
Cash and cash equivalents	518
Total current assets	**6 295**
Total assets	**42 250**

LIABILITIES TO BE TRANSFERRED TO THE JOINT VENTURE

(EUR 1,000)	2012
Non-current liabilities	
Deferred tax liabilities	3 151
Total non-current liabilities	**3 151**
Current liabilities	
Trade payables and other liabilities	3 325
Current tax liabilities	69
Total current liabilities	**3 394**
Total liabilities	**6 545**
In addition to those transferable business includes:	
Group receivables	3 830
Group liabilities	23 069
Accumulated translation differences	-2 218

19. CAPITAL MANAGEMENT

The targets of capital management in Ramirent have been adopted by Board of Directors in the Group Finance Policy and in the strategic plan. Ramirent's target is to have a strong financial position that provides financial stability, relatively independently of the economic cycles and external financing possibilities. This enables Ramirent to make long–term business decisions and to act effectively over the business cycle. In addition the company is to earn a sustainable return that is higher than the market cost of its capital.

Ramirent Plc's Board of Directors renewed the Group's long-term financial targets at its meeting on November 26, 2012. The new long-term financial targets are aligned with the strategic priorities and have been set to further emphasize value creation.

The financial targets are as follows:

- Return on equity, ROE, of 18 per cent over a business cycle,
- Net Debt to EBITDA below 1.6x at the end of each fiscal year,
- Dividend payout ratio of at least 40% of net profit.

Earlier targets were earnings per share growth of at least 15% per annum over the business cycle, return on invested capital of at least 18% per annum over the business cycle, dividend payout ratio of at least 40% of the annual earnings per share and gearing below 120% at the end of each financial year.

Ramirent's business is capital intensive and the investments in new fleet and efficient use of existing fleet reflect the growth possibilities and the profitability. The amount of Ramirent's future capital expenditure depends on a number of factors, including general economic conditions and growth prospects. The business is cyclical, but if investments are halted, the effects on cash flow are relatively immediate. The timing and amount of investments are key factors in the achievement the targeted capital structure.

Ramirent aims to pay an ordinary dividend each year that corresponds to at least 40% of the annual earnings per share. The Board has proposed that the Annual General Meeting in 2013 resolves in favour of paying a dividend of EUR 0.34 cent per share, which corresponds to 57.6% per cent of the annual net profit. During the last 5 years, the ordinary dividend has averaged 131.5% per cent of the annual net profit.

In 2012 the Annual General Meeting adopted the Board's proposal that a dividend of EUR 0.28 per share be paid based on the adopted balance sheet for the financial year ended on 31 December 2011. The date of record for dividend payment was 2 April 2012 and the dividend was paid on 11 April 2012.

Capital structure of the Group is reviewed by the Board on a regular basis. The gearing–ratio and other financial target measures are reviewed regularly.

The gearing as of 31 December 2012 and 2011 was as follows:

(EUR 1,000)	2012	2011
Interest bearing liabilities	240 712	265 221
Cash and cash equivalents	–1 338	–2 431
Net debt	239 375	262 789
Total equity	367 672	326 000
Gearing	65.1%	80.6%

20. EQUITY

(EUR 1,000)	NUMBER OF SHARES (THOUSANDS)	NUMBER OF TREASURY SHARES (THOUSANDS)	SHARE CAPITAL
Carrying value on 31 December 2010	108 698	393	25 000
Carrying value on 31 December 2011	108 698	680	25 000
Carrying value on 31 December 2012	108 698	1 030	25 000

NUMBER OF SHARES AND SHARE CAPITAL

The company's share capital on 31 December 2012 consists of 108,697,328 shares the counter–book value of which is EUR 0.2300 per share.

The company has one class of shares, each share giving equal voting right of one vote per share.

At the end of 2012, Ramirent Plc held 1,030,192 own shares.

AUTHORISATION OF THE BOARD OF DIRECTORS TO REPURCHASE THE COMPANY´S OWN SHARES

Ramirent's Board of Directors is authorised until year 2013 Annual General Meeting to decide on the repurchase of a maximum of 10,869,732 Company's shares. The authorisation contains also an entitlement for the Company to accept own shares as pledge.

Own shares may be repurchased in deviation from the proportion to the holdings of the shareholders with unrestricted equity through public trading of the securities on NASDAQ OMX Helsinki Ltd at the market price of the time of the repurchase.

Own shares may be repurchased to be used as consideration in acquisitions or in other arrangements that are part of the Company's business, to finance investments as part of the Company's incentive program or to be retained, or otherwise conveyed, or cancelled by the Company.

The Board of Directors is entitled to decide on other terms of the share repurchase.

The Board of Directors of Ramirent Plc has based on the authorisation by the Annual General Meeting held on 7 April 2011 decided on the repurchase of up to 350,000 shares of the Company. The shares were acquired to be used as part of the Company's incentive program, as consideration in possible acquisitions or in other arrangements that are part of the Company's business, to finance investments, or to be retained, otherwise conveyed or cancelled by the Company. There is a financial weighty reason for the repurchase, since the shares are to be repurchased through public trading and the contemplated purposes of use are in the best interests of the Company and its shareholders.

AUTHORISATION OF THE BOARD OF DIRECTORS TO DECIDE ON THE SHARE ISSUE AND THE ISSUANCE OF OPTION RIGHTS, CONVERTIBLE BONDS AND/OR SPECIAL RIGHTS

Ramirent's Board of Directors is authorised to decide on the issuance of a maximum of 21,739,465 new shares and on the conveyance of a maximum of 10,869,732 own shares held by the Company. The authorisation is valid for three (3) years from the resolution of the year 2010 Annual General Meeting.

New shares may be issued and own shares conveyed against payment to the shareholders in proportion to their current shareholdings; or through a directed share issue or conveyance if the Company has a weighty financial reason to do so, such as using the shares as consideration in mergers and acquisitions and other business arrangements or to finance investments.

The Board of Directors has the right to decide that the amount payable for issued new shares or conveyed own shares shall be either entirely or partially entered into the invested unrestricted equity fund.

The Board of Directors is entitled to decide on other terms of the share issue.

Authorisations to decide on the share issue and the issuance of option rights were not used in 2012.

SHAREHOLDERS

ON 31 DECEMBER 2012	NUMBER OF SHARES	% OF SHARES AND VOTES
Nordstjernan AB	31 882 078	29.33%
Oy Julius Tallberg Ab	11 962 229	11.01%
Varma Mutual Pension Insurance Company	7 368 799	6.78%
Odin funds	4 638 955	4.27%
Ilmarinen Mutual Pension Insurance Company	3 295 154	3.03%
Nordea funds	2 664 173	2.45%
LocalTapiola Mutual Pension Insurance Company	2 407 668	2.22%
Aktia funds	2 072 640	1.91%
Veritas Pension Insurance Company Ltd	1 508 768	1.39%
Föreningen Konstsamfundet rf	825 000	0.76%
Ramirent Oyj treasury shares	1 030 192	0.95%
Nominee registered shares	17 200 818	15.82%
Other shareholders	21 840 854	20.09%
Total	**108 697 328**	**100.00%**

21. DEFERRED TAX LIABILITIES

MOVEMENT IN DEFERRED TAX LIABILITIES IN 2012

(EUR 1,000)	BALANCE 1 JAN.	RECOGNISED IN INCOME STATEMENT	TRANSLATION DIFFERENCES	ACQUISI- TIONS/ DISPOSALS	LIABILITIES TO BE TRANSFERRED TO JOINT VENTURE	BALANCE 31 DEC.
Adjustments to fair value of non-current assets due to business combinations	14 665	3 066	474	1 433	–236	19 402
Accumulated depreciation in excess of plan	42 424	–2 859	1 029	272	–2 305	38 561
Other taxable temporary differences	16 601	–1 618	979	18	–610	15 370
	73 690	**–1 411**	**2 482**	**1 723**	**–3 151**	**73 333**

MOVEMENT IN DEFERRED TAX LIABILITIES IN 2011

(EUR 1,000)	BALANCE 1 JAN.	RECOGNISED IN INCOME STATEMENT	TRANSLATION DIFFERENCES	ACQUISI- TIONS/ DISPOSALS	LIABILITIES TO BE TRANSFERRED TO JOINT VENTURE	BALANCE 31 DEC.
Adjustments to fair value of non-current assets due to business combinations	2 387	232	76	11 970	–	14 665
Accumulated depreciation in excess of plan	42 852	–226	–202	–	–	42 424
Other taxable temporary differences	15 174	408	22	997	–	16 601
	60 413	**414**	**–104**	**12 967**	**–**	**73 690**

22. PENSION OBLIGATIONS

Ramirent has recognised its post employment benefit arrangements by means of defined contribution pension plans and defined benefit pension plans. The defined benefit pension plans, which are administrated by insurance companies, exist in Sweden and Norway. The Norwegian pension scheme has partly been changed to a defined contribution plan during 2010.

The future pension benefit at the time of retirement for the employees covered by the defined benefit pension plans is determined on the basis of certain factors e.g. the salary level and the total number of years of service. The total pension expenses recognised in the income statement and the split of them into defined benefit and defined contribution pension plan expenses are set forth in the below table.

PENSION COSTS RECOGNISED IN INCOME STATEMENT

(EUR 1,000)	2012	2011
Defined benefit pension plan expenses	–1 381	–973
Defined contribution pension plan expenses	–9 943	–7 812
	–11 323	**–8 784**

ELEMENTS OF DEFINED BENEFIT PENSION PLAN EXPENSES

(EUR 1,000)	2012	2011
Current service cost	–747	–447
Interest cost	–478	–394
Actuarial gains (+) and losses (–)	–155	–132
	–1 381	**–973**

ELEMENTS OF DEFINED BENEFIT PLAN NET OBLIGATION

(EUR 1,000)	2012	2011
Present value of unfunded obligations	13 948	10 965
Surplus (–) / deficit (+)	13 948	10 965
Unrecognised actuarial gains (+) and losses (–)	–5 255	–3 739
Net obligation on 31 December	8 693	7 226
Amounts recognised in the balance sheet		
Liabilities	8 693	7 226
Net liability	8 693	7 226

CHANGE OF THE PRESENT VALUE OF THE DEFINED BENEFIT PENSION OBLIGATION

(EUR 1,000)	2012	2011
Present value of obligation on 1 January	10 965	9 606
Translation differences	443	68
Current service cost	747	447
Interest cost	478	394
Actuarial gains (–) and losses (+)	1 525	651
Benefits paid	–210	–202
Present value of obligation on 31 December	13 948	10 965

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2012	2011
Discount rate		
Sweden	4.00%	4.00%
Norway	2.30%	3.70%
Future salary increase expectation		
Sweden	3.00%	3.00%
Norway	3.50%	4.00%
Future benefit increase expectation		
Sweden	2.00%	2.00%
Norway	1.40%	1.00%

PRESENT VALUE OF THE DEFINED BENEFIT PENSION OBLIGATION AND FAIR VALUE OF PLAN ASSETS AT YEAR END

(EUR 1,000)	2012	2011
Present value of the defined benefit obligation	13 948	10 965
Surplus (–) / deficit (+)	13 948	10 965
Experience adjustments to plan liabilities	127	154

The estimated year 2013 employer contributions amount to EUR 0.4 million (year 2012 estimate was 0.4 million at year end 2011).

APPLICATION OF AMENDED IAS 19

Application of amended IAS 19 in financial reporting for 2013 include two significant changes. Corridor method will no longer be available instead all actuarial gains and losses will be recognised to other comprehensive income. Year 2012 shall be restated for comparative purposes in 2013 financial reporting. The effect of elimating corridor method will have an effect amounting to EUR 3.7 million at the beginning of year 2012. Restated pension expense in 2012 is EUR 1,2 million and to other comprehensive income in 2012 EUR 1,5 million.

Another significant change in amended IAS 19 to limit expected return on plan assets to same discount rate applicable to discounting the present value of unfunded obligations does not have any effect to Ramirent since there is no plan assets in Ramirent's defined benefit plans.

23. PROVISIONS

The group has carried out a large restructuring of operations in 2008 and 2009. Recognised provisions relate mainly to restructuring. Restructuring provisions are disaggregated into provisions for termination benefits, terminated lease agreement for premises and terminated lease agreements for rental machinery and other restructuring costs. Other provisons include also environmental provisions related to sold properties in Sweden.

CARRYING VALUE ON 31 DECEMBER

(EUR 1,000)	2012	2011
Non–current	972	1 553
Current	826	1 163
	1 797	**2 716**

MOVEMENT IN PROVISION PER CATEGORY 2012

(EUR 1,000)	TERMINATION BENEFITS	LEASES OF PREMISES	OTHER PROVISIONS	TOTAL
Provisions on 1 January	187	1 744	785	2 716
Provisions made during the period	198	189	–	387
Provisions used during the period	–279	–1 021	–55	–1 354
Provisions reversed during the period	-14	–	–	-14
Translation differences	-63	95	30	62
Provisions on 31 December	30	1 007	760	1 797
Expected timing of outflows:				
During 2013	30	794	2	826
During 2014	–	107	57	164
During 2015	–	51	38	88
During 2016	–	21	38	59
Later	–	34	626	660
Total	**30**	**1 007**	**760**	**1 797**

MOVEMENT IN PROVISION PER CATEGORY 2011

(EUR 1,000)	TERMINATION BENEFITS	LEASES OF PREMISES	OTHER PROVISIONS	TOTAL
Provisions on 1 January	316	2 814	978	4 109
Provisions made during the period	120	180	–	300
Provisions used during the period	–318	–1 207	–199	–1 724
Translation differences	69	-44	6	31
Provisions on 31 December	187	1 744	785	2 716
Expected timing of outflows:				
During 2012	120	988	55	1 163
During 2013	67	580	36	683
During 2014	–	114	36	150
During 2015	–	33	36	69
Later	–	29	622	651
Total	**187**	**1 744**	**785**	**2 716**

24. INTEREST BEARING LIABILITIES

INTEREST-BEARING LIABILITIES ON 31 DECEMBER 2012

(EUR 1,000)	CURRENT	NON-CURRENT	TOTAL
Loans from financial institutions	–33	190 633	190 600
Other long-term liabilities	–	543	543
Commercial papers	49 500	–	49 500
Finance lease liabilities	46	23	69
	49 513	**191 199**	**240 712**

INTEREST-BEARING LIABILITIES ON 31 DECEMBER 2011

(EUR 1,000)	CURRENT	NON-CURRENT	TOTAL
Loans from financial institutions	1 353	219 525	220 878
Other long-term liabilities	–	226	226
Commercial papers	44 000	–	44 000
Finance lease liabilities	95	22	117
	45 448	**219 773**	**265 221**

FINANCE LEASE LIABILITIES

(EUR 1,000)	2012	2011
Payable < 1 year from balance sheet date	46	95
Payable 1–5 years from balance sheet date	23	22
Minimum future financial lease payments	69	118
Future interest payments	–	–1
Present value of minimum future finance lease payments	69	117

PRESENT VALUE OF MINIMUM FUTURE FINANCE LEASE PAYMENTS

(EUR 1,000)	2012	2011
Payable < 1 year from balance sheet date	46	95
Payable 1–5 years from balance sheet date	23	22
Present value of minimum future finance lease payments	69	117

25. OTHER LIABILITIES

Other liabilities, EUR 8.1 million (EUR 11.7 million in 2011), comprise of long-term part of contingent considerations and other liabilities for the purchase prices of acquired subsidiaries and business operations.

26. TRADE PAYABLE AND OTHER LIABILITIES

CARRYING VALUE ON 31 DECEMBER

(EUR 1,000)	2012	2011
Trade payables	38 505	38 120
Other liabilities	26 590	29 243
Accruals and deferred income	47 752	40 847
Advances received	109	810
	112 956	**109 020**

ACCRUALS AND DEFERRED INCOME CONSIST OF

(EUR 1,000)	2012	2011
Accrued interest expenses	3 272	1 981
Accrued employee-related expenses	19 702	19 309
Deferred income	2 879	3 314
Other items	21 898	16 243
	47 752	**40 847**

Short-term part of liabilities for the purchase prices of acquired subsidiaries and business operations are included in other liabilities in the above table.

OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27. ACQUISITIONS AND DISPOSALS

ACQUISITIONS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2012

Ramirent has acquired Sweden-based TLM (Tannefors Lift- och Maskinuthyrning), a leading machine rental company in the Östergötland region, with annual net sales of about EUR 8.8 million and three customer centres. In the transaction, Ramirent acquired the subsidiaries TLM i Linköping AB, TLM i Norrköping AB, TLM i Motala AB as well as TLM Ställningar AB. TLM is a machine rental company specialised in lifts, scaffolding, modules, and light equipment as well as the sale of construction supplies to a wide customer base within the construction, industrial, public as well as consumer sectors. The acquisition was in effect from 1 January 2012.

A summary of the above year 2012 acquisition is set forth in the table below. The acquisition have been converted to euros by using the exchange rates prevailing at the acquisition date.

