



Efore Group
Financial Statements
2014

EFORE PLC'S FINANCIAL STATEMENTS RELEASE JANUARY 1, – DECEMBER 31, 2014

As a result of changing Efore's financial year, FY 2013 figures in brackets have been changed to match with the periods of the financial year 2014. When comparing the figures it should be noticed that the acquired ROAL Electronics S.p.a. has been consolidated into Efore Group from the beginning of July 2013. FY 2013 Income Statements figures are shown at the end of this release in a separate table.

October - December 2014 in brief:

- Net sales totalled EUR 21,4 million (EUR 23,3 million), down 8,0 % compared with the corresponding period last year
- Results from operating activities without one-time items were EUR - 0,5 million (EUR -1,1 million)
- Results for the period including one-time items were EUR -1,3 million (EUR 0,2 million)
- Earnings per share were EUR -0,02 (EUR -0,03)

Financial year 2014 in brief:

- Net sales totalled EUR 85,3 million (EUR 74,5 million), up 14,5 % compared with the corresponding period last year
- Results from operating activities without one-time items were EUR 0,1 million (EUR -4,3 million)
- Results for the period including one-time items were EUR -2,0 million (EUR -4,5 million)
- Earnings per share were EUR -0,05 (EUR -0,12)

Key indicators, EUR million	10-12/14	10-12/13	Change	1-12/14	1-12/13	Change	11/12-
	3 mo	3 mo	%	12 mo	12 mo	%	12/13
Net Sales	21,4	23,3	-8,0	85,3	74,5	14,5	82,5
Telecommunication sector	11,0	12,1	-9,2	46,0	43,1	6,8	48,6
Industrial sector	10,4	11,2	-6,7	39,3	31,4	25,0	33,9
Results from operating activities without one-time items	-0,5	-1,1		0,1	-4,3		-4,3
Results from operating activities	-1,3	0,2		-2,0	-4,5	56,4	-5,8
Result before taxes	-1,6	0,0		-3,1	-4,8	34,5	-6,1
Net result	-0,9	-0,4		-2,6	-5,0	47,2	-6,2
Earnings per share, EUR	-0,02	-0,03		-0,05	-0,12		-0,15
Solvency ratio, %	38,1	39,7	-4,0	38,1	39,7	-4,0	39,7
Gearing, %	9,0	14,3	37,1	9,0	14,3	37,1	14,3
Cash flow from business operations	-0,8	3,7		3,8	3,2		1,4

Key indicators quarterly, EUR million

	Q4/2014	Q3/2014	Q2/2014	Q1/2014
Net Sales	21,4	22,1	22,5	19,2
Telecommunication sector	11,0	12,2	13,1	9,7
Industrial sector	10,4	10,0	9,5	9,5
Results from operating activities without one-time items	-0,5	1,6	-0,4	-0,6
Results from operating activities	-1,3	1,6	-1,6	-0,6

Financial estimate for the 2015

The Company estimates its net sales of financial year 2015 to be EUR 86-96 million and results from operating activities without one-time items to be EUR 2-5 million.

Vesa Vähämöttönen, Efore's President and CEO:

"Net sales and results of the fourth quarter were lower than expected. At the end of the third quarter the demand grew rapidly but decreased in the beginning of the fourth quarter. The demand improved again at the end of the year. Write-offs related to end of life products and provisions related to projects had a negative impact of EUR 0,8 million on the EBIT of last quarter although accumulated throughout the year. The fourth quarter did not include invoicing for R&D work.

The fourth quarter demand of telecommunication sector was lower than expected and amounted to EUR 11,0 million. This was partly due to delay in some new product introductions because of external reasons.

The fourth quarter net sales of industrial sector increased slightly compared to previous quarters in 2014.

Efore's long term financial target is to reach 10% EBIT level and an average annual net sales growth of 5-10%. In the short term Efore is focusing to improve its profitability. The target is to reach at least 6% EBIT level at the end of 2015. "

October – December net sales and financial development

The fourth quarter net sales totalled EUR 21,4 million (EUR 23,3 million). Net sales of the telecommunication sector was EUR 11,0 million decreasing 9,8 % compared to the previous quarter. The net sales of industrial sector was EUR 10,4 million and improved 4,0 % compared with the previous quarter.

