RAMIRENT
MORE THAN MACHINES

ANNUAL REPORT 2014

Thanks to our skilled employees, our customers and users benefit from reliable equipment and safe operations throughout their projects.

TABLE OF CONTENT

MORE THAN MACHINES

Rental is the core of Ramirent's business, but it is our people that make the difference. Starting out as a metal nail shop and learning our trade within the construction sector, we have grown into a knowledge-driven company that serves multiple industry sectors.

With sixty years in the business, we have knowledge few can match. Our experience from different industries, combined with extensive understanding of rental machinery usage and service, helps us to proactively solve problems and create customer value. This has made us one of the leading rental solutions companies in Europe.

At Ramirent, we offer one of Europe's broadest equipment fleets featuring high performance, safety and eco-efficiency. Yet, you could say that our most valuable asset is the competence, drive and positive attitude of our people.

The key to success is in our customer-first approach. We are problem solvers with a goal to simplify business by delivering Dynamic Rental Solutions™. Dynamic means that each solution is tailored to fit the customer need – big or small.

Because we care about the future, we are leading the rental industry into a more sustainable business. Renting releases enterprise resources, and sharing of equipment among several users helps to reduce environmental load.

We aim to be the thought leader of our industry. By continually investing in education of our employees, we have the know-how to help our customers achieve their goals.

RAMIRENT IN BRIEF

Ramirent's vision is to be the leading and most progressive equipment solutions provider in Europe setting the benchmark for industry performance and customer service.

Ramirent is More Than Machines™. Ramirent is a leading European rental equipment group combining the best equipment, services and know-how into rental solutions that simplify customer business. Ramirent serves a broad range of customer sectors including construction, industry, services, the public sector and households. Ramirent focuses on the Baltic Rim with operations in the Nordic countries and in Central and Eastern Europe. Ramirent is the market leader in seven of the ten countries where it operates. Ramirent's shares are listed on the NASDAQ Helsinki Ltd.

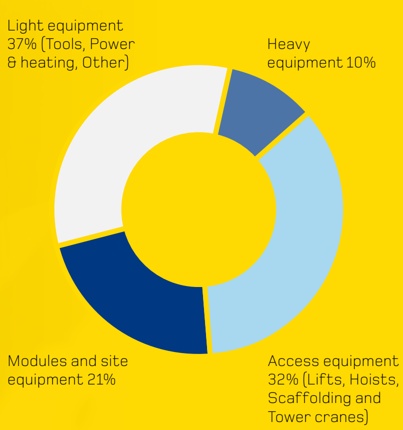
2014

Net sales
613.5
(EUR million)

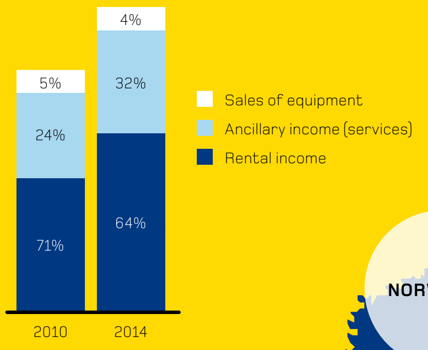
EBITA
65.8
(EUR million)