ACQUISITIONS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2012

(EUR 1,000)	
Considerations at 31 December 2012	
Cash	10 933
Contingent considerations	2 917
Total consideration	**13 850**

RECOGNISED AMOUNTS OF INDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

(EUR 1,000)	
Cash and cash equivalents	860
Property, plant and equipment	4 197
Intangible non-current assets	3 803
Inventories	326
Trade and other receivables	1 316
Trade and other payables	–2 625
Deferred tax liabilities	–1 723
Total identifiable net assets	6 154
Goodwill	7 697
Acquisition related costs	163

In some of the acquisitions Ramirent agreed to pay contingent consideration to the sellers. The contingent condideration is based on achieving set financial targets.

The goodwill arising from the business combinations is attributable mainly to synergies and competent workforce. Goodwill includes synergies that represent those intangibles that do not qualify for a recognition as a separate intangible asset such as benefits through increased attainable volumes in the market areas, where acquired businesses operate and personnel in acquired businesses as well as all kind of benefits that are connected with scale.

Recognised goodwill is not tax deductible.

The Group incurred acquisition–related costs of EUR 0.2 million relating to external fees and due diligence costs. The fees and due diligence costs have been included in operating expenses.

Consolidated income statement includes revenue of acquirees after acquisition date EUR 9.3 million and net profit for the financial year includes profit of acquirees after acquisition date EUR 1.1 million.

ACQUISITIONS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2011

Ramirent signed an agreement to acquire the light equipment and hoists operations of a Danish construction company E. Pihl&Søn A.S, and signed a 5–year rental agreement with E. Pihl&Søn A.S. on 14 December 2010. The acquisition was in effect from 1 January 2011.

On 1 February 2011 Ramirent acquired the business assets of the machinery rental company Jydsk Materiel Udlejning located in West Jutland, Denmark. For Ramirent Denmark, the acquisition contributes with approximately EUR 1.5 million in annual sales.

On 8 March 2011 Ramirent exercised its option to acquire the remaining 40% stake in the Slovakian company Ramirent spol. sr.o. (OTS), of which Ramirent acquired a 60% ownership stake in January 2008.

On 29 March 2011 Ramirent signed an agreement to acquire Destia Oy's modules and some light machinery as well as related operations and signed a five–year rental agreement with Destia Oy in Finland. The acquisition was in effect from 1 April 2011.

On 1 April 2011 Ramirent acquired the assets of machinery and equipment rental business of a Czech company Stavební Doprava a Mechanizace (SDM).

On 4 May 2011 Ramirent acquired the assets of machinery and equipment rental business of a Czech construction machinery company RENT MB s.r.o..

On 10 May 2011 Ramirent acquired 100 % of the Finnish weather protection company Suomen Sääsuoja Oy. The acquisition strengthens Ramirent's position in the growing weather protection market and enables Ramirent to offer a comprehensive range of services. Furthermore, the know–how and expertise in Suomen Sääsuoja Oy contribute to the development of services and solidify Ramirent's position within core customer sectors.

On 27 June 2011 Ramirent signed an agreement to acquire 100 % of Rogaland Planbygg AS, the leading provider of rental accommodation and office modules to the oil and gas industry in Norway. The acquisition will contribute to the annual net sales of Ramirent Norway by approximately EUR 22 million and supports Ramirent's strategy of diversifying its customer base and strengthening its product offering – in this case with high–class modules. The acquisition was in effect from 1 July 2011. The company was renamed Ramirent Module Systems AS.

On 30 June 2011 Ramirent signed an agreement to acquire 100 % of Hyrman i Lund AB, one of the leading machinery rental companies in Southern Sweden. With operations in seven locations, the company has annual net sales of about EUR 15 million. The acquisition represents one of the largest acquisitions Ramirent has made in Sweden and brings new competencies and strengthens our service level and local presence. The acquisition was in effect from 1 August 2011.

On 13 December 2011 Ramirent acquired 100 % of the Swedish rental company Consensus Entreprenad AB. The company is specialised in the rental of mobile and customised modules. The company has annual net sales of about EUR 2.8 million and has eight employees. The company operates one outlet in Karslkoga and is a leading company in its local market and among industrial customers also in other parts of Sweden.

On 21 December 2011 Ramirent signed an agreement to acquire Swedish TLM (Tannefors Lift– och Maskinuthyrning), a leading machine rental company in the Östergötland region. The acquistion was in effect from January 2012. Hence the acquisition will be consolidated into Ramirent's figures beginning from 2012.

A summary of the above year 2011 acquisitions is set forth in the table below. The acquisitions have been converted to euros by using the exchange rates prevailing at the acquisition date.

ACQUISITIONS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2011

(EUR 1,000)	
Considerations at 31 December 2011	
Cash	64 767
Contingent considerations	16 323
Total consideration	**81 091**

RECOGNISED AMOUNTS OF INDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

(EUR 1,000)	
Cash and cash equivalents	6 237
Property, plant and equipment	52 646
Intangible non–current assets	25 633
Investments	875
Inventories	269
Trade and other receivables	6 634
Deferred tax assets	238
Trade and other payables	–8 285
Long–term liabilities	–21 529
Deferred tax liabilities	–12 967
Total identifiable net assets	49 752
Goodwill	31 339
Acquisition related costs	823

In some of the acquisitions Ramirent agreed to pay contingent consideration to the sellers. The contingent condideration is based on achieving set financial targets. A portion of the contingent consideration in some of the acquisitions is based on terms that certain key employees provide agreed services to Ramirent Group in connection with taking over phase of the acquired businesses. Such portion is accounted for as employee benefits over service period.

The goodwill arising from the business combinations is attributable mainly to synergies and competent workforce. Goodwill includes synergies that represent those intangibles that do not qualify for a recognition as a separate intangible asset such as benefits through increased attainable volumes in the market areas, where acquired businesses operate and personnel in acquired businesses as well as all kind of benefits that are connected with scale.

EUR 0.2 million of the goodwill recognised is expected to be deductible for income tax purposes.

The Group incurred acquisition–related costs of EUR 0.8 million relating to external fees and due diligence costs. The fees and due diligence costs have been included in operating expenses.

Consolidated income statement includes revenue of acquirees after acquisition date EUR 26.7 million and net profit for the financial year includes profit of acquirees after acquisition date EUR 2.8 million.

If all business combinations in 2011 had occurred at the beginning of the annual reporting period revenue would have been increased by EUR 22.5 million and net profit for the financial year would have been increased by EUR 1.7 million.

28. FINANCIAL RISK MANAGEMENT

RISK MANAGEMENT PRINCIPLES

Ramirent is subject to certain financial risks in its business activities. Main financial risks are foreign exchange rate risk, interest rate risk, funding and liquidity risks and counterpart (credit) risk. In order to control those financial risks and to reduce their adverse effects on the business activities, assets and liabilities and results, Ramirent has adopted risk management policy which is described in Finance Policy approved by the Board of Directors.

The Finance Policy defines risk management principles for the risks which have been concluded to have the most potential impact on the Group. It also provides an overall framework for the financial activities of the Ramirent Group, with the aim of setting objectives, and defines the strategy of managing the financial risks, as well as clarifies the organisational assignment of risk management responsibilities (management of the risk delegated within the Group and the roles and responsibilities in order to handle the risk defined in terms of a risk mandate).

According to Ramirent's Finance Policy the financial risk management strives to secure sufficient funding for operational needs and to minimise the funding costs and the effects of foreign exchange rate, interest rate and other financial risks cost–effectively. The policy outlines the financing and financial risk management responsibilities covering also the use of financial instruments to hedge the selected risk exposures and acceptable risk levels.

Ramirent's Board of Directors has the overall responsibility for establishing norms and guidelines for Ramirent's financial risk exposure. The overall operative financial risk management has been centralised to the Group Treasury of Ramirent. The Group Treasury acts as the in–house bank and is, in general, the counterparty for all financial transactions within the Group and also mainly externally. The Group Treasury is responsible for implementation of the finance policy and monitoring the financial risks of the Group. Ramirent's Group Treasury is responsible for managing Group–level foreign exchange, interest rate, liquidity and funding risks in close co–operation with the business entities.

The operative management, namely CEO and CFO, controls that the risk management has been conducted in an appropriate way in the Group. The managements of Ramirent business entities are responsible for monitoring the financial risk exposures and managing the financial risks of the business entities according to the Finance Policy and other instructions given by the Group Treasury.

FOREIGN EXCHANGE RATE RISK

Ramirent is a multinational Group operating in Northern and Eastern and Central European countries. The sales and rental income of the business entities accrue predominantly in their local currency. The purchases of the Group companies are mainly in local currency and partly in EUR, while the major part of the investment arises in EUR. The Group is also exposed to foreign exchange risks through intra–group funding and net investments of foreign–currency entities.

TRANSACTION RISK

Ramirent's policy is to reduce the effects of foreign exchange rate fluctuations on the Group. This is done by spreading the purchases, sales and financial contracts over time and fixing the rates of major exposures for certain periods of time. When determining the exposures to be hedged the contracted and 12–month forecasted cash flows and dividend receivables are taken into account. The hedging of transaction exposure is done by using currency forward contracts. Business entities' counterpart in hedging transaction is the parent company of the Group. Group Treasury consolidates and hedges centrally, if necessary, the business entity exposures externally, by external borrowing in corresponding currencies and by external currency forward contracts.

The largest transaction exposures derive from foreign purchases and intra–group funding. Due to Ramirent's size of business operations in Sweden, Norway as well in Poland, it is exposed to foreign exchange rate risks mainly caused by the fluctuations of the Swedish Krona (SEK), the Norwegian Krona (NOK) and the Polish Zloty (PLN), especially in intra–group funding. To hedge the parent company's exposures long–term external borrowing are matched against major exposures in intra–group funding. Russian and Ukrainian currencies constitute a smaller exposure, but due to high fluctuation and limitations in hedging, they create a larger risk.

On 31 December 2012, Ramirent had outstanding foreign exchange forwards of EUR 52.5 (55.4) million (nominal value) with market value of EUR –0.3 million (EUR –0.3 million).

The table below shows the nominal values of Ramirent's trade receivables and payables by currency as of 31 December:

(EUR 1,000)	EUR EXPOSURE IN COMPANIES REPORTING IN FOREIGN CURRENCY 2012	SEK EXPOSURE IN COMPANIES REPORTING IN NOK 2012	EUR EXPOSURE IN COMPANIES REPORTING IN FOREIGN CURRENCY 2011	SEK EXPOSURE IN COMPANIES REPORTING IN NOK 2011
Trade receivables	1 639	–	48	–
Trade payables	–2 688	–92	–992	–13
	–1 048	**–92**	**–944**	**–13**

INTEREST-BEARING DEBT BY CURRENCY

(EUR 1,000)	2012	2011
EUR	164 027	167 410
PLN	7 061	10 759
SEK	22 905	28 001
NOK	46 719	59 050
	240 713	**265 221**

SENSITIVITY ANALYSIS:

The following table demonstrates the sensitivity of the Group's profit for the year and equity to changes of +/–10% in exchange rates resulting from financial instruments such as financial assets and liabilities and foreign exchange derivative instruments included in the balance sheet at the end of the financial year. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2011.

(EUR 1,000)	2012	2011
+/–10% change in EUR/PLN	+/– 491	+/– 785
+/–10% change in EUR/SEK	+/– 4 394	+/– 3 556
+/–10% change in EUR/NOK	+/– 7 529	+/– 9 452
+/–10% change in EUR/DKK	+/– 259	–
+/–10% change in EUR against other currencies	– /+ 28	– /+ 4
	+/– 12 645	**+/– 13 788**
+/–10% change in EUR from group internal positions	– /+ 16 073	– /+ 18 145

A 10% weakening of the EUR against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant. The main portions of exposures illustrated arise from external foreign currency borrowing. As comparison, also the sensitivity of the intra–group positions, intra–group funding receivables has been presented.

TRANSLATION RISK

The financial needs of Group companies are funded partly through equity (translation risk), in addition to the Group internal funding in local currencies provided by the parent company. Ramirent has decided not to currently hedge the foreign exchange rate risk associated with net investment exposures.

INTEREST RATE RISK

Ramirent is exposed to interest rate risk mainly through its interest bearing debt. The interest rate risk exposure represents the uncertainty of profit of a company due to changes in interest rates. To reduce the interest rate risk affecting to Ramirent's profitability, interest rates are fixed for certain periods of time and fixing dates spread over time.

The interest rate risk is minimised when the Group's interest rate position of financial instruments is neutralising the interest rate sensitivity of the operational business. The duration (average interest fixing period) for the Group's consolidated net borrowing is used to measure the interest rate risk exposure.

Ramirent's Finance Policy currently assumes the neutral average interest rate fixing period to be 24 months, and the average interest fixing term of the financial instruments shall therefore be between 18 and 36 months. The actual average interest rate fixing period of interest bearing debt on 31 December 2012 was 19.8 months.

The target hedging level shall be between 40%–80% of the total interest–bearing debt. At the end of financial year the hedging level was 66.1 %. Further guideline of the interest rate risk exposure management of the Finance Policy is that the periods of interest rates shall be diversified. Interest rate swaps and caps may only be used to fix the floating rate of underlying loans. Ramirent applies hedge accounting for all interest rate derivatives.

The Group Treasury is responsible for interest rate risk management in Ramirent Group. The Group Treasury is responsible for monitoring and updating the estimated interest rate benchmark position of Ramirent.

On 31 December 2012, Ramirent had outstanding interest rate swaps of EUR 159.1 (187.3) million (nominal value) with market value of EUR –7.1 (–5.4) million.

On 31 December 2012 the interest rate profile of Ramirent's financial instruments was:

(EUR 1,000)	CARRYING VALUE 2012	CARRYING VALUE 2011
Variable rate instruments		
Financial assets	123 442	107 891
Financial liabilities	–298 229	–326 967
	–174 787	**–219 076**
Derivative financial instruments		
Interest rate swaps (nominal value)	159 091	187 340
Foreign exchange forwards (nominal value)	52 465	55 378
	211 556	**242 718**

All Ramirent's interest bearing financial instruments both on 2012 and 2011 were with variable rate.

WEIGHTED AVERAGE MATURITY AND AVERAGE INTEREST RATE ON 31 DECEMBER 2012

	WEIGHED AVERAGE MATURITY (YEARS)	WEIGHED AVERAGE INTEREST RATE (%)
Loans from financial institutions	2.5	1.90%
Other long-term liabilities	2.0	4.14%
Commercial Papers	0.1	0.55%
Finance lease liabilities	0.8	4.25%

WEIGHTED AVERAGE MATURITY AND AVERAGE INTEREST RATE ON 31 DECEMBER 2011

	WEIGHED AVERAGE MATURITY (YEARS)	WEIGHED AVERAGE INTEREST RATE (%)
Loans from financial institutions	3.2	3.15 %
Other long-term liabilities	1.1	4.03 %
Commercial Papers	0.2	1.72 %
Finance lease liabilities	0.7	4.25 %

The repricing and maturity schedule of outstanding interest-bearing debt and interest rate hedges is shown below.

(EUR 1,000)

31 DECEMBER 2012 — INTEREST RATE HEDGE COVERAGE OVER TIME (BALANCES AT PERIOD ENDS)

Debt Amount	Hedged Amount		2013	2014	2015	2016	2017	LATER
240 713	159 091	Debts	191 199	98 613	98 613	98 613	–	–
		IR Hedges	127 867	82 867	67 867	15 650	–	–

(EUR 1,000)

31 DECEMBER 2011 — INTEREST RATE HEDGE COVERAGE OVER TIME (BALANCES AT PERIOD ENDS)

Debt Amount	Hedged Amount		2012	2013	2014	2015	2016	Later
265 221	152 340	Debts	219 773	219 525	84 036	84 036	84 036	–
		IR Hedges	126 309	95 793	50 793	50 793	–	–

SENSITIVITY ANALYSIS

The following table demonstrates the sensitivity of Ramirent's profit or loss for 2012 and equity (other comprehensive income) as at 31 December 2012 to possible changes in interest rates. A change of 1 percentage unit in interest rates at the reporting date would have increased/decreased profit or loss and other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2011.

31 DECEMBER 2012

(EUR 1,000)	PROFIT OR LOSS		EQUITY (OTHER COMPREHENSIVE INCOME)	
	1 percentage unit increase	1 percentage unit decrease	1 percentage unit increase	1 percentage unit decrease
Variable rate instruments	–2 407	1 068	–	–
Interest rate swaps	1 591	–734	3 534	–2 637
Total	**–816**	**334**	**3 534**	**–2 637**

31 DECEMBER 2011

(EUR 1,000)	PROFIT OR LOSS		EQUITY (OTHER COMPREHENSIVE INCOME)	
	1 percentage unit increase	1 percentage unit decrease	1 percentage unit increase	1 percentage unit decrease
Variable rate instruments	–2 652	2 652	–	–
Interest rate swaps	1 523	–1 523	3 653	–3 676
Total	**–1 129**	**1 129**	**3 653**	**–3 676**

The testing for the equity change was carried out by re–pricing the future interest flows of the outstanding interest rate swap agreements with one percentage point higher/lower rate than interest rates prevailing at the reporting date by net present value method. However, the analysis is capped to 0.00 percentages for EUR nominated variable rate instruments and interest rate swaps. Since all the outstanding interest rate swaps are effective, them all has been assumed to affect the equity.