Results from operating activities without one-time items were EUR -0,5 million (EUR -1,1 million). Write-offs related to end of life products and provisions related to projects had a negative impact of EUR 0,8 million on the EBIT of last quarter although accumulated throughout the year. The fourth quarter did not include invoicing for R&D work

Net sales and financial development of the financial year

Net sales totalled 85,3 million (EUR 74,5 million). Results from operating activities without one-time items were EUR 0,1 million (EUR -4,3 million). Results included EUR 2,0 million one-time items related to organizational changes in Italy and Finland.

During the period under review the total expenditure on R&D activities was EUR 8,9 million (EUR 7,7 million) of which EUR 2,8 million were capitalized. The total R&D expenditure represented 10,5 % of net sales (10,3 %).

The investment level in the telecommunication sector remained still low which together with slower-than-anticipated growth of industrial sector had an impact on lower-than expected net sales development in 2014.

Business development

The demand in the telecommunication sector was lower than expected in the fourth quarter amounting to EUR 11,0 million. This was partly due to delay in some new product introductions because of external reasons.

The major part of the telecom sector PCB assembly manufacturing was transferred to an EMS partner during the financial year. By utilizing the capabilities of an EMS company Efore can access the latest manufacturing technology and capacity in a flexible way and can continue to investing in R&D and expanding the sales network.

The fourth quarter net sales of the industrial sector was slightly better than previous quarters in 2014 amounting to EUR 10,4 million.

Since 2012 Efore has made efforts to develop a profitable business model for design and manufacturing of Electric Vehicles (EV) power products. However, significantly slower than expected market development has made this unsustainable. The company has therefore decided to discontinue investments in EV business. As a result of this decision no major costs have been recognized during the financial year.

Efore sold its real estate in Italy on October 27, 2014 according to the option agreement, which was made at the same time with the acquisition last year. The sales price of the facility was EUR 1,5 million and it is leased at least for three years. The realization gain was EUR 0,1 million.

Outlook

During the last two years the group has expanded to new markets enabling better opportunities for the growth. LTE (4G) technology is in a key role in network expansions and Efore has a strong position in this development. Several large network roll-outs have been published creating a base for demand growth. Power supplies for LED lighting, instrumentation, medical equipment and infrastructure offer several growth areas for Efore in the industrial sector.

Efore has invested in several product development projects and especially telecom product portfolio will be renewed significantly. New products expand Efore's product portfolio, which is expected to bring sales growth and stabilize demand fluctuations. Efore's main customers are well positioned in the developing wireless network markets.

Introducing new products into volume deliveries as forecasted is essential for the growth and profitability improvement of the company.

In the near future, Efore focuses on introducing new products into volume production and on necessary actions to improve the competitiveness.

Investments

Group investments in fixed assets during the period under review amounted to EUR 4,1 million (EUR 3,3 million) which includes EUR 2,8 million capitalization of product development costs.

At the end of the period under review capitalized product development costs amounted to EUR 5,9 million (EUR 4,3 million).

Financial position

The interest-bearing liabilities exceeded the consolidated interest-bearing cash reserves by EUR 1,9 million (EUR 3,3 million on Dec. 31, 2013) at the end of the period under review. The consolidated net financial expenses were EUR 1,2 million (EUR 0,3 million). The cash flow from business operations was EUR 3,8 million (EUR 3,2 million). The cash flow after investments was EUR 1,5 million (EUR -3,5 million).

The Group's solvency ratio was 38,1 % (39,7 %) and the gearing was 9,0 % (14,3 %).

Liquid assets excluding undrawn credit facilities totalled EUR 7,8 million (EUR 9,8 million on Dec. 31, 2013) at the end of the period under review. The balance sheet total was EUR 56,6 million (EUR 58,5 million on Dec. 31, 2013).

Group structure

Efore Group consists of the parent company Efore Plc and its directly or indirectly wholly owned subsidiaries Efore (USA) Inc. in the United States, Efore(Suzhou) Electronics Co. Ltd in China, Efore (Suzhou) Automotive Technology Co., Ltd in China, Efore OU in Estonia, Efore AB in Sweden, Efore (HongKong) Co. Ltd in China and FI-Systems Oy in Finland as well as Roal Electronics S.p.A. in Italy, Roal Tunisia Sarl in Tunis and Roal Electronics USA, Inc. in the U.S.A.