Cash flow *
21.8
(EUR million) * After investments

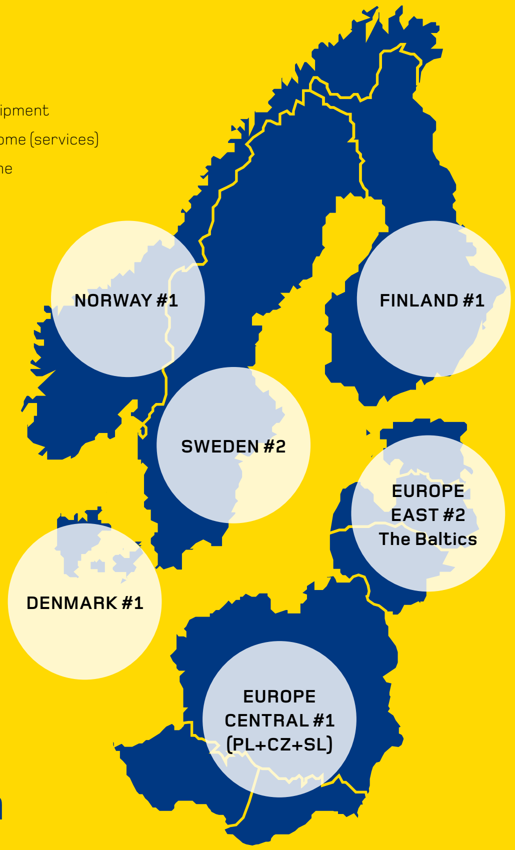
RENTAL INCOME PER PRODUCT GROUP



BREAKDOWN OF NET SALES



MARKET POSITION



Ramirent group has **2,576** employees at **302** customer centres in **ten** countries.

Today **one third** of Ramirent's net sales are generated from equipment **rental related services** that range from planning and design to logistics and on-site support as well as training services.

ADVANCING OPERATIONAL IMPROVEMENT AGENDA IN MIXED MARKET ENVIRONMENT

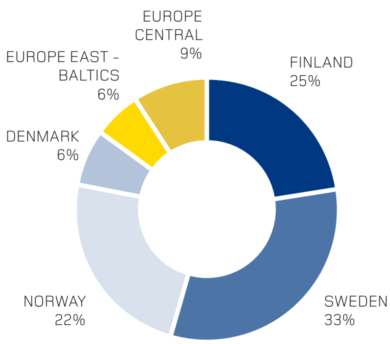
KEY FIGURES MEUR	1–12/14	1–12/13	Change
Net sales, EUR million	613.5	647.3	–5.2%
EBITDA, EUR million	167.9	195.1	–13.9%
% of net sales	27.4%	30.1%	
EBITA excluding non-recurring items[1]	71.5	83.6	–14.5%
% net sales	11.7%	13.1%	
EBITA, EUR million	65.8	92.1	–28.5%
% net sales	10.7%	14.2%	
EBIT, EUR million	58.1	82.3	–29.3%
% of net sales	9.5%	12.7%	
Profit for the reporting attributable to the owners of the parent company, EUR million	32.6	54.0	–39.6%
% of net sales	5.3%	8.3%	
Gross capital expenditure, EUR million	144.6	125.8	14.9%
Return on invested capital (ROI), %	12.2%	16.5%	
Return on equity (ROE), %	9.4%	14.7%	
Net debt, EUR million	227.1	206.9	9.7%
Net debt to EBITDA ratio	1.4x	1.1x	27.5%
Gearing, %	69.9%	55.8%	
Earnings per share (basic and diluted), EUR	0.30	0.50	–39.6%
Dividend per share, EUR	0.40[2]	0.37	8.1%
Payout ratio, %	132.0%[2]	73.7%	

1. Non-recurring items include restructuring costs of EUR 1.9 million in the third quarter 2014 and EUR 3.7 million of restructuring costs and asset write-downs in the fourth quarter 2014. The comparison period included a non-taxable capital gain of EUR 10.1 million from the formation of Fortrent in the first quarter 2013, a EUR 1.9 million loss from disposal of Hungary as well as EUR 1.5 million restructuring costs in Denmark in the third quarter of 2013.
2. Board's proposal.

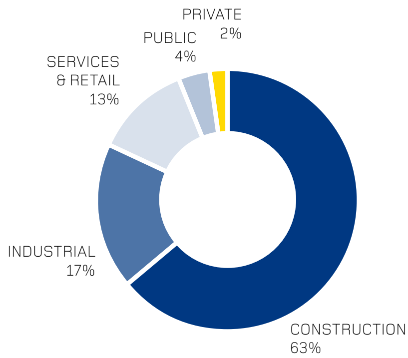
RAMIRENT OUTLOOK FOR FULL YEAR 2015

Ramirent expects the market picture for 2015 to remain mixed, with challenging market conditions in especially Finland and Norway. We expect full-year 2015 net sales and EBITA margin to be similar to the level of 2014 when measured in local currencies.