FUNDING RISK

Funding risk is the risk that refinancing of existing debt portfolio and/or rising new funding will not be available, or at the high price. The aim is to minimise Ramirent's funding risk by spreading debt/debt facility maturities over time and by securing refunding early enough.

Ramirent's goal is to secure the availability of sufficient funding for conducting its various operations at all times. A further goal is to minimise funding costs over time. According to Finance policy, Ramirent shall use multiple sources of funding to secure its long–term financing at favourable terms. The goal is that no single financial institution shall provide more than 50% of the total funding of the Group.

According to Finance policy, in long–term perspective Ramirent shall not to be obliged to amortise during any one year more than 30% of the total interest–bearing debt, and if such situations exist, the Group Treasury is obliged to start negotiations to alter this structure no later than eighteen months before the planned amortisation.

As of end 2012, Ramirent had funding from committed long–term Term Loan Facility of totally EUR 75.0 million, committed long–term Revolving Credit Facilities of totally EUR 295.0 million under three different agreements and a committed Overdraft facility of EUR 20,0 million with financial institutions. In addition, an uncommitted EUR 150.0 million Domestic Commercial Paper Program was used.

The average maturity of the committed loan facilities from financial institutions as of 31 December 2012 was 3.4 years. Ramirent's borrowing facilities will expire in 2014 and 2017.

Ramirent has financial covenants in its major borrowing facility agreements. As at 31 December 2012 Ramirent was in compliance with all covenanats and other terms of its debt instruments.

LIQUIDITY RISK

Liquidity risk is the risk that existing funds and borrowing facilities become insufficient to meet company's business needs or high extra costs are incurred for arranging them. The objective of the liquidity risk management in Ramirent Group is to minimise the risk by having a well balanced liquidity reserve to hedge against foreseen and unforeseen liquidity requirements. The parent company raises most of Ramirent's interest–bearing debt centrally. Ramirent seeks to reduce liquidity risk by keeping sufficient amount of credit facilities available.

Ramirent's liquidity risk is reduced also by efficient cash management procedures and cash management structures such as cash pools and overdraft facilities. In the long–run the principal source of liquidity is expected to be cash flow generated by the operations.

Ramirent's Finance Policy states that liquidity reserves shall equal at minimum of 8% of the forecasted rolling 12–month net sales or EUR 50 million, which ever of the two is higher, plus the total outstanding amount of the commercial papers, to cover the operative and risk liquidity requirement. In addition there shall be strategic liquidity reserve that the management of Ramirent Group estimates for the foreseeable future. The top management shall review constantly the optimal level of the strategic liquidity requirement to allow to company to react effectively.

The liquidity reserve should be available within three banking days, without paying any extra fee, penalty or similar cost at any time. At year end 2012, Ramirent had EUR 150.9 million (21.1% of net sales 2012) of committed liquidity reserves readily available.

The table below summarises the contractual maturities of financial liabilities including interest payments as of 31 December 2012:

31 DECEMBER 2012

(EUR 1,000)	CONTRACTUAL CASH FLOWS	CARRYING AMOUNT	2013	2014	2015	2016	2017	Later
Non-derivative financial liabilities								
Committed loans from financial institutions	-197 312	-181 273	-4 235	-96 563	-2 700	-2 925	-90 889	-
Commercial papers	-49 649	-49 500	-49 649	-	-	-	-	-
Committed bank overdrafts	-10 650	-9 328	-497	-700	-258	-280	-8 915	-
Finance lease liabilities	-73	-69	-49	-24	-	-	-	-
Other long-term liabilities	-584	-543	-19	-565	-	-	-	-
Other liabilities	-11 874	-11 874	-3 802	-8 071	-	-	-	-
Trade payables	-38 505	-38 505	-38 505	-	-	-	-	-
	-308 645	-291 092	-96 756	-105 922	-2 958	-3 205	-99 804	-
Derivative financial liabilities								
Interest rate swaps (fair value)	-7 138	-7 138	-3 088	-2 040	-1 162	-790	-58	-
Foreign exchange forwards (fair value)	-259	-259	-259	-	-	-	-	-
	-7 397	-7 397	-3 347	-2 040	-1 162	-790	-58	-
Total	**-316 042**	**-298 489**	**-100 103**	**-107 962**	**-4 121**	**-3 995**	**-99 861**	**-**

31 DECEMBER 2011

(EUR 1,000)	CONTRACTUAL CASH FLOWS	CARRYING AMOUNT	2012	2013	2014	2015	2016	Later
Non-derivative financial liabilities								
Committed loans from financial institutions	-242 710	-210 123	-6 462	-7 367	-143 380	-3 188	-3 563	-78 750
Commercial papers	-44 220	-44 000	-44 220	-	-	-	-	-
Committed bank overdrafts	-12 533	-10 756	-1 983	-248	-271	-294	-339	-9 397
Finance lease liabilities	-122	-117	-100	-22	-	-	-	-
Other long-term liabilities	-245	-226	-10	-235	-	-	-	-
Other liabilities	-18 200	-18 200	-7 443	-2 807	-7 950	-	-	-
Trade payables	-38 120	-38 120	-38 120	-	-	-	-	-
	-356 150	-321 541	-98 338	-10 680	-151 602	-3 481	-3 901	-88 147
Derivative financial liabilities								
Interest rate swaps (fair value)	-5 426	-5 426	-1 957	-1 561	-1 023	-538	-347	-
Foreign exchange forwards (fair value)	-258	-258	-258	-	-	-	-	-
	-5 684	-5 684	-2 215	-1 561	-1 023	-538	-347	-
Total	**-361 834**	**-327 225**	**-100 553**	**-12 241**	**-152 625**	**-4 019**	**-4 249**	**-88 147**

CREDIT RISK

Credit risk is defined as the possibility of a customer not fulfilling its commitments towards Ramirent. Group Credit Risk Manual sets the guidelines for credit management and controls in all the Group companies. According to the Credit Risk Manual, the operative management of each operating Ramirent entity is responsible for setting specific local procedures to evaluate and manage credit risk. Credit losses are booked according to these practices. The Credit Risk Manual identifies occasions when a customer can be classified as a high risk-profile customer for which Ramirent applies stricter terms such as lower credit limit amounts. To decrease credit risk, customers may be required to place securities or guarantees.

Customer credit risks are diversified as Ramirent's sales are generated by a large number of customers. Thus there was no major customer credit risk concentration at end of financial year 2012 except one customer group that comprises about 10 per cents of the Groups total sales. The quality of receivables is evaluated by the aging of the receivables and on the customer specific analysis.

Financial counterparty risk is defined as the risk of banks/financial institutions not being able to fulfill their undertakings to the Ramirent Group. The financial counterparty risk is minimised by selecting instruments with a high degree of liquidity and counterparties with a high credit ranking. Ramirent co-operates only with counterparties judged to be capable of meeting their undertakings to Ramirent.

The Group Treasury manages the main part of the credit risk related to financial transactions and financial counterparties by having 3 to 5 main financial institutions and by efficient cash and financial asset management so that Ramirent does not have any major risk concentration in any financial counterparty.

The carrying amount of financial assets represents the maximum credit exposure.

ANALYSIS OF TRADE RECEIVABLES BY AGE

(EUR 1,000)	GROSS 2012	IMPAIRED 2012	GROSS 2011	IMPAIRED 2011
Undue trade receivables	85 495	–	78 945	–
Trade receivables 1–30 days overdue	31 082	–	20 223	–
Trade receivables 31–180 days overdue	7 647	–2 532	8 050	–3 128
Trade receivables more than 180 days overdue	8 529	–8 529	11 532	–11 532
	132 752	**–11 061**	**118 750**	**–14 660**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(EUR 1,000)	2012	2011
Allowance for credit losses on 1 January	–14 660	–16 157
Translation differences	–522	–630
Increase during the financial year	–9 421	–4 004
Decrease due to actual credit losses during the financial year	8 577	2 734
Decrease due to customer payments during the financial year	4 464	3 343
Decrease of allowance due to reversal of allowance during the financial year	–	56
Assets to be transferred to the Joint Venture	501	–
Net movement of bad debt allowance during the financial year	**3 598**	**1 498**
Allowance for credit losses on 31 December	**–11 061**	**–14 660**

CASH FLOW HEDGES

Ramirent Group uses interest rate derivatives to reduce the volatility interest expenses in profit or loss and to adjust the duration of the debt portfolio. Interest rate derivative agreements have been designated as hedges of forecasted transactions, e.g. cash flow hedges.

All the interest rate derivative are directly linked to underlying funding transactions and they meet the qualifications for hedge accounting, and thus they are designated as cash flow hedges. Under cash flow hedging, Ramirent has predetermined the interest expense cash flow between 2012 and 2016.

The effective portion of the changes in the fair value of the derivative financial instruments that are designated as and qualify for cash flow hedges are recognised in other comprehensive income. Any gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Prospective effectiveness testing is conducted on a constant basis. Retrospective testing is conducted on a quarterly basis to review the effectiveness of hedging transactions. Cash flow hedges have been effective during 2012.

Gains and losses accumulated in other comprehensive income are recycled in profit or loss within finance income or expenses during the periods when the hedged item affects profit or loss. Movements in hedging reserve are presented in other comprehensive income. On 31 December 2012, interest rate hedge effect to other comprehensive income was EUR 1.1 million (before taxes).

29. CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT GROUPS

(EUR 1,000)	NOTE	2012	2011
Receivables			
Trade receivable	16	132 752	118 750
Allowance for credit loss	28	-11 061	–14 660
		121 691	**104 091**
Available for sales financial assets			
Other shares	13, 28	412	415
Financial liabilities measured at amortised cost			
Loans from financial institutions	24, 28	181 272	210 123
Commercial papers	24, 28	49 500	44 000
Bank overdrafts	24, 28	9 328	10 756
Finance lease liabilities	24, 28	69	117
Other long–term liabilities	24, 28	543	226
Other liabilities	25, 28	11 874	18 200
Trade payable	26, 28	38 505	38 120
		291 092	**321 541**
Financial assets at fair value through profit or loss			
Interest rate swaps (market value)	28	–7 139	–5 426
Foreign exchange forwards (market value)	28	–259	–258

FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

31 DECEMBER 2012

(EUR 1,000)	LEVEL I	LEVEL II	LEVEL III
Interest rate derivatives	–	–7 139	–
Foreign exchange derivatives	–	–259	–

31 DECEMBER 2011

(EUR 1,000)	LEVEL I	LEVEL II	LEVEL III
Interest rate derivatives	–	–5 426	–
Foreign exchange derivatives	–	–258	–

The table above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30. FAIR VALUES VERSUS CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABILITIES

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments shown in the table below.

AVAILABLE FOR SALE FINANCIAL ASSETS AND FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The fair value of available for sale financial assets and financial assets at fair value through profit or loss are determined by reference to their quoted bid price at the reporting date.

TRADE RECEIVABLES AND CASH AND CASH EQUIVALENTS

The fair value of trade receivables and Cash and cash equivalents is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

NON-DERIVATIVE FINANCIAL LIABILITIES

The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market interest rate at the reporting date. For finance leases the market interest rate is determined by reference to similar lease agreements.

DERIVATIVES (INTEREST RATE SWAPS)

The fair value of interest rate swaps is based on bank quotes. The quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

The fair values of the financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

(EUR 1,000)	NOTE	CARRYING AMOUNT 2012	FAIR VALUE 2012	CARRYING AMOUNT 2011	FAIR VALUE 2011
Financial assets					
Available for sale investments	12	412	412	415	415
Trade receivables	15	121 692	121 692	104 091	104 091
Cash and cash equivalents	16	**1 338**	**1 338**	**2 431**	**2 431**
		123 442	123 442	106 937	106 937
Financial liabilities					
Loans from financial institutions	22	–190 600	–190 600	–220 878	–220 878
Commercial Papers	22	–49 500	–49 500	–44 000	–44 000
Finance lease liabilities	22	–69	–69	–117	–117
Other long-term liabilities	22	–543	–543	–226	–226
Other liabilities	23	–11 874	–11 874	–18 200	–18 200
Trade payables	24	–38 505	–38 505	–38 120	–38 120
Interest rate swaps					
Assets		19 281	19 281	7 736	7 736
Liabilities		–26 419	–26 419	–13 162	–13 162
		–298 229	–298 229	–326 967	–326 967
Interest rate swaps (nominal value and fair value)		**159 091**	**–7 139**	**187 340**	**–5 426**
Foreign exchange forwards (nominal value and fair value)		52 465	–259	55 378	–258

31. EXCHANGE RATES APPLIED

CURRENCY	AVERAGE RATES 2012	AVERAGE RATES 2011	CLOSING RATES 2012	CLOSING RATES 2011
DKK	7.4435	7.4507	7.4610	7.4342
HUF	289.3242	279.3100	292.3000	314.5800
LTL	3.4528	3.4528	3.4528	3.4528
LVL	0.6973	0.7062	0.6977	0.6995
NOK	7.4755	7.7930	7.3483	7.7540
PLN	4.1843	4.1187	4.0740	4.4580
RUB	39.9238	40.8797	40.3295	41.7650
SEK	8.7067	9.0276	8.5820	8.9120
UAH	10.3833	11.1121	10.5991	10.3447
CZK	25.1458	24.5892	25.1510	25.7870

32. DIVIDEND PER SHARE

The Board of Directors proposes to the Annual General Meeting that dividend EUR 0.34 per share be distributed totaling EUR 36,606,826.24. The proposed dividend, which is based on the total of 107,667,136 outstanding shares on the record date for dividend payment 2 April 2013, is not reflected in the year 2012 financial statements.

The dividends paid in 2012 were EUR 0.28 per share totaling EUR 30,146,798.08.

33. RELATED PARTY TRANSACTIONS

Ramirent's related parties comprise of the parent company, its subsidiaries and key management and one major shareholder. Key management consists of the members of the Board of Directors, the CEO and the members of the Group Management Team. The list of subsidiaries is presented in note 36.

EMPLOYEE BENEFITS FOR KEY MANAGEMENT

(EUR 1,000)	2012	2011
Short-term employee benefits	-2 645	-2 881
Post-employment benefits	-477	-143
Share-based payments	140	-365
	-2 982	**-3 389**

BENEFITS PAID TO THE BOARD MEMBERS AND THE CEO

(EUR 1,000)	2012	2011
Appleton, Kevin	-28	-
Bergh, Kaj-Gustaf	-34	-33
Ek, Johan	-32	-30
Hofvenstam, Peter	-54	-56
Norvio, Erkki	-33	-29
Renlund, Susanna	-46	-47
Sølsnes, Gry Hege	-32	-22
Rosén, Magnus	-815	-540
	-1 075	**-758**

The benefit paid to the CEO comprises of annual base salary, fringe benefits, paid bonuses and a separate pension insurance. Part of the benefits to CEO have been paid by Ramirent Plc's Swedish subsidiary Ramirent Internal Services AB. According to his contract, the CEO's retirement age is 62 years.

Ramirent did not have any other transactions than the above employee benefits with Key Management during years 2012 and 2011.

There were no outstanding loan receivables from key management neither on 31 December 2012 nor on 31 December 2011.

In 2012 and 2011 Ramirent Group sold rental services of EUR 70.9 (70.9) million to Nordstjernan Group. Current receivables from Nordstjernan Group as at 31 December 2012 amounted to EUR 9.9 (9.7) million. Nordstjernan AB, the parent company of Nordstjernan Group, was the biggest shareholder (29.33%) of Ramirent Plc in 2012 and 2011.

34. COMMITMENTS AND CONTINGENT LIABILITIES

COMMITMENTS (OFF-BALANCE SHEET) ON 31 DECEMBER 2012

(EUR 1,000)	TO SECURE OWN BORROWINGS	TO SECURE OTHER OWN OBLIGATIONS	TO SECURE THIRD PARTY OBLIGATIONS	TOTAL
Suretyships	-	3 523	6	3 529

COMMITMENTS (OFF-BALANCE SHEET) ON 31 DECEMBER 2011

(EUR 1,000)	TO SECURE OWN BORROWINGS	TO SECURE OTHER OWN OBLIGATIONS	TO SECURE THIRD PARTY OBLIGATIONS	TOTAL
Suretyships	-	3 321	6	3 326

NON–CANCELLABLE MINIMUM FUTURE OPERATING LEASE PAYMENTS

(EUR 1,000)	2012	2011
Payable < 1 year from balance sheet date	29 715	33 830
Payable 1–5 years from balance sheet date	56 830	60 509
Payable > 5 years from balance sheet date	15 095	22 260
Future gross operating lease payments	**101 639**	**116 599**
Operating lease expenses in the income statement		
Lease payments expensed in the income statement	43 824	48 104
Received sublease payments credited to lease expenses in the income statement	–75	–219
Net lease expenses in the income statement	**43 748**	**47 885**

Committed investments in non–current assets at the end of 2012 totalled EUR 2.1 million (EUR 2.9 million in 2011).