In June 2014, Efore announced to dissolve the share ownership system of the management and in the same connection Efore Management Oy, a company owned by the members of the Efore Group Executive Management Team decided to dissolve. Liquidation of Efore Management Oy was made after the period under review, on January 19, 2015.

Personnel

The number of the Group's own personnel including temporary personnel averaged 914 (847) during the period under review and at the end the period under review it was 976 (934).

Board of Directors and Executive Management Team

At the Annual General Meeting on April 10, 2014 Ms Päivi Marttila, Mr Francesco Casoli, Mr Olli Heikkilä, Ms Marjo Miettinen, Mr Jarmo Simola and Mr Jarkko Takanen were re-elected as board members. The Board selected Ms Päivi Marttila as the Chairman.

The Board of Directors of Efore Plc established the Audit Committee and elected members among themselves to the Committee on November 21, 2014. The members are Olli Heikkilä, Jarmo Simola and Jarkko Takanen. The Audit Committee is chaired by Jarkko Takanen.

The members of Executive Management Team and their global responsibilities are as follows: Vesa Vähämöttönen (President and CEO until Feb. 28, 2015), Mikael Malm (COO, Global Operations), Alexander Luiga (EVP, Telecommunication sector), Alessandro Leopardi (EVP, Industrial sector) and Riitta Järnstedt (CFO)

The Board of Directors of Efore Plc appointed December 22, 2014 Heikki Viika as the President and CEO of Efore Plc. He will start in the position on June 1, 2015.

As announced in October 2014, Efore's current CEO Vesa Vähämöttönen is leaving the company at the end of February 2015. Efore Plc CFO and member of the Executive Management Team Riitta Järnstedt has been appointed as acting President and CEO of the company starting March 1, 2015.

Auditors

The Annual General Meeting held on April 10, 2014 appointed KPMG Oy Ab as Efore's auditors, with Authorized Public Accountant Lasse Holopainen as principal auditor.

Share, share capital and shareholders

At the end of the period under review the number of the Group's own shares was 3 501 995 pcs.

The Board of Directors decided to use authorization granted by the Annual General Meeting of Shareholders on April 10, 2014 and resolved on June 17, 2014 to dissolve the share ownership system prematurely.

The dissolution of the share ownership system was carried out through an acquisition of all Efore Plc shares held by Efore Management Ltd (2,358,242 pcs).

The highest share price during the period under review was EUR 0,96 and the lowest price was EUR 0,62. The average price during the period under review was EUR 0,70 and the closing price was EUR 0,81. The market capitalization calculated at the final trading price during the period under review was EUR 42,3 million.

The total number of Efore shares traded on the Nasdaq OMX Helsinki during the period under review was 10,9 million pcs and their turnover value was EUR 7,7 million. This accounted for 19,6 % of the total number of shares 55 772 891 pcs. The number of shareholders totalled 2819 (3097) at the end of the period under review.

Notifications of Change in Share Holdings

The share of Efore Plc of the total number of shares and voting rights in Efore Plc exceeded 5 % on June 17, 2014.

The share of Sievi Capital Plc of the total number of shares and voting rights in Efore Plc exceeded 20 % on October 30, 2014.

The share of Rausanne Group (Rausanne, Adafor and Rausatum) of the total number of shares and voting rights in Efore Plc exceeded 10 % on December 22, 2014.

Authorizing the Board of Directors to resolve on the acquisition of the company's own shares

Efore's Annual General Meeting on April 10, 2014 decided in accordance with the proposal of the Board of Directors to authorize the Board of Directors to resolve on the acquisition of the company's own shares or their acceptance as pledge, in one or several instalments, on the following terms and conditions:

Based on the authorization an aggregate maximum of 4,000,000 own shares corresponding to approximately 7,2 % of all the shares in the company may be acquired. Shares in the company may be acquired only by using the company's unrestricted equity. The shares may be acquired in public trading arranged by the NASDAQ OMX Helsinki Oy at the prevailing market price on the date of acquisition, or at a price otherwise formed on the market. The Board of Directors resolves the manner in which own shares are acquired or accepted as a pledge. The acquisition may be made using, inter alia, derivatives. Shares may be acquired otherwise than in proportion to the holdings of the shareholders (directed acquisition).