SALES PER SEGMENT

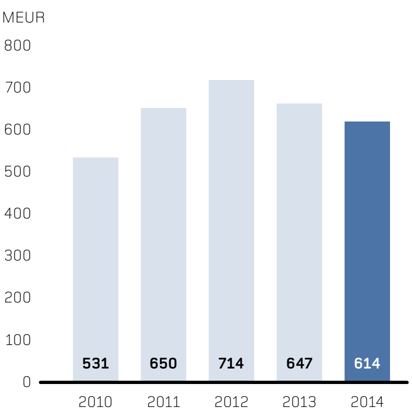


SALES PER CUSTOMER

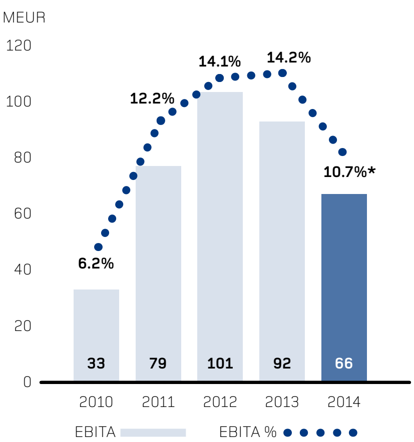


Current state close to target of 40% non-construction dependent sales

NET SALES

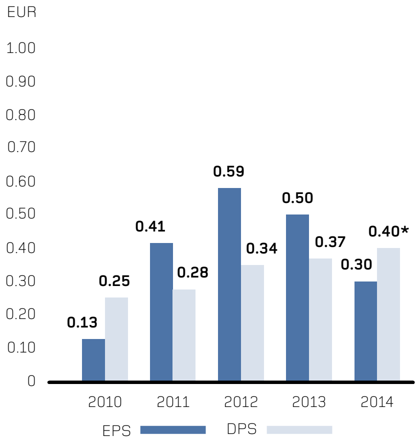


EBITA AND EBITA MARGIN



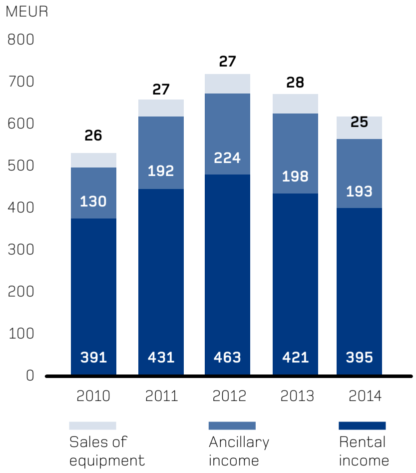
*EBITA excluding non-recurring items and adjusted for transferred or divested operations EUR 71.5 (83.6) million or 11.7% (13.1%) of net sales.

EARNINGS & DIVIDEND PER SHARE

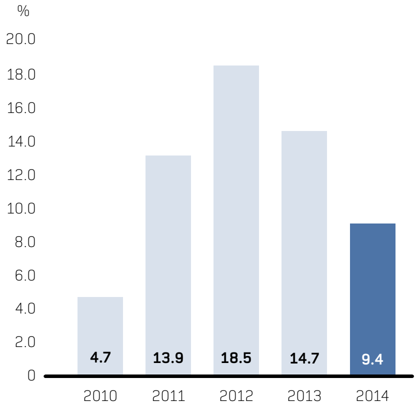


* Board's proposal.
The Board proposes also to the AGM 2015 to be authorised to decide at its discretion on the payment of an additional dividend up to the amount of EUR 0.60 per share.