35. DISPUTES AND LITIGATIONS

Ramirent's management is not aware of any disputes and/or litigation processes that would significantly affect the company's operating performance and/or financial position in an adverse manner in case of negative outcomes from the company's point of view.

36. SUBSIDIARIES 31 DECEMBER, 2012

COMPANY NAME	COUNTRY	NATURE OF ACTIVITY	PLC'S DIRECT HOLDING	GROUP HOLDING
Ramirent Plc				
Ramitilat Oy	Finland	Dormant	100,00%	100,00%
Ramirent Internal Services AB	Sweden	Operating	100,00%	100,00%
Ramirent Finland Oy	Finland	Operating	100,00%	100,00%
Rami-Cranes Oy *	Finland	Operating	0,00%	100,00%
Teline-Rami Oy*	Finland	Operating	0,00%	100,00%
Ramirent AB	Sweden	Operating	100,00%	100,00%
Consensus Entreprenad AB*	Sweden	Operating	0,00%	100,00%
TLM Ställningar AB*	Sweden	Operating	0,00%	100,00%
Göterborg Kärra AB	Sweden	Real estate company	0,00%	100,00%
Luleå Bergnäset AB	Sweden	Real estate company	0,00%	100,00%
Ramirent AS	Norway	Operating	100,00%	100,00%
Ramirent Module Systems AS	Norway	Operating	0,00%	100,00%
Stavdal Liftutleie AS	Norway	Dormant	0,00%	100,00%
Bautas AS	Norway	Dormant	0,00%	100,00%
Altima AS	Norway	Dormant	0,00%	100,00%
Ramirent A/S	Denmark	Operating	100,00%	100,00%
Ramirent Europe Oy	Finland	Holding	100,00%	100,00%
LLC Ramirent**	Russia	Operating	0,00%	100,00%
CJSC Ramirent**	Russia	Operating	0,00%	100,00%
LLC Ramirent Machinery**	Russia	Operating	0,00%	100,00%
LLC Ramirent RUS**	Russia	Operating	0,00%	100,00%
Ramirent Ukraine LLC**	Ukraine	Operating	0,00%	100,00%
Ramirent AS	Estonia	Operating	100,00%	100,00%
Ramirent AS Rigas filiale	Latvia	Operating	0,00%	100,00%
Ramirent AS Vilniaus filialas	Lithuania	Operating	0,00%	100,00%
Ramirent S.A.	Poland	Operating	100,00%	100,00%
Ramirent Kft.	Hungary	Operating	100,00%	100,00%
Ramirent s.r.o.	Czech Republic	Operating	100,00%	100,00%
Ramirent spol. s.r.o.	Slovakia	Operating	100,00%	100,00%
Merged and dissolved subsidiaries during 2012				
Uudenmaan Telineasennus Oy	Finland	Dormant	0,00%	100,00%
Rami-Muotit Oy	Finland	Dormant	0,00%	100,00%
TLM i Linköping AB	Sweden	Operating	0,00%	100,00%
TLM i Norrköping AB	Sweden	Operating	0,00%	100,00%
TLM i Motala AB	Sweden	Operating	0,00%	100,00%
Hyrman i Lund AB	Sweden	Operating	0,00%	100,00%
Maskindepon i Lund AB	Sweden	Dormant	0,00%	100,00%

* Will be merged or dissolved during 2013
** Will be transferred to the Joint Venture during 2013

37. EVENTS AFTER THE REPORTING DATE

CHANGES IN GROUP MANAGEMENT

Erik Alteryd, M,Sc. (Eng) has been appointed as Senior Vice President of the Ramirent Sweden segment and Managing Director of Ramirent AB. He will also be a member on the Group Management Team. Erik Alteryd will assume his new role latest in July 2013.

FINANCIAL AND SHARE-RELATED KEY FIGURES

	2012	2011	2010	2009	2008
Net sales, EUR million	714.1	649.9	531.3	502.5	702.6
Increase in net sales, %	9.9	22.3	5.7	-28.5	10.8
Operating result before depreciation and amortisation (EBITDA), EUR million	210.2	181.8	127.4	129.9	188.8
Operating result before depreciation and amortisation (EBITDA), % of net sales	29.4	28.0	24.0	25.8	26.9
Operating result before amortisation of intangible assets (EBITA), EUR million	100,3	79,4	33,0	30,6	82,0
Operating result before amortisation of intangible assets (EBITA), % of net sales	14,1	12,2	6,2	6,1	11,7
Operating result (EBIT), EUR million	92.3	74.1	29.7	28.8	79.7
Operating result (EBIT), % of net sales	12.9	11.4	5.6	5.7	11.4
Result before taxes (EBT), EUR million	82.9	60.8	20.9	12.7	50.7
Result before taxes (EBT), % of net sales	11.6	9.3	3.9	2.5	7.2
Net result for the financial year, EUR million	63.6	44.7	14.6	4.7	33.7
Net result for the financial year, % of net sales	8.9	6.9	2.8	0.9	4.8
Return on invested capital (ROI), %	18.8	15.7	8.6	8.5	17.5
Return on equity (ROE), %	18.3	13.9	4.7	1.6	10.8
Interest-bearing debt, EUR million	240.7	265.2	177.9	209.0	305.1
Net debt, EUR million	239.4	262.8	176.6	207.2	303.0
Net debt to EBITDA, ratio	1.1x	1.4x	1.4x	1.6x	1.6x
Gearing, %	65.1	80.6	55.6	67.8	107.8
Equity ratio, %	44.3	40.7	48.0	46.6	37.4
Personnel, average during financial year	3 077	3 150	3 043	3 313	4 006
Personnel, at end of financial year	3 005	3 184	3 048	3 021	3 894
Gross capital expenditure, EUR million	124.0	242.2	62.0	17.5	201.3
Gross capital expenditure, % of net sales	17.4	37.3	11.7	3.5	28.7

	2012	2011	2010	2009	2008
Earnings per share (EPS), weighted average, diluted, EUR	0.59	0.41	0.13	0.04	0.31
Earnings per share (EPS), weighted average, basic, EUR	0.59	0.41	0.13	0.04	0.31
Equity per share, at end of financial year, diluted, EUR	3.41	3.02	2.93	2.81	2.59
Equity per share, at end of financial year, basic, EUR	3.41	3.02	2.93	2.81	2.59
Dividend per share, EUR *	0.34	0.28	0.25	0.15	–
Payout ratio, %	57.6%	67.6%	185.4%	348.1%	–
Effective dividend yield, % *	5.4%	5.1%	2.5%	2.2%	–
Price/earnings ratio (P/E)	10.67	13.29	73.13	171.00	10.48
Highest share price, EUR	8.81	12.37	10.10	8.23	12.68
Lowest share price, EUR	5.35	4.12	6.17	2.35	2.37
Average share price, EUR	6.61	7.57	7.85	5.01	7.23
Share price at end of financial year, EUR	6.25	5.50	9.85	6.84	3.25
Market capitalisation at end of financial year, EUR million	672.9	594.1	1 066.8	743.5	353.3
Number of shares traded, thousand	29 743.5	47 165.6	48 832.0	64 220.4	132 730.2
Shares traded, % of total number of shares	27.6%	43.4%	44.9%	59.1%	122.1%
Number of shares, weighted average, diluted	107 731 692	108 064 377	108 575 291	108 697 328	108 697 750
Number of shares, weighted average, basic	107 731 692	108 064 377	108 575 291	108 697 328	108 697 750
Number of shares, at end of financial year, diluted	107 667 136	108 017 136	108 304 136	108 697 328	108 697 328
Number of shares, at end of financial year, basic	107 667 136	108 017 136	108 304 136	108 697 328	108 697 328

Share related key figures have been calculated with the amount of shares excluding the treasury shares held by Ramirent.

* The Annual General Meeting will make the decision on the year 2012 dividend on 26 March 2013.

DEFINITIONS OF KEY FINANCIAL FIGURES

Return on equity (ROE),%:	$\dfrac{\text{Net result x 100}}{\text{Total equity (average over the financial year)}}$
Return on invested capital (ROI),%:	$\dfrac{\text{(Result before taxes + interest and other financial expenses) x 100}}{\text{Total assets – non-interest bearing debt (average over the financial year)}}$
Equity ratio,%:	$\dfrac{\text{(Total equity + non-contolling interest) x 100}}{\text{Total assets – advances received}}$
Earnings per share (EPS), EUR:	$\dfrac{\text{Net result +/– non-controlling interest of net result}}{\text{Average number of shares, adjusted for share issues, during the financial year}}$
Shareholders' equity per share, EUR:	$\dfrac{\text{Equity belonging to the parent company's shareholders}}{\text{Number of shares, adjusted for share issues, on reporting date}}$
Payout ratio,%:	$\dfrac{\text{Dividend per share x 100}}{\text{Earnings per share}}$
Net debt:	Interest-bearing debt – cash and cash equivalents
Net debt to EBITDA ratio:	$\dfrac{\text{Net debt}}{\text{Earnings before interests, taxes, depreciation and amortisation}}$
Gearing:	$\dfrac{\text{Net debt x 100}}{\text{Total equity}}$
Dividend per share:	$\dfrac{\text{Dividend paid}}{\text{Number of shares on the registration date for dividend distribution}}$
Effective dividend yield:	$\dfrac{\text{Share-issue-adjusted dividend per share x 100}}{\text{Share-issue-adjusted final trading price at end of financial year}}$
Price/earnings ratio:	$\dfrac{\text{Share-issue-adjusted final trading price}}{\text{Earnings per share}}$

PROFITABILITY DEVELOPMENT BY QUARTER

(Quarterly information presented in this table is unaudited)

	FULL YEAR 2012	Q4 2012	Q3 2012	Q2 2012	Q1 2012	FULL YEAR 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011
Net sales, EUR million	714.1	194.1	185.9	169.7	164.3	649.9	186.8	179.2	149.5	134.4
Oper. result bef. depr. (EBITDA), EUR million	210.2	56.5	60.3	51.6	41.9	181.8	55.0	58.6	40.6	27.6
Oper. result bef. depr. (EBITDA), % of net sales	29.4%	29.1%	32.5%	30.4%	25.5%	28.0%	29.4%	32.7%	27.2%	20.6%
Operating result (EBIT), EUR million	92.3	27.5	29.7	22.7	12.3	74.1	25.5	30.5	15.4	2.7
Operating result (EBIT), % of net sales	12.9%	14.2%	16.0%	13.4%	7.5%	11.4%	13.6%	17.0%	10.3%	2.0%
Result before taxes (EBT), EUR million	82.9	24.3	27.9	20.0	10.7	60.8	22.7	25.7	12.5	–0.2
Result before taxes (EBT), % of net sales	11.6%	12.5%	15.0%	11.8%	6.5%	9.3%	12.2%	14.3%	8.4%	–0.1%

KEY FINANCIAL FIGURES BY SEGMENT

(Quarterly information presented in this table is unaudited)

Net sales, EUR million	FULL YEAR 2012	Q4 2012	Q3 2012	Q2 2012	Q1 2012	FULL YEAR 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011
Finland	166.5	41.7	45.0	41.4	38.4	154.7	42.5	45.5	36.5	30.2
Sweden	209.9	57.9	53.0	50.9	48.1	182.7	53.9	45.4	42.1	41.3
Norway	174.0	51.0	41.1	38.1	43.7	144.8	42.0	39.7	30.5	32.6
Denmark	44.7	12.2	11.4	11.2	9.8	44.1	14.6	11.3	9.9	8.4
Europe East	63.3	17.4	18.8	15.0	12.2	56.1	16.5	17.2	13.0	9.4
Europe Central	62.7	16.2	17.9	15.3	13.3	73.9	18.9	21.6	19.0	14.4
Sales between segments	-7.1	-2.3	-1.4	-2.2	-1.2	–6.3	–1.6	–1.4	–1.5	–1.9
Total	**714.1**	**194.1**	**185.9**	**169.7**	**164.3**	**649.9**	**186.8**	**179.2**	**149.5**	**134.4**

Operating result, EUR million and % of net sales	FULL YEAR 2012	Q4 2012	Q3 2012	Q2 2012	Q1 2012	FULL YEAR 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011
Finland	30.2	7.3	10.9	7.0	5.0	22.8	6.2	10.5	4.7	1.3
	18.2%	17.6%	24.2%	17.0%	12.9%	14.7%	14.6%	23.2%	12.9%	4.4%
Sweden	33.1	9.2	8.7	8.6	6.5	33.2	11.9	8.2	7.0	6.1
	15.7%	15.9%	16.4%	16.9%	13.5%	18.2%	22.2%	18.0%	16.5%	14.9%
Norway	22.2	6.5	6.4	5.4	3.9	11.2	4.5	3.9	2.4	0.4
	12.8%	12.7%	15.6%	14.2%	8.9%	7.7%	10.7%	9.9%	7.9%	1.2%
Denmark	1.6	0.8	0.8	0.2	-0.2	0.1	0.8	0.9	–0.3	–1.3
	3.6%	6.7%	6.8%	2.0%	-2.1%	0.2%	5.4%	7.5%	–2.9%	–15.0%
Europe East	10.9	5.0	4.4	1.6	-0.1	5.9	2.3	4.2	1.0	–1.7
	17.3%	28.7%	23.4%	10.8%	-0.6%	10.5%	14.2%	24.6%	7.5%	–17.7%
Europe Central	-1.6	0.2	0.4	0.1	-2.2	5.5	2.0	3.5	1.1	–1.2
	-2.5%	1.1%	2.0%	0.9%	-16.8%	7.4%	10.8%	16.3%	5.7%	–8.2%
Costs not allocated to segments	-4.2	-1.5	-1.8	-0.3	-0.5	–4.5	–2.3	–0.7	–0.4	–1.1
Group operating result	92.3	27.5	29.7	22.7	12.3	74.1	25.5	30.5	15.4	2.7
	12.9%	14.2%	16.0%	13.4%	7.5%	11.4%	13.6%	17.0%	10.3%	2.0%

PARENT COMPANY FINANCIAL STATEMENTS – FAS

(FINNISH ACCOUNTING STANDARDS)

PARENT COMPANY INCOME STATEMENT

(EUR)	Note	2012	2011
Net sales	1	**10 256 954.45**	**8 518 460.35**
Other operating income	2	29 489.97	8 821.20
Personnel expenses	3	–2 675 017.08	–2 325 198.45
Depreciation and amortisation	4	–246 911.48	–249 077.19
Other operating expenses	5	–11 418 229.14	–10 807 868.74
Operating result (EBIT)		**–4 053 713.28**	**–4 854 862.83**
Financial income	6	40 877 764.13	31 868 015.45
Financial expenses	6	–27 538 460.36	–25 148 323.09
Result before extraordinary items		**9 285 590.49**	**1 864 829.53**
Extraordinary items	7	12 000 000.00	15 000 000.00
Result before appropriations and taxes		**21 285 590.49**	**16 864 829.53**
Appropriations	8	–	3 003.88
Income taxes	9	–2 535 559.64	–1 502 884.03
Net result for the financial year		**18 750 030.85**	**15 364 949.38**

PARENT COMPANY BALANCE SHEET

(EUR)	Note	31 Dec 2012	31 Dec 2011
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	10	11 843 705.94	4 667 172.55
Tangible assets	11	79 757.22	130 895.68
Subsidiary shares	12	491 943 710.85	488 839 275.75
Non-current receivables	13	161 291 694.08	220 297 573.11
Total non-current assets		**665 158 868.09**	**713 934 917.09**
CURRENT ASSETS			
Current receivables	14	36 561 403.30	19 537 156.84
Cash and cash equivalents	15	58 008.10	2 284.89
Total current assets		**36 619 411.40**	**19 539 441.73**
TOTAL ASSETS		**701 778 279.49**	**733 474 358.82**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	25 000 000.00	25 000 000.00
Invested unrestricted equity fund	16	113 328 910.72	113 328 910.72
Retained earnings	16	272 249 442.02	289 745 689.25
Net result for the financial year	16	18 750 030.85	15 364 949.38
Total equity		**429 328 383.59**	**443 439 549.35**
Liabilities			
Non-current liabilities	17	188 481 530.01	217 736 310,99
Current liabilities	18	83 968 365.89	72 298 498,48
Total liabilities		272 449 895.90	290 034 809.47
TOTAL EQUITY AND LIABILITIES		**701 778 279.49**	**733 474 358.82**

PARENT COMPANY CASH FLOW STATEMENT

(EUR)	2012	2011
Cash flow from operating activities		
Result before taxes	21 285 590.49	16 864 829.53
Adjustments		
Depreciation and amortisation	246 911.48	249 077.19
Financial income and expenses	–13 339 303.77	–6 719 692.36
Cash flow from operating activities before change in working capital	8 193 198.20	10 394 214.36
Change in working capital		
Change in trade and other receivables	–5 052 719.48	–915 693.79
Change in non–interest–bearing current liabilities	1 696 597.33	513 396.39
Cash flow from operating activities before interests and taxes	4 837 076.05	9 991 916.96
Interest paid	–26 363 989.75	–19 772 701.02
Interest received	13 906 237.15	13 733 823.85
Income tax paid	–1 498 214.66	–245 616.96
Net cash generated from operating activities	**–9 118 891.21**	**3 707 422.83**
Cash flow of investing activities		
Acquisition of subsidiaries, net of cash	–4 785 385.00	–9 778 383.05
Repayments of contributed capital from the subsidiaries	1 680 949.90	–
Investment in tangible and intangible non–current assets	–7 382 206.41	–4 254 474.60
Proceeds from sale of tangible and intangible non–current assets	9 900.00	18 550.00
Net change in loans granted	–59 005 879.03	–66 546 297.10
Received dividends	10 965 994.45	11 117 163.79
Net cash flow of investing activities	**59 495 131.97**	**–69 443 440.96**
Cash flow from financing activities		
Acquisition of own shares	–2 714 398.53	–3 378 110.95
Borrowings and repayments of short–term debt (net)	–3 204 539.96	12 843 278.84
Borrowings and repayments of long–term debt (net)	–29 254 780.98	78 277 419.13
Dividens paid	–30 146 798.08	–27 004 284.00
Group contributions paid and received (net)	15 000 000.00	5 000 000.00
Net cash flow from financing activities	**–50 320 517.55**	**65 738 303.02**
Net change in cash and cash equivalents during the financial year	**55 723.21**	**2 284.89**
Cash at the beginning of the period	2 284.89	–
Change in cash	55 723.21	2 284.89
Cash at the end of the period	**58 008.10**	**2 284.89**

NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

GENERAL INFORMATION ON THE COMPANY AND ITS BUSINESS ACTIVITIES

Ramirent Plc is a Finnish public limited liability company organised under the laws of Finland and domiciled in Helsinki, Finland. The company's registered address is Äyritie 16, FI–01510 Vantaa, Finland. The company is the parent company of the Ramirent Group and its shares are listed on the OMX Nordic Exchange Helsinki.