The authorization cancels the authorization given by the Extraordinary General Meeting on August 26, 2013 to resolve on the acquisition of the company's own shares.

The authorization is valid until 30 June, 2015.

The Board of Directors used the authorization on June 17, 2014 and decided to dissolve the share ownership system prematurely. The dissolution of the share ownership system was carried out through an acquisition of all Efore Plc shares held by Efore Management Ltd (2,358,242 pcs).

The acquisition was carried out as a directed acquisition, in deviation from the shareholders' pre-emptive subscription rights, as the intention of the acquisition is to dissolve the management's share ownership system. Efore Plc paid to Efore Management Ltd 0.70 EUR per share, which was equivalent to the trade-volume weighted average quotation of the Efore Oyj's shares on NASDAQ OMX Helsinki Ltd during 10 trading days preceding the acquisition. The total acquisition price was 1,650,769.40 EUR.

Authorizing the Board of Directors to decide on the issue of shares as well as the issue of options and other special rights entitling to shares

Efore's Annual General Meeting on April 10, 2014 decided in accordance with the proposal of the Board of Directors to authorize the Board of Directors, in one or more transactions, to decide on the issuance of shares and the issuance of options and other special rights entitling to shares referred to in chapter 10 section 1 of the Companies Act as follows:

The number of shares to be issued based on the authorization may in total amount to a maximum of 5,000,000 shares, corresponding to approximately 9.0 % of all the shares in the company.

The Board of Directors decides on all the terms and conditions of the issuances of shares and special rights entitling to shares. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares. The issuance of shares and special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

The authorization cancels the authorization given by the Extraordinary General Meeting on 26 August 2013 to decide on the issuance of shares and special rights entitling to shares.

The authorization is valid until June 30, 2015.

The Board of Directors of Efore Plc resolved on June 17, 2014 to issue stock options to the key employees of Efore Plc. The further issuance of stock options to the key employees shall be determined by the Board of Directors later. The resolution is based on the authorization by the Annual General Meeting held on 10 April 2014. The maximum number of stock options to be issued shall be 1,500,000. The stock options shall be given free of charge.

500,000 of the stock options will be marked with symbol "A", 500,000 with symbol "B" and 500,000 with symbol "C". Each stock option shall entitle its holder to subscribe for one new share in Efore Plc. The stock options shall be subscribed for on July 31, 2015, at the latest.

The share subscription periods with the stock options shall be:

- Stock Options "A": 1 August 2016 - 31 July 2018
- Stock Options "B": 1 August 2017 - 31 July 2019
- Stock Options "C": 1 August 2018 - 31 July 2020

The share subscription price with the stock options shall be determined as follows:

- Stock Options "A": The trade volume weighted average quotation of Efore Plc's share on NASDAQ OMX Helsinki Oy during 1 March 2014 - 31 March 2014 (0.70 EUR)

- Stock Options "B": The trade volume weighted average quotation of Efore Plc's share on NASDAQ OMX Helsinki Oy during 1 March 2015 - 31 March 2015

- Stock Options "C": The trade volume weighted average quotation of Efore Plc's share on NASDAQ OMX Helsinki Oy during 1 March 2016 - 31 March 2016.

Accounting policies

The report has been drawn up in accordance with IAS 34 Standard on Interim Financial Reporting and the Group's accounting principles presented in the 2014 annual report. In addition, Efore Plc has adopted new and or amended IFRS-standards that have been presented in the previous Financial Statements. These changes have no any major effect on the report. The information in this release is unaudited.

All the figures in the report have been rounded up/down, for which reason the total of the individual figures when added together may be different from the total shown.

Short-term risks and factors of uncertainty

The market typical fluctuation in demand can cause rapid changes in Efore's business. Business risks are related to the success of key customers in their markets and to Efore's delivery capability for the key customers.

Progress of Efore's product development projects depends on the customers' own project schedules and the establishment of the whole market.