Ramirent Plc's business activities comprise acting as a holding company for Ramirent Group and providing Group internal administrative and management services to the subsidiaries.

ACCOUNTING PRINCIPLES FOR THE PARENT COMPANY FINANCIAL STATEMENTS

GENERAL

The parent company's financial statements are prepared in accordance with Finnish Accounting Standards (FAS). They are presented in EUR.

REVENUE RECOGNITION

Management services are accounted for as revenues. The revenues are reported to the actual/fair value of what has been received in cash or will be received in cash reduced by sales discounts, VAT and other taxes directly linked to the sales amount.

Management services are recognised in period when the services are rendered to group companies.

PENSION EXPENSES

Pensions are arranged through an external pension insurance company. Pension expenses are recognised in the income statement as personnel expenses when incurred. The Finnish legally based pension system is a defined contribution pension plan.

FINANCIAL INCOME AND EXPENSE

Interest income is recognised in the income statement on accrual basis. Interest and other costs related to interest bearing liabilities are expensed in the income statement on an accrual basis.

EXTRAORDINARY ITEMS

Extraordinary items consist of Group contributions given to or received from the company's Finnish subsidiaries. Group contributions are recognised in accordance with Finnish tax regulations.

Gains or losses related to liquidation or merger of subsidiaries are also recognised in extraordinary items.

APPROPRIATIONS

Appropriations in the income statement comprise depreciation recognised in excess of plan, which are recognised in accordance with Finnish tax regulations. Appropriations in the balance sheet consist of cumulative depreciation in excess of plan.

INCOME TAXES

Income taxes consist of current income tax payable on the taxable profit in the financial year. They also include adjustments to the current income taxes for previous fiscal years in terms of tax expenses or tax refunds that had not been recognised in prior year income statements.

Deferred tax assets and liabilities and changes of them are not recognised in the balance sheet and the income statement. They are instead presented in the notes to the financial statements.

GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill and other intangible assets (other intangible rights and other capitalised long–term expenditure) with a finite useful life are amortised over the estimated useful life of the assets. The estimated useful life, the amortisation method and the total depreciation period are per asset category as follows:

Goodwill	linear	5–20 years
Software licenses and IT–systems	linear	3–5 years

TANGIBLE ASSETS

Tangible assets (buildings and structures, machinery and equipment, land and other tangible assets) are stated at historical acquisition cost less accumulated amortisation and accumulated impairment charges. Tangible assets leased (neither by means of finance nor operating leases) are not recognised in the balance sheet.

Tangible assets are subject to linear item–by–item depreciation during their estimated useful life. Land is not subject to depreciation.

The depreciation method used, the estimated useful life and the annual depreciation percentage are per asset category as follows:

Machinery and equipment for own use	linear	3–10 years

TRADE RECEIVABLES VALUATION PRINCIPLES

Trade receivables are carried at initial value less estimated allowance for credit losses.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and at banks, deposits held at call with banks and other short–term highly liquid financial investments with a maturity shorter than 3 months. When bank overdrafts show a liability balance, they are presented as current interest–bearing liabilities.

FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated into EUR using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities denominated in foreign currencies are translated to EUR using the exchange rates prevailing at the reporting date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are for operating items recognised affecting operating result in the income statement, whereas those stemming from financing items are recognised in financial income and expenses in the income statement.

The foreign currency rates used in preparation of the financial statements are set forth in the below table.

CURRENCY	AVERAGE RATES 2012	AVERAGE RATES 2011	CLOSING RATES 2012	CLOSING RATES 2011
DKK	7.4435	7.4507	7.4610	7.4342
HUF	289.3242	279.3100	292.3000	314.5800
LTL	3.4528	3.4528	3.4528	3.4528
LVL	0.6973	0.7062	0.6977	0.6995
NOK	7.4755	7.7930	7.3483	7.7540
PLN	4.1843	4.1187	4.0740	4.4580
RUB	39.9238	40.8797	40.3295	41.7650
SEK	8.7067	9.0276	8.5820	8.9120
UAH	10.3833	11.1121	10.5991	10.3447
CZK	25.1458	24.5892	25.1510	25.7870

DERIVATIVE INSTRUMENTS

The main derivative instruments used by the company for the financial years 2012 and 2011 were interest rate SWAP's. They have been used as hedging instruments in accordance with the company's finance policy.

Hedge accounting is applied for interest rate SWAP's in the consolidated financial statements. The hedged object comprises the future cash flow on interest expenses payable on interest bearing debt.

The fair value of hedging instruments is not recognised in the financial statements, but presented as commitments in the financial statement notes. Their hedging effect is recognised as an adjustment to the financial expenses that are incurred on the basis of the underlying objects (the interest bearing liabilities).

In addition to interest rate SWAP's some short–term currency forwards have also been used in minor scale.

NOTES TO THE PARENT COMPANY'S INCOME STATEMENT

1. NET SALES BY GEOGRAPHICAL AREA

(EUR)	2012	2011
Finland	2 122 811.86	1 818 174.00
Other European countries	8 134 142.59	6 700 286.35
	10 256 954.45	**8 518 460.35**

2. OTHER OPERATING INCOME

(EUR)	2012	2011
VAT refunds from abroad	13 005.97	8 321.20
Other operating income	16 484.00	500.00
	29 489.97	**8 821.20**

3. PERSONNEL EXPENSES AND NUMBER OF PERSONNEL

(EUR)	2012	2011
Wages and salaries	–1 963 121.67	–2 066 438.70
Pension costs	–241 701.60	–187 153.77
Other personnel expenses	–470 193.81	–71 605.98
	–2 675 017.08	**–2 325 198.45**

PAID BENEFITS TO KEY MANAGEMENT

(EUR)	2012	2011
CEO	–302 000.04	–184 236.00
Board members	–260 250.00	–217 900.00
	–562 250.04	**–402 136.00**

The above employee benefits paid to CEOs include some pension expenses, but not other social costs.

NUMBER OF PERSONNEL

	2012	2011
Average number of personnel during the financial year	16	16

4. DEPRECATION AND AMORTISATION

(EUR)	2012	2011
Intangible assets		
Goodwill	–	–9 296.90
Other intangible rights	–59 762.66	–63 020.23
Other capitalised long-term expenditure	–144 764.96	–85 172.75
Tangible assets		
Machinery & equipment	–42 383.86	–53 723.38
Reduction in value of non-current assets	–	–37 863.93
	–246 911.48	**–249 077.19**

5. OTHER OPERATING EXPENSES

(EUR)	2012	2011
Property operating leases	–204 310.91	–141 911.20
Other property expenses	–18 477.03	–16 275.37
IT and office	–1 287 987.69	–591 394.85
Other operating leases	–47 939.58	–64 825.49
External services	–6 950 963.00	–7 059 835.55
Other	–2 908 550.93	–2 933 626.28
	–11 418 229.14	**–10 807 868.74**

AUDIT AND OTHER FEES TO AUDITORS:

(EUR)	2012	2011
Audit	–62 800.00	–60 000.00
Tax consulting fees	–125 684.00	–6 716.90
Other fees	–220 346.00	–41 545.85
	–408 830.00	**–108 262.75**

6. FINANCIAL INCOME AND EXPENSES

FINANCIAL INCOME

(EUR)	2012	2011
Dividend income from subsidiaries	10 965 994.45	11 117 163.79
Interest income from subsidiaries	11 281 730.94	10 195 697.75
Other interest income	2 398 562.16	2 745 204.84
Exchange rate gains	16 231 476.58	7 809 949.07
	40 877 764.13	**31 868 015.45**

FINANCIAL EXPENSES

(EUR)	2012	2011
Interest and other financial expenses to subsidiaries	–287 451.80	–161 012,40
Interest and other financial expenses to external parties	–13 527 212.75	–16 829 244,48
Exchange rate losses	–13 723 795.81	–8 158 066,21
	–27 538 460.36	**–25 148 323.09**

7. EXTRAORDINARY ITEMS

(EUR)	2012	2011
Group contribution received/given (+/–)	12 000 000.00	15 000 000.00

8. APPROPRIATIONS

(EUR)	2012	2011
Depreciation in excess of plan	–	–3 003.88

9. INCOME TAXES

(EUR)	2012	2011
Income tax on profit from operations	404 440,36	2 397 115.97
Income tax on extraordinary items	–2 940 000,00	–3 900 000.00
	–2 535 559,64	**–1 502 884.03**

NOTES TO THE PARENT COMPANY'S BALANCE SHEET

10. INTANGIBLE ASSETS

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS 2012

(EUR)	GOODWILL	OTHER INTANGIBLE RIGHTS	OTHER CAPITALISED LONG-TERM EXPENDITURE	TOTAL
Historical cost on 1 January	102 265.87	277 896.02	4 849 044.92	5 229 206.81
Additions	–	70 868.98	7 310 192.03	7 381 061.01
Historical cost on 31 December	102 265.87	348 765.00	12 159 236.95	12 610 267.82
Accumulated depreciation on 1 January	–102 265.87	–182 562.91	–277 205.48	–562 034.26
Depreciation	–	–59 762.66	–144 764.96	–204 527.62
Accumulated depreciation on 31 December	–102 265.87	–242 325.57	–421 970.44	–766 561.88
Carrying value on 1 January	–	95 333.11	4 571 839.44	4 667 172.55
Carrying value on 31 December	–	106 439.43	11 737 266.51	11 843 705.94

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS 2011

(EUR)	GOODWILL	OTHER INTANGIBLE RIGHTS	OTHER CAPITALISED LONG-TERM EXPENDITURE	TOTAL
Historical cost on 1 January	102 265.87	277 896.02	707 405.15	1 087 567.04
Additions	–	–	4 141 639.77	4 141 639.77
Historical cost on 31 December	102 265.87	277 896.02	4 849 044.92	5 229 206.81
Accumulated depreciation on 1 January	–92 968.97	–119 542.68	–192 032.73	–404 544.38
Depreciation	–9 296.90	–63 020.23	–85 172.75	–157 489.88
Accumulated depreciation on 31 December	–102 265.87	–182 562.91	–277 205.48	–562 034.26
Carrying value on 1 January	9 296.90	158 353.34	515 372.42	683 022.66
Carrying value on 31 December	–	95 333.11	4 571 839.44	4 667 172.55

11. TANGIBLE ASSETS

MOVEMENT IN TANGIBLE ASSETS 2012

(EUR)	MACHINERY & EQUIPMENT	TOTAL
Historical cost on 1 January	248 031.84	248 031.84
Additions	1 145.40	1 145.40
Disposals	–18 000.00	–18 000.00
Reduction in value of non-current assets	–	–
Historical cost on 31 December	231 177.24	231 177.24
Accumulated depreciation on 1 January	–117 136.16	–117 136.16
Disposals	8 100.00	8 100.00
Reduction in value of non-current assets	–	–
Depreciation	–42 383.86	–42 383.86
Accumulated depreciation on 31 December	–151 420.02	–151 420.02
Carrying value on 1 January	130 895.68	130 895.68
Carrying value on 31 December	79 757.22	79 757.22

MOVEMENT IN TANGIBLE ASSETS 2011

(EUR)	MACHINERY & EQUIPMENT	TOTAL
Historical cost on 1 January	340 744,18	340 744.18
Additions	112 834,83	112 834.83
Disposals	–47 866,16	–47 866,16
Reduction in value of non-current assets	–157 681,01	–157 681,01
Historical cost on 31 December	248 031,84	248 031,84
Accumulated depreciation on 1 January	–212 546,02	–212 546,02
Disposals	29 316,16	29 316,16
Reduction in value of non-current assets	119 817,08	119 817,08
Depreciation	–53 723,38	–53 723,38
Accumulated depreciation on 31 December	–117 136,16	–117 136,16
Carrying value on 1 January	128 198,16	128 198.16
Carrying value on 31 December	130 895,68	130 895.68

12. INVESTMENTS

MOVEMENT IN INVESTMENTS 2012

(EUR)	SUBSIDIARY SHARES	TOTAL
Historical cost on 1 January	488 839 275.75	488 839 275.75
Additions	4 785 385.00	4 785 385.00
Disposals	–1 680 949.90	–1 680 949.90
Historical cost on 31 December	491 943 710.85	491 943 710.85
Carrying value on 1 January	488 839 275.75	488 839 275.75
Carrying value on 31 December	491 943 710.85	491 943 710.85

MOVEMENT IN INVESTMENTS 2011

(EUR)	SUBSIDIARY SHARES	TOTAL
Historical cost on 1 January	479 060 892.70	479 060 892.70
Additions	9 778 383.05	9 778 383.05
Historical cost on 31 December	488 839 275.75	488 839 275.75
Carrying value on 1 January	479 060 892.70	479 060 892.70
Carrying value on 31 December	488 839 275.75	488 839 275.75

Ramirent Plc's subsidiaries and its ownership share are specified in note no. 36 of the consolidated financial statements.

13. NON-CURRENT RECEIVABLES

(EUR)	2012	2011
Loan receivables on Ramirent Plc's subsidiaries		
Interest bearing loan receivables	161 291 694.08	220 297 573.11

14. CURRENT RECEIVABLES

(EUR)	2012	2011
Current receivables on Ramirent Plc's subsidiaries		
Interest-bearing loan receivables	18 543 272.66	–
Trade receivables	2 721 337.99	1 891 711.59
Prepayments and accrued income	12 624 310.83	15 386 939.19
Other receivables	–	63 553.80
Current receivables on external parties		
Trade receivables	–	–
Prepayments and accrued income	2 483 695.77	1 769 516.61
Other receivables	188 786.05	425 435.65
	36 561 403.30	19 537 156.84

Other receivables on Ramirent Plc's subsidiaries comprise dividend receivables, Group contribution receivables and Group cash pool receivables. Prepayments and accrued income comprise mainly of prepaid operational costs, accrued rental income and accrued interest income.

15. CASH AND CASH EQUIVALENTS

(EUR)	2012	2011
Cash at banks and in hand	58 008.10	2 284.89

16. EQUITY

MOVEMENT IN EQUITY 2012

(EUR)	SHARE CAPITAL	INVESTED UNRESTRICTED EQUITY FUND	RETAINED EARNINGS	TOTAL EQUITY
On 1 January 2012	25 000 000.00	113 328 910.72	305 110 638.63	443 439 549.35
Dividend distribution	–	–	–30 146 798.08	–30 146 798.08
Acquisition of own shares	–	–	–2 714 398.53	–2 714 398.53
Net result for the financial year	–	–	18 750 030.85	18 750 030.85
On 31 December 2012	25 000 000.00	113 328 910.72	290 999 472.87	429 328 383.59

MOVEMENT IN EQUITY 2011

(EUR)	SHARE CAPITAL	INVESTED UNRESTRICTED EQUITY FUND	RETAINED EARNINGS	TOTAL EQUITY
On 1 January 2011	25 000 000.00	113 328 910.72	320 128 084.20	458 456 994.92
Dividend distribution	–	–	–27 004 284.00	–27 004 284.00
Acquisition of own shares	–	–	–3 378 110.95	–3 378 110.95
Net result for the financial year	–	–	15 364 949.38	15 364 949.38
On 31 December 2011	25 000 000.00	113 328 910.72	305 110 638.63	443 439 549.35

The company's share capital on 31 December 2012 consists of 108,697,328 shares the counter–book value of which is EUR 0.2300 per share. The company has one class of shares, each share giving equal voting right of one vote per share.

DISTRIBUTABLE FUNDS

(EUR)	2012	2011
Retained earnings	272 249 442.02	289 745 689.25
Net result for the financial year	18 750 030.85	15 364 949.38
Invested unrestricted equity fund	113 328 910.72	113 328 910.72
	404 328 383.59	418 439 549.35

ACQUISITION OF OWN SHARES

Based on the authorisation by the Annual General Meeting held on 7 April 2011 the Board of Directors of Ramirent Plc decided on the repurchase of up to 350,000 shares of the Company. The repurchase did not commence until one week after the decision had been published with this stock exchange release. The repurchase of the shares was executed in accordance with the terms of the authorisation by the Annual General Meeting. The shares were repurchased in deviation from the proportion to the holdings of the shareholders with funds in the Company's non–restricted equity through public trading on NASDAQ OMX Helsinki Ltd at the market price of the time of the repurchase. The shares were acquired and paid for in accordance with the rules of NASDAQ OMX Helsinki Ltd and Euroclear Finland Ltd.

The shares were acquired to be used as part of the Company's incentive program, as consideration in possible acquisitions or in other arrangements that are part of the Company´s business, to finance investments, or to be retained, otherwise conveyed or cancelled by the Company. There is a financial weighty reason for the repurchase, since the shares are to be repurchased through public trading and the contemplated purposes of use are in the best interests of the Company and its shareholders.

During the financial year Ramirent Plc repurchased 350,000 own shares, based on the authorisation by the Annual General meeting. The purchase price for each shares was the market price of the time of the repurchase.

The summary of the purchases is presented below.

DATE	AMOUNT	COUNTER BOOK VALUE	PRICE/SHARE (AVERAGE), EUR	PRICE/SHARE (RANGE), EUR
23-29 February	90 000	0.2300	7.88	7.7431-7.9848
1-31 March	260 000	0.2300	7.69	7.4027-8.0127

For the Board of Directors' valid authorisations on disposal of the company's own shares, its valid authorisation on deciding on the share issue and the issuance of option rights, reference is made to note no. 20 of the consolidated financial statements.

17. NON-CURRENT LIABILITIES

(EUR)	2012	2011
Non-current liabilities to external parties		
Loans from financial institutions	188 481 530.01	217 736 310.99

18. CURRENT LIABILITIES

(EUR)	2012	2011
Current liabilities to Ramirent Plc's subsidiaries		
Interest bearing loans	20 569 105.88	8 849 353,98
Trade payables	736 321.70	574 661.99
Accruals and deferred income	61 278.10	42 626.01
Current liabilities to external parties		
Loans from financial institutions	49 764 237.00	52 968 776.96
Trade payables	1 598 573.44	995 983.60
Accruals and deferred income	8 884 906.47	7 550 857.27
Current tax liability	2 295 770.64	1 258 425.66
Other liabilities	58 172.66	57 813.01
	83 968 365.89	72 298 498,48

Accruals and deferred income consist mainly of incurred expenses such as income tax liability payable, accrued interest expenses and accrued holiday pay allowance for employees.

OTHER NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

19. COMMITMENTS AND CONTINGENT LIABILITIES

(EUR)	TO SECURE OTHER OWN OBLIGATIONS	TOTAL
Commitments (off–balance sheet) on 31 December 2012		
Suretyships	168 187.93	168 187.93

(EUR)	TO SECURE OTHER OWN OBLIGATIONS	TOTAL
Commitments (off–balance sheet) on 31 December 2011		
Suretyships	168 187.99	168 187.99

Ramirent has financial covenants in its major borrowing facility agreements. As at 31 December 2012 Ramirent was in compliance with all covenants and other terms of its debt instruments.

FUTURE LEASING PAYMENTS

(EUR)	2012	2011
Due within one year from balance sheet date	157 046.47	155 543.99
Due later than one year from balance sheet date	26 239.62	176 377.16
	183 286.09	331 921.15

DERIVATIVE INSTRUMENTS

(EUR)	2012	2011
Fair value of interest rate SWAP's	–7 138 305.24	–5 426 231.50
Par value of underlying object	159 091 459.16	187 339 632.00

FOREIGN CURRENCY DERIVATIVES

(EUR)	2012	2011
Par value of underlying object	52 465 244.24	55 378 339.00
Fair value of the derivative instruments	–258 573.14	–257 893.80

DATE AND SIGNING OF THE REPORT OF THE BOARD OF DIRECTORS AND THE FINANCIAL STATEMENTS

Helsinki, 11 February 2013

Peter Hofvenstam
Chairman

Kaj-Gustaf Bergh
Board Member

Erkki Norvio
Board Member

Susanna Renlund
Board Member

Johan Ek
Board Member

Gry Hege Sølsnes
Board Member

Kevin Appleton
Board Member

Magnus Rosén
CEO

Auditor's note

Our auditor's report has been issued today.

Helsinki, 11 February 2013

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
Authorised Public Accountant

AUDITOR'S REPORT

TO THE ANNUAL GENERAL MEETING OF RAMIRENT PLC

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Ramirent Plc for the year ended 31 December 2012. The financial statements comprise the consolidated statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

RESPONSIBILITY OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or whether they have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

OPINION ON THE COMPANY'S FINANCIAL STATEMENTS AND THE REPORT OF THE BOARD OF DIRECTORS

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

OTHER OPINIONS

We support that the financial statements and the consolidated financial statements should be adopted. The proposal by the Board of Directors regarding the use of the profit shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors and the Managing Director of the parent company should be discharged from liability for the financial period audited by us.

Helsinki 11 February 2013

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
Authorised Public Accountant

RAMIRENT PLC'S CORPORATE GOVERNANCE STATEMENT 2012

Ramirent Plc ("Ramirent" or "the Company") complies with the Finnish Corporate Governance Code 2010 set by the Securities Market Association, as well as with the Finnish Companies Act, other applicable legislation and Ramirent's Articles of Association. The code is publicly available on www.cgfinland.fi.

This is Ramirent's corporate governance statement, and it has been prepared in accordance with recommendation 54 of the Finnish Corporate Governance Code. The corporate governance statement is issued separately from the Board of Directors´ report and it is also available on the Company's web pages www.ramirent.com. Ramirent's Working Committee and Board of Directors have reviewed this corporate governance statement. The Company's auditor, PricewaterhouseCoopers Oy, has checked that this statement has been issued and that the description of the main features of the internal control and risk management systems pertaining to the financial reporting process is consistent with the financial statements.

GENERAL MEETINGS

According to the Articles of Association, a notice to a general meeting of shareholders shall be delivered to shareholders no earlier than two months and no later than three weeks prior to the meeting, provided it is at least nine days prior to the record date of the general meeting, by publishing the notice on the Company´s internet pages and, if the Company´s Board of Directors so decides, in one or several national newspapers. Notice to a general meeting, the documents to be submitted to the general meeting (including the financial statements, the report by the Board of Directors and the auditor´s report to the Annual General Meeting) and proposals made to the general meeting, will be available for shareholders at least three weeks prior to the meeting at Ramirent´s web site www.ramirent.com.

To have the right to attend a general meeting, shareholders registered in the shareholders register maintained by Euroclear Finland Oy shall register with the Company no later than on the date stated in the notice of the meeting, which date may not be earlier than ten days prior to the meeting. Participation in a general meeting on the grounds of nominee registered shares (including shares registered in the shareholders´ register maintained by Euroclear Sweden AB) requires that a temporary entry of the owner of the nominee registered shares has been made in the shareholders' register maintained by Euroclear Finland Oy by the date specified in the notice of the meeting. Shareholders seeking to attend a general meeting are responsible for obtaining individual registration in sufficient time to ensure that this requirement is met.

An Annual General Meeting of Shareholders ("AGM") must be held at the latest in June in Helsinki, Espoo or Vantaa on the date determined by the Board of Directors. The financial statements, comprising the consolidated financial statements and the Board of Director´s report and the auditor´s report will be presented at the AGM. At the AGM the following matters shall be decided: the approval of the financial statements; the use of profit disclosed in the balance sheet; the discharge from liability of the members of the Board and the Managing Director; the remuneration of the Board members and the grounds for compensation of travel expenses, the number of Board members, deputy members and auditors as well as eventual Board proposals. At the AGM the members and deputy members of the Board and the auditors shall be elected.

BOARD OF DIRECTORS AND TERM

According to the Articles of Association, the Board of Directors shall consist of three to seven ordinary members, whose terms expire at the end of the AGM that next follows the meeting at which they were elected. The Board shall elect a Chairman from its midst and a Vice-Chairman, if necessary. Personal deputies may be elected for members of the Board.

The following seven ordinary members were elected to the current Board of Directors at the AGM 2012:

- Kevin Appleton, member of the Board, (born 1960), B.A., independent of the Company and of significant shareholders

- Kaj-Gustaf Bergh, member of the Board (born 1955), B.Sc. (Econ.) and LL.M (Master of Laws), Managing Director of Föreningen Konstsamfundet r.f., independent of the Company and dependent of a significant shareholder.
- Johan Ek, member of the Board, (born 1968), M.Sc. (Econ.) and SSEBA, consultant for Relacom Group, independent of the Company and of significant shareholders.
- Peter Hofvenstam, Chairman of the Board (born 1965), M.Sc. (Econ.), Vice President of Nordstjernan AB, independent of the Company and dependent of a significant shareholder.
- Erkki Norvio, member of the Board (born 1945), M.Sc. (Engineering) and B.Sc. (Econ.), private investor, dependent of the Company and independent of significant shareholders.
- Susanna Renlund, Vice-Chairman (born 1958), M.Sc. (Agr.), Administration Manager of the Institute for Bioimmunotherapy, Helsinki Lt., Vice Chairman of Julius Tallberg Corp., independent of the Company and dependent of a significant shareholder.
- Gry Hege Sølsnes, member of the Board, (born 1968), Bachelor of Management, Consultant, deemed to be independent of the Company and of significant shareholders.

The term of the current Board members will expire at the end of AGM 2013.

RULES OF PROCEDURE FOR RAMIRENT BOARD OF DIRECTORS

In addition to the Companies Act, other applicable legislation and the Articles of Association of Ramirent, the work and operations of the Board are governed by the Rules of Procedure for Ramirent's Board of Directors. The purpose of the rules is to regulate the internal work of the Board. The Board of Directors and each of its members shall in its work consider and duly comply with the aforementioned laws and rules.

DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for the Company's organisation and the management of the Company's affairs pursuant to the provisions of the Companies Act. The members of the Board of Directors shall, subject to any restrictions set forth in the Companies Act, the Articles of Association of Ramirent, or the Rules of Procedure, carry out the work of the Board of Directors jointly or in a working group appointed for a particular matter. The Board of Directors shall primarily be responsible for the Company's strategic issues and for issues which, with regard to the scope and nature of the Company's operations, are of a material financial, legal, or general character or otherwise of great significance.

ASSESSMENT OF THE WORK OF BOARD OF DIRECTORS

The Board of Directors will annually, normally at the end of the financial year, conduct an assessment of its work and work practices.

BOARD MEETINGS

The Board of Directors shall normally hold at least seven meetings per year. In addition to the Board members, the Managing Director and the secretary of the Board of Directors will attend Board meetings. The auditor of the Company shall be invited at least once a year to attend a Board meeting.

In 2012, the Board had 11 meetings. The percentage for participation was 93%.

WORKING COMMITTEE

The Board of Directors has nominated one committee, the Working Committee, to assist the Board in its work.

The Board elects amongst its members the Chairman and at least two other members to the Working Committee and confirms its work order. The Working Committee does not have any independent decision making power, except by a specific authorisation given by the Board in a specified matter case by case.

Pursuant to the work order adopted by the Board of Directors, the duties of the Working Committee include, among other, the duties of an audit committee. The task of the Working Committee is to prepare and make proposals to the Board within the focus areas of corporate governance, special finance matters, risk management, compensation and employment matters as well as guidelines for strategic plans and financials goals. It is also the Working Committee´s duty to oversee the accounting and financial reporting processes; to prepare the election of auditor; to review the auditor´s reports and to follow up the issues reported by the external auditor.

In 2012 Kaj-Gustaf Bergh, Peter Hofvenstam and Susanna Renlund were elected as members and Peter Hofvenstam as the Chairman of the Working Committee. The duties of audit committee have been discharged to the Working Committee in accordance with Finnish Corporate Governance Code's Recommendation 27. According to Recommendation 26, members of audit committee shall be independent of the company and at least one member should be independent of significant shareholders. While all of the Working Committee members are independent of the company, all members are dependent of significant shareholders. The Board considered this composition to be proper and suitable taken into account the overall duties of the Working Committee and the versatile expertise and experience of the elected members.

In 2012, the Working Committee had 5 meetings. The percentage for participation was 100%.

MANAGING DIRECTOR

The Board shall elect a Managing Director and, if necessary, a substitute for the Managing Director. The Managing Director is responsible for the day-to-day management of the Company's affairs. The Board of Directors has adopted Rules of Procedure for the Managing Director containing guidelines and instructions regarding the Company's day-to-day management. In fulfilling his duties the Managing Director shall be assisted by the members of the Group Management Team of Ramirent and any other corporate bodies established by the Board of Directors.

The Managing Director has a written contract, approved by the Board of Directors. He is not a Board member, but attends Board meetings.

The Board of Directors appointed Magnus Rosén as Managing Director effective from 15 January 2009. Magnus Rosén is born in 1962 and is a Swedish citizen, M.Sc. (Econ), MBA. His prior working experience: MD, Business Area, BE Group 2008; SVP, Cramo Oyj 2006-2008; MD, Cramo Scandinavia, 1998-2006; MD, BT Hyrsystem AB and Service Market Manager, BT Svenska AB, 1993-1998.

According to his contract, Magnus Rosén´s retirement age is 62 years. Magnus Rosén does not belong to the Finnish statutory pension system. His pension accruing during the time he holds the position of the Managing Director is arranged through a separate pension insurance, the premiums of which are 1,361,845 SEK per annum.

The termination period for Magnus Rosén is six months. If the Company terminates the agreement, the Managing Director shall receive additional discharge compensation equal to one year´s annual base salary.

GROUP MANAGEMENT TEAM 2012

As of 31 December 2012 the Group Management Team consisted of the following members:

- Magnus Rosén, Group President and CEO
- Jonas Söderkvist, Group CFO
- Erik Høi, Senior Vice President, Denmark
- Anna Hyvönen, Senior Vice President, Finland
- Bjørn Larsen, Senior Vice President, Norway
- Tomasz Walawender, Senior Vice President, Europe Central
- Franciska Janzon, Director, Corporate Communications
- Mikael Kämpe, Director, Group Fleet
- Dino Leistenschneider, Director, Group Sourcing

Kari Aulasmaa was a member of the Group Management Team until April 4th 2012, and Anna Hyvönen, Senior Vice President, Finland, replaced Kari Aulasmaa in the Group management Team June 2nd 2012. Peter Dahlsten, Senior Vice President, Sweden, was a member of the Group Management Team until October 9th 2012.

FINANCIAL REPORTING

The Board of Directors monitors and assesses the Company's financial situation and approves all economic and financial reports published by the Company. The Chairman of the Board will ensure that each of the Board members will have access to the information relating to the Company and that the members of the Board will be regularly furnished by the Managing Director with the information required to monitor the Company's business and profit development, cash flow and financial position.

INTERNAL CONTROL, RISK MANAGEMENT AND INTERNAL AUDIT

The objective of internal control in Ramirent is to safeguard Ramirent's assets and to ensure overall effectiveness and efficiency of operations to meet Ramirent's strategic, including financial, targets. Additionally the internal control's objective is to ensure compliance with applicable laws, regulations and Ramirent's operating principles as well as the reliability of financial and operational reporting.

Risk management is integral part of internal control in Ramirent. The Board of Directors approves both the internal control and the risk policy principles. The goal of risk management in Ramirent is to support the strategy and the achievement of the objectives by anticipating and managing potential threats to and opportunities for business. Risk assessment is conducted as a part of annual strategy process. Risks are evaluated in relation to achievement of strategic, including financial, targets of Ramirent. In the risk assessment the impact and probability of each risk is evaluated and risks are classified as strategic risks and other risks. The strategic risks are risks that may affect reaching strategic objectives. Other risks are risks not affecting reaching the strategic objectives of Ramirent Group. Indicators to follow are set and measures to be taken if the risks materialise are described in an action plan drafted during assessment of risks.

The objectives of internal control and risk management systems over financial reporting are to ensure that the financial reports disclosed by Ramirent give essentially correct information about the Company finances, are reliable and that Ramirent complies with the applicable laws, regulations, International Financial Reporting Standards as adopted by EU (IFRS) and other requirements for listed companies. The overall system of internal control in Ramirent is based upon the framework by the Committee Of Sponsoring Organizations of the Treadway Commission (COSO) and comprises five principal components of internal control: the control environment, risk assessment, control activities, information and communication, and monitoring.