Expanding the company's product range to standard products in industrial sector means growth of product liability risk. It has been recognized that global economic development may have an effect on Efore's business environment

A more comprehensive report on risk management is presented on the company's web-sites.

Long-term targets

Efore Group's long term financial target is to reach 10% EBIT level and an average annual net sales growth of 5-10%. Target is to grow especially in industrial sector. Market driven product platforms and efficient R&D investment utilization are key factors to support group's target to improve profitability.

In the short term Efore is focusing to improve its profitability. The target is to reach at least 6% EBIT level at the end of 2015.

Efore does not consider the long term targets as market guidance for any given year. It will issue separate financial estimate.

Events after the period under review

In June 2014, Efore announced to dissolve the share ownership system of the management and in the same connection Efore Management Oy, a company owned by the members of the Efore Group Executive Management Team decided to dissolve. Liquidation of Efore Management Oy was made after the period under review, on January 19, 2015.

Riitta Järnstedt has been appointed as acting President and CEO of the company starting on March 1, 2015. New President and CEO Heikki Viika will start in the position on June 1, 2015.

Board of Directors' proposal for the Annual General Meeting

The Board of Directors will propose to the Annual General Meeting on March 31, 2015 that no dividend will be paid.

TABLES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME					
EUR million	10/14- 12/14 3 mo	10/13- 12/13 3 mo	1/14- 12/14 12 mo	1/13- 12/13 12 mo	11/12- 12/13 14 mo
Net sales	21,4	23,3	85,3	74,5	82,5
Change in inventories of finished goods and work in progress	-0,6	-1,8	0,1	-2,3	-0,9
Work performed for own purposes and capitalised	0,0	0,0	0,1	0,0	0,0
Other operating income	0,3	0,8	1,2	1,3	1,4
Materials and services	-13,9	-14,2	-55,9	-50,1	-56,9
Employee benefits expenses	-5,0	-4,0	-18,9	-15,3	-17,7
Depreciation	-0,9	-0,9	-3,6	-2,8	-3,2
Impairment	-0,3	0,1	-0,3	0,0	0,0
Other operating expenses	-2,6	-3,0	-9,9	-9,8	-10,9
Results from operating activities	-1,3	0,2	-2,0	-4,5	-5,8
% net sales	-6,2	0,8	-2,3	-6,1	-7,0
Financing income	0,6	0,3	2,1	1,5	1,7
Financing expenses	-0,8	-0,5	-3,3	-1,7	-2,0
Result before tax	-1,6	0,0	-3,1	-4,8	-6,1
% net sales	-7,5	0,0	-3,7	-6,4	-7,3
Tax on income from operations	0,7	-0,4	0,5	-0,2	-0,1
Result for the period	-0,9	-0,4	-2,6	-5,0	-6,2
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Translation differences	0,3	-0,2	1,2	-0,4	-0,6
Total comprehensive income	-0,6	-0,6	-1,5	-5,4	-6,7
Net profit/loss attributable					
To equity holders of the parent	-0,9	-0,4	-2,8	-5,0	-6,1
To non-controlling interest	0,0	0,0	0,2	-0,1	-0,1
Total comprehensive income attributable to:					
Equity holders of the parent	-0,6	-0,6	-1,6	-5,3	-6,7
Non-controlling interest	0,0	0,0	0,2	-0,1	-0,1
EARNINGS PER SHARE CALCULATED ON PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT:					
Earnings per share, basic, eur	-0,02	-0,03	-0,05	-0,12	-0,15
Earnings per share, diluted, eur	-0,02	-0,03	-0,05	-0,12	-0,15

NET SALES BY AREAS EUR million	10-12/14 3 mo	10-12/13 3 mo	1-12/14 12 mo	1-12/13 12 mo	11/12- 12/13 14 mo
Americas	3,5	3,6	12,9	7,4	7,5
EMEA	7,8	10,1	35,5	35,4	40,4
FINLAND	3,4	2,0	13,7	11,7	10,9
APAC	6,7	7,6	23,1	20,0	23,7
Total	21,4	23,3	85,3	74,5	82,5