CONTROL ENVIRONMENT

Ramirent's Board of Directors bears the overall responsibility for the internal control over financial reporting. The Board has established a written formal working order that clarifies the Board's responsibilities and regulates the Board's and Working Committee's internal distribution of work. Working Committee's primary task is to ensure that established principles for financial reporting, risk management and internal control are followed and that appropriate relations are maintained with the Ramirent's auditors. The responsibility for maintaining an effective control environment and the ongoing work on internal control as regards the financial reporting is delegated to the CEO.

Ramirent's Internal Control Function focuses on developing and enhancing internal control over the financial reporting in Ramirent by concentrating on the internal control environment and by monitoring the effectiveness of the internal control. Ramirent's Internal Control Function, which includes also internal audit, reports relevant issues to the Working Committee and to the CEO.

Ramirent's operating model is decentralised with local decision making and local accountability. The business model and customers are local and most of the business decisions are made in the operating countries. Common group instructions are given by the head office in the areas e.g. fleet management, finance, credit risk and financial reporting. Internal control at the country level is responsibility of the Country Manager in accordance with the Group framework.

Ramirent's financial reporting process consists of external and internal accounting. Ramirent prepares consolidated financial statements and interim reports in accordance with the International Financial Reporting Standards (IFRS). Financial statements include also other information that is required by the Securities Markets Act, as well as the appropriate Financial Supervision Authority's standards and NASDAQ OMX Helsinki Ltd's rules. The Board of Director's report of Ramirent and parent Company financial statements are prepared in accordance with Finnish Accounting Act and the opinions and guidelines of the Finnish Accounting Board.

External financial reporting in Ramirent is based on Group Accounting and Reporting Procedures which sets forth the basis for external financial reporting according to IFRS. Detailed reporting instructions and time schedules have been established and communicated to all persons involved with the financial reporting process in due time.

RISK ASSESSMENT

Ramirent's risk assessment regarding financial reporting aims to identify and evaluate the most significant risks affecting the financial reporting at the Group, reporting segment and country levels. The assessment of risk includes for example risks related to fraud, risk of loss or misuse of assets. Based on the risk assessment results control indicators are set to ensure that the fundamental requirements placed on financial reporting are fulfilled. Information on development of essential risk areas, indicators, planned and executed activities to mitigate risks are communicated to the Working Committee.

CONTROL ACTIVITIES

Ramirent has identified key processes for the financial reporting purposes and based on the risk assessment internal controls have been designed. Key processes are financial reporting process, rental asset management, acquisitions, income and credit control, cash management and IT processes.

Common control points for Ramirent business units are defined for the key process and set forth minimum requirements for each process. Examples of such internal control activities are authorisations and approvals, account reconciliations, physical counts of assets, analysis and segregation of key financial duties. Country Manager is responsible for arranging an adequate internal control within the country.

Control activities include also business and finance results analysis on a monthly basis. These analyses are performed in country, segment and group level by the management and the Board of Directors. Ramirent Board of Directors reviews interim and annual reports and approves reports before publication.

INFORMATION AND COMMUNICATION

To secure effective and efficient internal control environment, Ramirent's internal and external communication is open, transparent, accurate and timely. Information regarding internal policies and procedures for financial reporting i.e. Accounting Procedure, Reporting Manual and Disclosure Procedure, reporting timetables etc., are available on Ramirent's intranet. Ramirent arranges training for personnel regarding internal control tools. Internal control reports the results of the work on internal control to the Working Committee at least biannually. The Working Committee reports to the Board at least once a year.

MONITORING

Ramirent is constantly monitoring effectiveness of its internal controls. The Internal control and audit function supports the management by evaluating the operation of internal control and by giving recommendations on development of internal controls. Internal audit compiles an annual audit plan, the status and findings of which it regularly reports to Ramirent management, external auditors and the Working Committee. Ramirent is also reviewing its rental fleet on a regular basis by separate Fleet audits and Fleet audits combined with internal audit visits.

The scope and program of the internal audit is reviewed related to the changes in the strategic objectives of Ramirent Group, changes in assessed risks and findings from the audited countries. During 2012 Internal Audit has continued the audit program with the focus on implementation of business strategy, mergers & acquisitions and business integration, information security and business continuity. Legal function has continued corporate governance reviews in the country companies based on a separate plan.

INTERNAL CONTROL

Ramirent's Internal control participates in the development of risk management in Ramirent's operations, development of overall control environment, monitors compliance with internal control framework and manages development projects, leads internal audit and coordinates audit work in Ramirent Group.

INTERNAL AUDIT

Internal audit assesses the efficiency and appropriateness of operations and examines the functioning of internal controls in Ramirent Group. Internal audit seeks to ensure the reliability of financial and operational reporting, compliance with applicable laws and regulations, and proper management of the Company's assets.

Internal audit is independent from the operational management. Internal audit reports to the Working Committee. Audit program and annual audit plans are approved by the Working Committee. Audit programs are based on risk assessment and findings from previous internal and external audits.

WHISTLE BLOWING

Ramirent has established a whistle blowing system. The contact details are published in Company's web site. Any person has a possibility to anonymously or under his/hers own name access an independent service provider and report any suspected financial misconduct or fraudulent activities. The service is operated in all languages in use in the Ramirent Group and report can be given either in written form or through telephone service. The employees are encouraged to report the misconduct through ordinary line to management or directly to internal audit. Suspected misconduct is investigated immediately and confidentially in accordance with the guidelines by the internal audit. Suspicions and results of the investigations are reported to Working Committee and appropriate action is taken.

COMPLIANCE WITH LAWS AND CODE OF ETHICS

Ramirent seeks to comply with applicable laws and regulations as well as generally accepted practices of the business. Additionally, Ramirent's operations are guided by Ramirent's Code of Ethics and company values Ramirent's Code of Ethics is based on UN Declaration of Human Rights and ILO's Declaration on Fundamental Principles and Rights at Work. Ramirent's Code of Ethics and the Company values describe Ramirent's corporate culture. Each Ramirent employee has to be familiar with the principles of Ramirent's Code of Ethics, the Company values, relevant legislation and operating guidelines of their own areas of responsibility. The operations are monitored by the Working Committee, which reports any misconduct to the Board.

AUDITORS

According to Ramirent's Articles of Association, the Company shall have at least one (1) and at the most two (2) auditors. The auditors must be certified public accountant firms. The auditor's term shall terminate at the end of the AGM that next follows their election.

PricewaterhouseCoopers Oy, Certified Public Accountant Firm, has acted since 2011 as the auditor of the Company the main responsible auditor individual being Ylva Eriksson, APA. PricewaterhouseCoopers Oy, was elected in the Annual General Meeting held 28th March 2012 as the auditor of the Company with Ylva Eriksson, APA, acting as the principally responsible auditor. The Working Committee makes an annual evaluation of the auditor's independence. The scope of the audit, the audit focus areas and the audit costs are detailed in the Group audit plan.

INSIDERS

Ramirent has adopted internal insider instructions, amended last time effective as of 9 October 2009. The instructions comply with the Nasdaq OMX Helsinki Guidelines for Insiders. The permanent public insiders in the Company are the Board members, the Managing Director, the main responsible auditor individual, and Group Management Team members. The permanent public insiders and the required information on them, their related persons and the corporations that are controlled by the related persons or in which they exercise influence, have been entered in Ramirent's register of public insiders. Ramirent public insiders' share holdings are available for public display in the NetSire register, which can be accessed at www.ramirent.com.

Other permanent insiders include such persons who in their duties receive insider information on a regular basis. These persons have been entered in Ramirent's internal, non-public insider register. Ramirent maintains also internal insider registers of insider projects.

Ramirent maintains its insider registers in cooperation with Euroclear Finland Ltd.

BOARD OF DIRECTORS

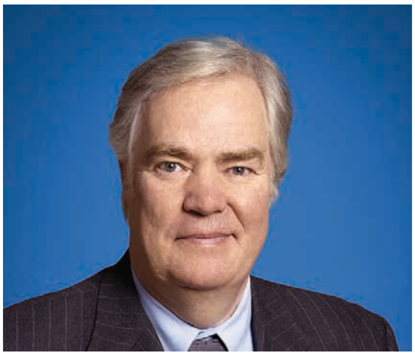
PETER HOFVENSTAM

B. 1965. M. Sc. (Econ.) Swedish citizen. Chairman of the Board since 2005. Ramirent Board member since 2004. Chairman of Ramirent's Working Committee. Deemed independent of the Company, and in his role as Senior Vice President of Nordstjernan AB, dependent of significant shareholders.
Ramirent shares Dec. 31, 2012: -
Peter Hofvenstam is Senior Vice President of Nordstjernan AB. Prior working experience: Holder of various management positions E. Öhman J:or Fondkommission AB; AB Aritmos; and Proventus AB. Chairman of Exel Composites Plc, Board member of Rostistella AB and Active Biotech AB.

SUSANNA RENLUND

B. 1958 M. Sc. (Agr.) Finnish citizen. Ramirent Board member since 2006. Member of Ramirent's Working Committee. Deemed independent of the Company and, in her role as Vice Chairman of Julius Tallberg Corp., dependent of significant shareholders.
Ramirent shares Dec. 31, 2012: 10,000 (holding of interest parties 11,963,929)
Susanna Renlund is Administration Manager of The Institute for Bioimmunotherapy, Helsinki Ltd. Prior working experience: general management positions in a number of real estate properties and the financial management of the Institute for Bioimmunotherapy Helsinki Ltd. Chairman of Julius Tallberg Real Estate Corporation, Vice Chairman of Oy Julius Tallberg Ab.

KAJ-GUSTAF BERGH



B. 1955 B. Sc. (Econ.) and LL.M (Master of Laws). Finnish citizen. Ramirent Board member since 2004. Member of Ramirent's Working Committee. Deemed independent of the Company and, in his role as board member of Julius Tallberg Corp., dependent of significant shareholders.
Ramirent shares Dec. 31, 2012: 36,000 (holding of interest parties 4,000)
Kaj-Gustaf Bergh is Managing Director of Föreningen Konstsamfundet r.f. Prior working experience: Various positions in Pankkiiriliike Ane Gyllenberg Oy and Skandinaviska Enskilda Banken. Chairman of Ålandsbanken Abp and Board member of Stockmann Oyj, Fiskars Corporation, Oy Julius Tallberg Ab, and Wärtsilä Oyj Abp.

GRY HEGE SØLSNES

B. 1968. B. Sc. (Mgnt). Norwegian citizen. Ramirent Board member since 2011. Deemed to be independent of the Company and to be independent of significant shareholders of the Company. Gry Hege Sølsnes works as a consultant.
Ramirent shares 31.12.2012: -
Prior working experience: Holder of various management positions in the Kwintet Group.

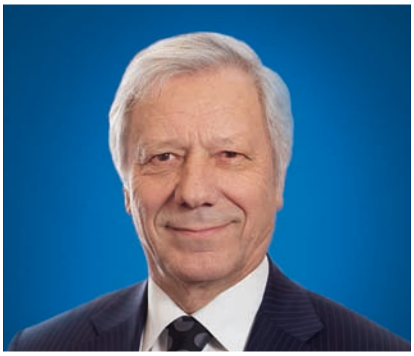
KEVIN APPLETON

B. 1960. B.A. British citizen. Ramirent Board member since 2012. Deemed to be independent of the Company and to be independent of significant shareholders of the Company.
Ramirent shares 31.12.2012: -
Prior working experience: CEO in Lavendon Group Plc (2002-2011); Managing Director in Constructor Dexion (2000-2001); Managing Director & VP Europe at FedEx Logistics/ Caliber Logistics (1993-1999); Marketing Manager and then Sales and Marketing Director in NFC Plc (1986-1993). Executive Chairman of Travis Perkins Plc's general merchanting division and Member of the Board of the UK's Freight Transport Association.

JOHAN EK

B. 1968 M.Sc. (Econ.) and SSEBA. Finnish citizen. Ramirent Board member since 2010. Deemed to be independent of the Company and to be independent of significant shareholder of the Company.
Ramirent shares Dec. 31, 2012: 5,000
Prior working experience: President and CEO, Relacom Group, President of Business Unit Europe at Powerwave Technologies Inc., President of LGP Allgon and Management Consultant at McKinsey and Company. Board member of N Holding Ab.

ERKKI NORVIO



B. 1945. M.Sc. (Engineering) and B.Sc. (Econ.) Finnish citizen. Ramirent Board member since 1986. As Ramirent's President and CEO 1986 - 2005 deemed dependent of the Company, independent of significant shareholders.
Ramirent shares 31.12.2012: 30,000
Prior working experience: Erkki Norvio was President and CEO of Ramirent Plc 1986 - 2005. Board member of Nanten Oy, Intera Partners Oy, NSSG Holding Oy, Consti Yhtiöt Oy.

GROUP MANAGEMENT

MAGNUS ROSÉN

B. 1962. President and CEO. Swedish citizen, M.Sc. (Econ), MBA. Employed since 2009.
Ramirent shares Dec. 31, 2012: 12,658
Prior working experience: MD, Business Area, BE Group 2008; SVP, Cramo Oyj 2006-2008; MD, Cramo Scandinavia, 1998-2005; MD, BT Hyrsystem AB and Service Market Manager, BT Svenska AB, 1989-1997.

JONAS SÖDERKVIST

B. 1978. Chief Financial Officer.
Swedish citizen, M.Sc. (Eng.), M.Sc. (Econ.).
Employed since 2009.
Ramirent shares Dec. 31, 2012: 3,950
Prior working experience: Interim CFO 9/2009-11/2009, Business development 2005-2006, Ramirent Plc; Investment Manager, Nordstjernan Investment AB, 2004-2009; Software engineering and development, Saab Rosemount AB, 2003.

ANNA HYVÖNEN

B. 1968. SVP, Finland. Finnish citizen. Lic. Tech.
Employed since 2012.
Ramirent shares Dec. 31, 2012: 3,800
Prior working experience: heading the KONE Maintenance Business unit globally; various international management positions at Nokia Networks between the years 1995-2007. She has, among other assignments, led Nokia Networks maintenance business operations in Eastern Europe and later in Latin America, as well as been responsible for service business portfolio and cost management globally.

BJØRN LARSEN

B. 1959. SVP, Norway. Norwegian citizen, M.Sc. (Business and Mark.), MBA.
Employed since 2011.
Ramirent shares Dec. 31, 2012: 3,800
Prior working experience: MD, UCO Utleiecompagniet AS, 2007 – 2010; MD, Honeywell Fire Systems Nordics 2004 – 2007; Retail Dir.,Consumer Division Posten Norge AS 2002–2004, MD Løvenskiold Handel AS 2000 – 2002 and MD Expert Norge AS 1995-2000.
Positions of trust: Chairman of Howard AS, Howard Kjøkkenskriveri AS, and Hansen & Dysvik AS.

FRANCISKA JANZON

B. 1972, Director, Corporate Communications. Finnish citizen. M.Sc. (Econ.)
Employed since 2007.
Ramirent shares Dec. 31, 2012: 4,561
Prior working experience: Corporate Branding and Communications Manager, Konecranes Plc, 2006 – 2007; Investor Relations Manager, Konecranes Plc, 1999 -2006, and Investment Advisor, Evli Fund Management, 1998 – 1999.

MIKAEL KÄMPE

B. 1968. Director, Group Fleet. Finnish citizen, B.Sc. (Eng.). Employed since 2004.
Ramirent shares Dec. 31, 2012: 5,361
Prior working experience: Purchasing Manager, Ramirent Plc 2008-2009 and Ramirent Europe Oy 2005-2008; Purchasing Manager, Ramirent AB 2004-2005; Product and Purchasing Manager, Altima AB 2002-2004; Purchaser, NCC AB 1999-2001 and NCC Finland Oy 1996-1999.

TOMASZ WALAWENDER

B. 1963. SVP, Europe Central. Polish citizen. M.Sc. (Eng), MBA. Employed since 2001.
Ramirent shares Dec. 31, 2012: 9,962
Prior working experience: Country Manager, Ramirent Poland 2001–2007. Before joining Ramirent: Commercial Director, Svedala Polska Ltd. 1994–2000; Import Manager, BRADO S.A. 1991–1994.

ERIK HØI

B. 1956. SVP, Denmark. Danish citizen. B.Sc. (Mechanical Engineer). Employed since 1986.
Ramirent shares Dec. 31, 2012: 13,937
Prior working experience: Managing Director, Ramirent A/S, 1986– 2010; Product Manager at Kosan SES A/S 1982-1986 and as Construction Engineer at Hillerød Elevatorfabrik A/S 1979 – 1982.

DINO LEISTENSCHNEIDER

B. 1971. Director, Group Sourcing. German citizen, M.Sc. (Eng.), M.Sc. (Ind. Ec.).
Employed since 2010.
Ramirent shares Dec. 31, 2012: 1,600
Before joining Ramirent: Project Leader Business Development, Skanska Industrial Production Nordics, 2010; European Category Manager, Skanska AB 2007-09; Category Management Coordinator, Skanska AB, 2005-07; Purchasing Manager Maxit Group AB, 2003-05; Restructuring Manager Logistic (a.o.), Unilever Bestfoods, 2000-2003.