NET SALES BY CUSTOMER GROUPS EUR million	10-12/14 3 mo	10-12/13 3 mo	1-12/14 12 mo	1-12/13 12 mo	11/12- 12/13 14 mo
Telecom	11,0	12,1	46,0	43,1	48,6
Industrial	10,4	11,2	39,3	31,4	33,9
Total	21,4	23,3	85,3	74,5	82,5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	Dec 31, 2014	Dec 31, 2013	change %
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	8,1	6,9	
Goodwill	1,1	1,1	
Tangible assets	5,6	7,8	
Trade receivables and other receivables, non-current	0,1	0,0	
Other long-term investments	0,0	0,0	
Deferred tax asset	2,7	2,3	
Total non-current assets	17,7	18,1	-2,2
CURRENT ASSETS			
Inventories	14,5	14,6	
Trade receivables and other receivables	15,8	15,2	
Tax receivable, income tax	0,8	0,8	
Cash and cash equivalents	7,8	9,8	
Total current assets	38,9	40,4	-3,7
TOTAL ASSETS	56,6	58,5	-3,2
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15,0	15,0	
Treasury shares	-2,4	-2,4	
Other reserves	28,7	29,0	
Translation differences	2,6	1,4	
Retained earnings	-22,3	-19,9	
Equity attributable to equity holders of the parent	21,5	23,0	
Equity attributable to non-controlling interests	0,0	0,2	
Total equity	21,5	23,2	-7,3
NON-CURRENT LIABILITIES			
Deferred tax liabilities	0,5	0,9	
Interest-bearing liabilities	2,5	3,9	

Interest-free liabilities	0,1	0,0	
Pension liabilities	1,6	1,6	
Other provisions	0,3	0,0	
Total non-current liabilities	4,9	6,4	-23,4
CURRENT LIABILITIES			
Interest-bearing liabilities	7,3	9,2	
Trade payables and other liabilities	22,6	19,1	
Tax liabilities	0,2	0,5	
Provisions	0,1	0,0	
Total current liabilities	30,1	28,8	
Liabilities	35,1	35,3	
TOTAL EQUITY AND LIABILITIES	56,6	58,5	-3,2

GROUP KEY FIGURES, EUR million	10-12/14 3 mo	10-12/13 3 mo	1-12/14 12 mo	1-12/13 12 mo	11/12-12/13 14 mo
Earnings per share, basic,eur	-0,02	-0,03	-0,05	-0,12	-0,15
Earnings per share, diluted, eur	-0,02	-0,03	-0,05	-0,12	-0,15
Equity per share, eur	0,41	0,44	0,41	0,44	0,44
Return on equity-%(ROE)	-17,3	-1,8	-11,8	-23,7	-28,1
Return on investment-%(ROI)	-17,3	-1,5	-6,7	-22,6	-17,5
Net interest-bearing liabilities	1,9	3,3	1,9	3,3	3,3
Investments (intangible and tangible assets)	1,1	0,9	4,1	3,3	3,6
as percentage of net sales	5,0	3,8	4,8	4,4	4,3
Average personnel	940	948	914	847	836

CONSOLIDATED STATEMENT OF CASH FLOWS	1-12/14 12 mo	1-12/13 12 mo	Change %	11/12-12/13 14 mo
EUR million				
Cash flows from operating activities				
Cash receipts from customers	86,4	82,7		95,3
Cash paid to suppliers and employees	-80,9	-79,2		-93,5
Cash generated from operations	5,5	3,5		1,8
Interest paid	-0,5	-0,3		-0,3
Interest received	0,1	0,0		0,0
Other financial items	-1,1	0,1		0,0
Income taxes paid	-0,2	-0,1		-0,2
Net cash from operating activities (A)	3,8	3,2		1,4
Cash flows from investing activities				
Purchase of tangible and intangible assets	-3,9	-2,7		-2,9
Proceeds from sale of tangible and intangible assets	1,6	0,1		0,2
Acquisition of subsidiaries, net of cash acquired	0,0	-4,1		-4,1
Purchase of investments	0,0	0,0		0,0
Proceeds from sale of investments	0,0	0,0		0,0
Loans granted	0,0	0,0		0,0
Additon/deduction of cash equivalents	0,0	0,0		0,0
Income taxes paid	0,0	0,0		0,0
Net cash used in investing activities (B)	-2,3	-6,7	65,6	-6,9
Cash flows from financing activities				
Purchase of own shares	0,0	5,3		5,3
Proceedings from short-term borrowings	1,0	9,8		9,8
Repayment of short-term borrowings	-3,1	-4,9		-4,9