RAMIRENT REMUNERATION STATEMENT 2012

Ramirent prepares its remuneration statement in accordance with the Finnish Corporate Governance Code. Ramirent´s policy is to update the statement at the Company´s web site www.ramirent.com always when essential new information becomes available related to remunerations.

REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration for the Board members is decided by the Annual General Meeting ("AGM"). The AGM held in 2012 decided to change the remuneration for other Board members, by increasing the monthly fee from 1,700 EUR to 2,250 EUR. Other remunerations remained unchanged, and were confirmed as follows:

Chairman of the Board: EUR 3,000/month and additionally EUR 1,500/meeting.

Vice-chairman of the Board: EUR 2,500/ month and additionally EUR 1,300/meeting.

Other Board members: EUR 2,250/month and additionally EUR 1,000/meeting.

The abovementioned meeting fees are also paid for Committee meetings and other similar Board assignments. Travel expenses are paid in accordance with the Company´s policy.

The entire remuneration is paid to Board members in cash:

The Board members are not covered by Ramirent´s bonus plans, incentive programs or pension plans.

DECISION MAKING PROCESS AND MAIN PRINCIPLES OF REMUNERATION OF THE PRESIDENT AND CEO AND OTHER GROUP MANAGEMENT TEAM MEMBERS

The Board of Directors decides on the remuneration, benefits and other terms of employment of the President and Chief Executive Officer ("CEO"). Remuneration and benefits for the other Group Management Team members are based on CEO´s proposal and subject to Board approval.

The remuneration of the President and CEO and the other members of the Group Management Team consists of a fixed monthly base salary, customary fringe benefits and annual bonuses and long-term incentives.

Annual bonuses are based on Group Bonus Guidelines and performance criteria decided by the Board. As to long-term incentives, Group Management Team members are participating in share based long-term incentive programs, which are decided upon by the Board.

There are no options outstanding or available from any of Ramirent´s earlier option programs. There is no general supplementary pension plan for GMT members.

ANNUAL BONUSES

The Board sets annually the terms and the targets and the maximum amounts for annual bonuses. The amount of eventual bonuses is based on financial performance criteria, such as EBIT and ROI of the Group and the respective segment or country. The achievement of the targets of the CEO and Group Management Team members is evaluated by the Working Committee and the payment of the eventually achieved bonuses is confirmed by the Board.

In 2012, the maximum annual bonus for the CEO could be up to 60% of his annual base salary. For the other members of the Group Management Team the maximum annual bonus could be up to 40-50% of their annual base salary.

EUR 1,000	2012	2011
Chairman Peter Hofvenstam	54.0	56.0
Vice Chairman Susanna Renlund	45.6	47.0
Kaj-Gustaf Bergh	34.4	33.0
Kevin Appleton	28.3	-
Johan Ek	32.4	30.0
Erkki Norvio	33.4	29.0
Gry Hege Sølsnes	32.4	22.0
Total	**260.3**	**217.0**

SHARE BASED INCENTIVE PROGRAMS

The Board decides on Ramirent´s share based long-term incentive programs. The aim of the programs is to combine the objectives of the shareholders and the management in order to increase the value of the Company as well as to commit the key managers to the Company, and to offer them competitive rewards based on the financial performance of the Company and the Company shares.

The key executives must hold shares received on the basis of the incentive programs during their employment or service with the Group, as long as the value of the shares held by the participant in total is below the person's six months gross salary.

Shares owned by the President and CEO and the other Group Management Team members can be seen in the insider register.

LONG-TERM INCENTIVE PROGRAM 2010

The Performance Share Program for the years 2010–2012 is targeted at approximately 50 managers. The members of the Group Management Team are included in the target group of the new incentive program. The Performance Share Program includes one earning period, calendar years 2010–2012. The potential reward from the program for the earning period will be based on the Group's Total Shareholder Return (TSR), on the Group's average Return on Invested Capital (ROI) and on the Group's cumulative Earnings per Share (EPS). The potential reward from the earning period 2010–2012 will be paid in 2013; paid partly in Company shares and partly in cash. The cash payment is intended to cover the personal taxes and tax-related costs arising from the reward. No reward will be paid to a manager, if his or her employment or service with the Group ends before the reward payment. The maximum reward to be paid on the basis of the earning period 2010 – 2012 corresponds to the value of up to 390,000 Ramirent Plc shares (including also the proportion to be paid in cash). The estimated reward realisation was revised based on the financial performance of the Group. Thus the cost accrued in 2010-2011 was reversed by EUR 0.8 million in 2012. The cost for 2011 was EUR 0.1 million.

LONG-TERM INCENTIVE PROGRAM 2011

The Performance Share Program for the years 2011–2013 is targeted at approximately 60 managers. The members of the Group Management Team are included in the target group of the incentive program. The Performance Share Program includes one earning period, calendar years 2011–2013. The potential reward from the program for the earning period 2011–2013 is based on the Group's Total Shareholder Return (TSR), on the Group's average Return on Invested Capital (ROI) and on the Group's cumulative Earnings per Share (EPS). The potential reward from the earning period 2011 – 2013 will be paid in 2014; partly in Ramirent shares and partly in cash. The cash payment is intended to cover the personal taxes and tax-related costs arising from the reward. No reward will be paid to a manager, if his or her employment or service with the Group is ended before the reward payment. The maximum reward to be paid on the basis of the earning period 2011–2013 corresponds to the value of up to 287,000 Ramirent Plc shares (including also the proportion to be paid in cash). The estimated reward realisation was revised in 2012 based on the financial performance of the Group. Thus the cost accrued in 2011 was reversed by EUR 0.1 million in 2012. The cost for 2011 was EUR 0.5 million.

LONG-TERM INCENTIVE PROGRAM 2012

The incentive program for the years 2012–2014 includes both Matching Shares and Performance Shares and is targeted at approximately 50 executives. The members of the Group Management Team are included in the target group of the new incentive program. The program includes one earning period, calendar years 2012–2014. The potential reward from the program for the earning period 2012–2014 will be based on the Group's cumulative Economic Profit and on the Group's Total Shareholder Return (TSR). The potential reward from the earning period 2012–2014 will be paid in 2015; partly in Ramirent shares and partly in cash. The cash payment is intended to cover the personal taxes and tax-related costs arising from the reward. No reward will be paid to an executive, if his or her employment or service with the Group Company ends before the reward payment. The maximum reward to be paid on the basis of the earning period 2012–2014 corresponds to the value of up to 350,000 Ramirent Plc shares (including also the proportion to be paid in cash). The accrued cost for 2012 was EUR 0.4 million.

REMUNERATION OF THE PRESIDENT AND CEO

CEO Magnus Rosén´s annual base salary consists of EUR 191,360 and SEK 1,913,600 respectively. He has additionally a free car benefit as a fringe benefit.

In 2012, the total remuneration paid to Mr Rosén consisting of fixed annual base salary, fringe benefits and bonus related to 2011 was EUR 658,494.

Mr. Rosén does not belong to the Finnish statutory pension system. His pension accruing during the time he holds the position of the President and CEO is arranged through a separate pension insurance, the premiums of which are SEK 1,361,845 per annum.

INFORMATION FOR INVESTORS

The Annual General Meeting of Ramirent Plc will be held in Pörssisali, Pörssitalo, at the address of Fabianinkatu 14, 00100 Helsinki, Finland on Tuesday 26 March 2013 at 4:30 p.m.

1. SHAREHOLDERS REGISTERED IN THE SHAREHOLDERS' REGISTER

Each shareholder, who is registered on Thursday, 21 March 2013 in the shareholders' register of the Company held by Euroclear Finland Ltd, has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the Company. Shareholders whose shares are registered in the shareholders' register maintained by Euroclear Sweden AB should contact Euroclear Sweden AB and request temporary registration of their ownership in the shareholders' register of the Company maintained by Euroclear Finland Ltd in order to have the right to participate in the Annual General Meeting. Such request shall be submitted to Euroclear Sweden AB in writing by using a specific form no later than 19 March 2013. Ramirent Plc will provide forms for temporary registration upon request (please contact Ms. Annika Nikkilä by email annika.nikkila@ramirent.com by phone +358 20 750 2866) and the form is also available on Ramirent Plc's website, www.ramirent.com/agm.

A shareholder, who wants to participate in the Annual General Meeting, should register for the meeting no later than 21 March 2013 at 10:00 a.m. by giving a prior notice of participation to the Company. Such notice can be given either:

a. on the Company's website www.ramirent.com/agm; or

b. by telephone +358 20 770 6880 from Mondays to Fridays between 9:00 a.m. and 4:00 p.m.; or

c. by telefax +358 20 750 2850; or

d. by regular mail to the address Ramirent Plc, P.O.Box 116, FI-01511 Vantaa, Finland. When giving the notice by regular mail the notice should be delivered to the Company before the deadline for registration.

In connection with the registration, a shareholder should notify his/her name, personal identification number, address, telephone number and the name of a possible assistant or proxy representative and the personal identification number of a proxy representative. The personal data given to Ramirent Plc is used only in connection with the Annual General Meeting and with processing of related registrations.

2. HOLDERS OF NOMINEE REGISTERED SHARES

A holder of nominee registered shares has the right to participate in the Annual General Meeting by virtue of such shares, based on which he/she on the record date of the Annual General Meeting, i.e. on 21 March 2013, would be entitled to be registered in the shareholders' register of the company held by Euroclear Finland Ltd. The right to participate in the Annual General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Ltd. at the latest by 14 March 2013, by 10 a.m. As regards nominee registered shares this constitutes due registration for the general meeting.

A holder of nominee registered shares is advised to request without delay necessary instructions regarding the registration in the temporary shareholder's register of the company, the issuing of proxy documents and registration for the general meeting from his/her custodian bank. The account management organisation of the custodian bank has to register a holder of nominee registered shares, who wants to participate in the Annual General Meeting, into the temporary shareholders' register of the Company at the latest by the time stated above.

3. PROXY REPRESENTATIVE AND POWERS OF ATTORNEY

A shareholder may participate in the Annual General Meeting and exercise his/her rights at the Meeting by way of proxy representation.

A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the General Meeting. When a shareholder participates in the General Meeting by means of several proxy representatives representing the shareholder with shares at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the General Meeting.

Possible proxy documents should be delivered in originals to Ramirent Plc, P.O. Box 116, FI-01511 Vantaa, Finland before 21 March 2013 at 10:00 a.m.

4. OTHER INSTRUCTIONS AND INFORMATION

Pursuant to chapter 5, section 25 of the Finnish Companies Act, a shareholder who is present at the shareholders' meeting has the right to request information with respect to the matters to be considered at the meeting. On the date of this notice to the Annual General Meeting, the total number of shares and votes in Ramirent Plc is 108,697,328.

PAYMENT OF DIVIDENDS

The Board of Directors has decided to propose to the Annual General Meeting that a dividend of EUR 0.34 per share be paid based on the adopted balance sheet for the financial year ended on 31 December 2012. The dividend will be paid to shareholders registered in the shareholders' register of the Company maintained by Euroclear Finland Ltd on the record date for dividend payment 2 April 2013. The Board of Directors proposes that the dividend be paid on 11 April 2013.

ADDRESS CHANGES

Shareholders are kindly requested to make notification of changes in address to the bank office or the brokerage firm in which their book-entry account is maintained.

If the account is maintained at the Finnish Central Securities Depository Ltd, changes should be notified to the address the Finnish Central Securities Depository Ltd, P.O. Box 1110, FI-00101 Helsinki, Finland.

ORDER BOOK CODES

- Listed on: NASDAQ OMX Helsinki Ltd
- NASDAQ OMX: RMR1V
- Reuters: RMR1V.HE
- Bloomberg: RMR1V:FH
- ISIN code: FI0009007066

PRIMARY INDEXES

- NASDAQ OMX Helsinki
- OMX Helsinki Mid Cap
- NASDAQ OMX Nordic Industrial Goods and Services

INVESTOR RELATIONS PRINCIPLES

The main objective of Ramirent's Investor Relations is to support the correct valuation of Ramirent's share by providing information related to Ramirent operations and operating environment, strategy, objectives and financial situation so that capital market participants can form a balanced view of Ramirent as an investment.

Ramirent pursues an open, adequate and up-to-date disclosure practice. Our aim is to provide correct and consistent information regularly and impartially to all market participants. Ramirent's Investor Relations function is responsible for investor communications in cooperation with Corporate Communications. In addition to financial reports and the investor website, Ramirent's investor communications include investor meetings and seminars in which Ramirent's top executives and IR function actively participate.

DISTRIBUTION OF FINANCIAL INFORMATION

Ramirent's annual report, interim reports, result presentations and stock exchange releases are published in English and Finnish on the company's website at www.ramirent.com.

PUBLICATION DATES OF INTERIM REPORTS IN 2013

In 2012, the interim reports will be published at 9.00 am EET on the following dates:

- January–March: on Wednesday, 8 May 2013
- January–June: on Thursday, 8 August 2013
- January–September: on Friday, 8 November 2013

ANALYSTS

According to our information the analysts listed below prepare investment analyses on Ramirent Plc. The analysts do so on their own initiative. Ramirent takes no responsibility for the opinions expressed by analysts.

Bank	Analysist	Tel.
ABG Sundar Collier- Equity Research	Mr. Robert Redin	+46 8566 286 39
Carnegie Investment Bank, Finland	Mr. Tommi Ilmoni	+358 9 6187 1235
Danske Markets Equities	Mr. Ari Järvinen	+358 10 236 4760
Evli Bank Plc	Mr. Mika Karppinen	+358 9 4766 9643
Handelsbanken Equity Research	Mr. Robin Santavirta	+358 10 444 2483
Nordea Markets	Mr. Johannes Grasberger	+358 9 1655 9929
Pareto Securities	Mr. Joni Grönqvist	+358 9 8866 6000
Pohjola Bank Plc	Mr. Matias Rautionmaa	+358 10 252 4408
SEB Enskilda	Ms. Jutta Rahikainen	+358 9 6162 8713

QUARTERLY RESULTS BRIEFING AND LIVE WEBCAST

A briefing for financial analysts and media will be held on each day of the result publication at 11.00 a.m. EET in the Helsinki area. The briefing can be followed via live webcast at www.ramirent.com. Recordings of the all webcasts are available at the same address.

SILENT PERIOD

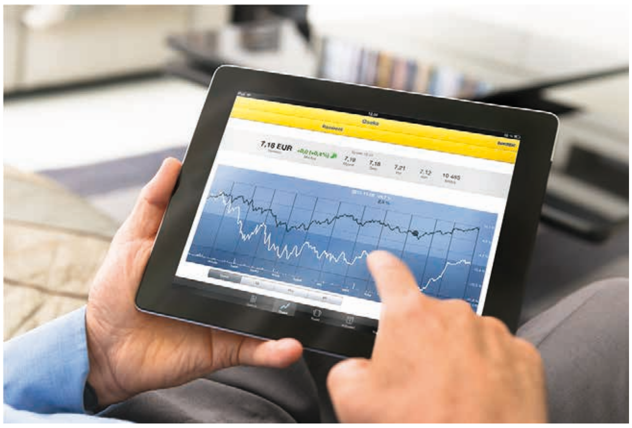
Ramirent observes a silent period of 21 days prior to publication of the annual or interim financial results. During that period, the company's representatives do not provide comments or meet capital market representatives. At other times, we are happy to receive your enquiries by phone, e-mail or at investor meetings.

PEER GROUP

Ramirent has an international peer group, against which the Group's financial information and business operations can be compared. The peer group consists of companies, which partly have different product offering and operating markets, and therefore do not alone give an adequate picture of Ramirent's competitors. The following companies are included in the peer group: Cramo (FI), Loxam (FR), Speedy Hire (UK), GAM (SP), United Rentals (US), Ashtead group (US/UK), Hertz Equipment Rental Corp (US) and Aggreco (US/UK).

WEBSITE

Updated and more detailed information about Ramirent as an investment option is available on the company's website www.ramirent.com.



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INVESTOR CONTACTS

Franciska Janzon, Director, Corporate Communications and IR
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Email: franciska.janzon@ramirent.com

Tomi Lindell, Financial Communicator, IR
Tel. +358 20 750 2867, Fax +358 20 750 2810
Email: tomi.lindell@ramirent.com

ORDER FINANCIAL PUBLICATIONS

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Corporate Communications and IR
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CONTACT INFORMATION

CORPORATE HEADQUARTERS

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Fax +358 20 750 2810
Email: communications@ramirent.com
www.ramirent.com

SEGMENT HEADQUARTERS

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Ramirent Finland Oy
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Fax +358 20 750 2882
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www.ramirent.pl

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Available on the App Store

Ramirent is a leading equipment rental group delivering Dynamic Rental Solutions™ that simplify business. We serve a broad range of customers, including construction and process industries, shipyards, the public sector and households. In 2012, the Group's net sales totalled EUR 714 million. The Group has 3,000 employees at 358 customer centres in 13 countries in the Nordic countries, Central and Eastern Europe. Ramirent is listed on the NASDAQ OMX Helsinki Ltd.

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