Proceeds from long-term borrowings	0,0	3,0	3,0
Repayment of long-term borrowings	-1,4	-2,0	-2,0
Financial leasing repayment	-0,2	-0,2	-0,2
Net cash used in financing activities (C)	-3,7	11,0	11,0
Net increase/decrease in cash and cash equivalents (A+B+C)	-2,3	7,5	5,5
Cash and cash equivalents at beginning of period	9,8	2,4	4,5
Net increase/decrease in cash and cash equivalents	-2,3	7,5	5,5
Change in group structure	-0,3	0,0	0,0
Effects of exchange rate fluctuations on cash held	0,6	-0,2	-0,2
Cash and cash equivalents at end of period	7,8	9,8	9,8

GROUP CONTINGENT LIABILITIES

EUR million

31.12.2014

31.12.2013

Security and contingent liabilities

For others

Other contingent liabilities

0,1

0,1

Operating lease commitments

Group as lessee

Non-cancellable minimum operating lease payments:

Less than 1 year

0,8

1,0

1-5 years

0,5

0,4

Fair values of derivate financial instruments

Currency derivatives, not hedge

Option contract

Nominal amount

0,0

2,0

Negative fair value

0,0

0,0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A Share capital

B Treasury shares

C Unrestricted equity reserve

D Other reserves

E Translation differences

F Retained earnings

G Equity holders of the parent

H Non-controlling interests

I Total

EUR million	A	B	C	D	E	F	G	H	I
EQUITY	15,0	-2,5	18,8	1,0	1,8	-14,9	19,1	0,2	19,3
January 1, 2013									

Comprehensive income	0,0	0,0	0,0	0,0	-0,4	-5,0	-5,4	0,0	-5,4
Share-based incentive programme	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Directed of own shares	0,0	0,0	9,4	0,0	0,0	0,0	9,4	0,0	9,4
Directed share issue	0,0	0,1	0,0	0,0	0,0	0,0	0,1	0,0	0,1
Transaction costs for equity	0,0	0,0	-0,2	0,0	0,0	0,0	-0,2	0,0	-0,2
Equity December 31, 2013	15,0	-2,4	28,2	1,0	1,4	-19,9	23,0	0,2	23,3

EUR million	A	B	C	D	E	F	G	H	I
EQUITY January 1, 2014	15,0	-2,4	28,0	1,0	1,4	-19,9	23,0	0,2	23,2
Comprehensive income	0,0	0,0	0,0	0,0	1,2	-2,8	-1,6	0,2	-1,5
Share-based incentive programme	0,0	0,0	0,0	0,0	0,0	0,1	0,1	0,0	0,1
Other changes	0,0	0,0	0,0	-0,3	0,0	0,4	0,0	0,0	0,0
Change in group structure	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-0,3	-0,3
EQUITY December 31, 2014	15,0	-2,4	28,0	0,7	2,6	-22,3	21,5	0,0	21,5

FY 2013 - CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Nov/12 Dec/12	Jan/13 March/13	April/13 June/13	July/13 Sep/13	Oct/13 Dec/13	Nov/12 Dec/13 14
	2 months	3 months	3 months	3 months	3 months	months
Net sales	8,0	15,3	13,8	22,0	23,3	82,5
Change in inventories of finished goods and work in progress	1,4	0,0	-2,6	2,1	-1,8	-0,9
Work performed for own purposes and capitalised	0,0	0,0	0,0	0,0	0,0	0,0
Other operating income	0,1	0,0	0,1	0,4	0,8	1,4
Materials and services	-6,9	-10,9	-7,6	-17,3	-14,2	-56,9
Employee benefits expenses	-2,4	-3,6	-3,4	-4,3	-4,0	-17,7
Depreciation	-0,4	-0,6	-0,4	-1,0	-0,9	-3,2
Other operating expenses	-1,1	-1,8	-1,8	-3,3	-3,0	-10,9
Results from operating activities	-1,2	-1,5	-1,9	-1,3	0,2	-5,8
% net sales	-15,5	-9,9	-13,5	-5,9	0,8	-7,0

Financing income	0,2	0,3	0,3	0,5	0,3	1,7
Financing expenses	-0,2	-0,5	-0,2	-0,5	-0,5	-2,0
Result before tax	-1,3	-1,7	-1,8	-1,3	0,0	-6,1
% net sales	-16,0	-11,1	-13,2	-5,7	0,0	-7,3
Tax on income from operations	0,1	0,0	0,1	0,0	-0,4	-0,1
Result for the period	-1,1	-1,7	-1,7	-1,2	-0,4	-6,2
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
Translation differences	-0,2	0,4	-0,2	-0,4	-0,2	-0,6
Total comprehensive income	-1,4	-1,3	-1,9	-1,7	-0,6	-6,7
Net profit/loss attributable						
To equity holders of the parent	-1,1	-1,7	-1,7	-1,2	-0,4	-6,1
To non-controlling interest	0,0	0,0	0,0	0,0	0,0	-0,1
Total comprehensive income attributable to:						
Equity holders of the parent	-1,4	-1,3	-1,8	-1,7	-0,6	-6,7
Non-controlling interest	0,0	0,0	0,0	0,0	0,0	-0,1

Calculation of key figures

$$\text{Return on investment (ROI), \%} = \frac{\text{Profit before taxes + interest and other financing expenses}}{\text{Equity + interest bearing liabilities (average)}} \times 100$$

$$\text{Return on Equity (ROE), \%} = \frac{\text{Profit/loss for the period}}{\text{Equity (average)}} \times 100$$

$$\text{Current ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

$$\text{Solvency ratio, \%} = \frac{\text{Equity}}{\text{Total assets - advance payments received - own shares*}} \times 100$$

$$\text{Net interest-bearing liabilities} = \text{Interest bearing liabilities - financial assets at fair value through profit or loss - cash and cash equivalents}$$

$$\text{Gearing, \%} = \frac{\text{Net interest-bearing liabilities}}{\text{Equity}} \times 100$$

$$\text{Earnings per share} = \frac{\text{Profit or loss attributable to ordinary equity holders of the parent entity}}{\text{The weighted average number of shares outstanding}}$$

$$\text{Earnings per share} = \frac{\text{Profit or loss attributable to ordinary equity holders of the}}{\text{The weighted average number of shares outstanding}}$$

(diluted)		parent entity	
		<hr/>	
		The weighted average number of shares outstanding including dilutive effect	
Dividend per share	=	$\frac{\text{Dividend for the financial year}}{\text{Number of shares - own shares}^*}$	
Dividend payout ratio, %	=	$\frac{\text{Dividend per shares}}{\text{Earnings per share}} \times 100$	
Effective dividend yield, %	=	$\frac{\text{Dividend per share}}{\text{Adjusted share price at balance sheet date}} \times 100$	
Equity per share	=	$\frac{\text{Equity - own shares}^*}{\text{Number of shares at balance sheet date}}$	
P/E ratio	=	$\frac{\text{Adjusted share price at balance sheet date}}{\text{Earnings per share}}$	
Market capitalization	=	Adjusted share price at balance sheet date x outstanding number of shares at balance sheet date	
Average personnel	=	The average number of employees at the end of each calendar month during the accounting period	

All share-specific figures are based on the outstanding number of shares.

Equity is the equity attributable to the shareholders of the parent company. Result for the period is the result attributable to the shareholders of the parent company.

* There were own shares held by company at the end of the period under review.

EFORE PLC
Board of Directors

Further information

For further information please contact Mr. Vesa Vähämöttönen, President and CEO, on February 13, 2015 at 10 – 11 a.m., tel. +358 9 4784 6312.

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Efore Group

Efore Group is an international company which develops and produces demanding power products. Efore's head office is based in Finland and its production units are located in China and Tunis. Sales and marketing operations are located in Europe, United States and China. In the fiscal year ending in December 2014, consolidated net sales totaled EUR 85,3 million and the Group's personnel averaged 914. The company's share is quoted on the Nasdaq OMX Helsinki Ltd. www.efore.com