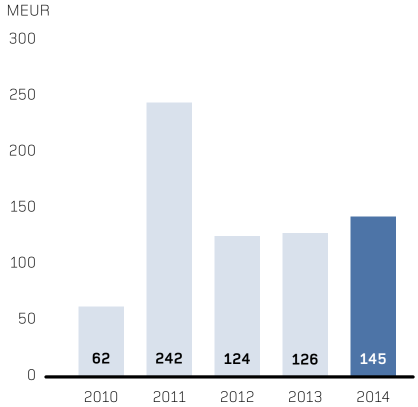
BREAKDOWN OF NET SALES



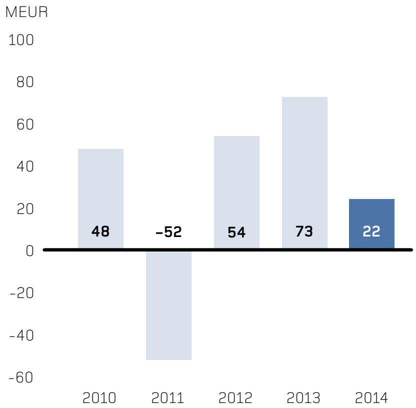
RETURN ON EQUITY



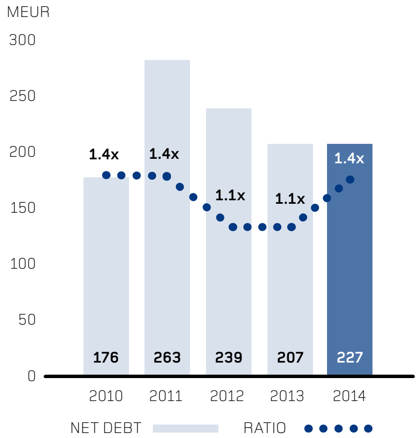
CAPITAL EXPENDITURE



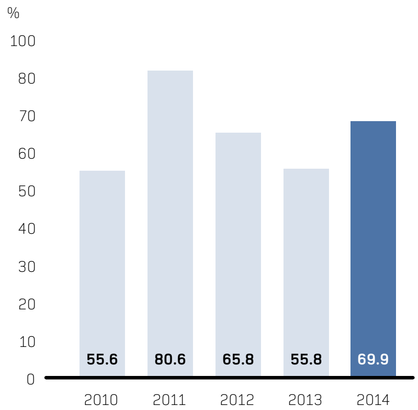
CASH FLOW AFTER INVESTMENTS



NET DEBT & NET DEBT/EBITDA



GEARING



CALENDAR 2014

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

Strategic partnership for lift maintenance with Rostek-Tekniikka in Finland

New brand promise: Ramirent is More than Machines™

Acquisition of Kurko-Koponen Companies' telehandler business

Acquisition of majority stake in Sweden-based Safety Solutions Jonsereds

- Acquisition of DCC, Nordic weather shelter and scaffolding provider
- Empower outsources parts of its equipment fleet to Ramirent in Finland
- "Rental Safety Campaign of the Year" award at ERA convention

Ramirent and Zeppelin Rental announce formation of joint venture Fehmarnbelt Solutions Services A/S

- New three-year nationwide rental agreement with Veidekke in Norway
- Hartela outsources fleet of tower cranes to Ramirent in Finland

Skanska Maskin AB chooses Ramirent as preferred rental supplier in Sweden

Acquisition of the business operations of Savonlinnan Rakennuskonevuokraamo Oy

Multisite certification of "RamiWay" management system

"In this fast-evolving industry, our practical expertise, industry insight and customer understanding are becoming increasingly important."

FROM CEO

The year proved to be a time of mixed market development. We entered 2014 aiming to pursue profitable growth opportunities. However, soft demand in many markets decreased net sales, the decline being 5.2% to 613.5 million or –0.6% at comparable exchange rates and adjusted for transferred or divested operations. Towards year-end, geopolitical uncertainty and declining oil price had a further negative impact on our main markets. Our EBITA decreased to EUR 65.8 (92.1) million or 10.7% (14.2%) of sales. Our top priority is sustainable profitable growth and by that measure, we are not satisfied with our 2014 results.

MIXED MARKET SITUATION

In 2014, slow growth and unexpectedly weak recovery in the Nordic construction sector subdued demand. We saw growth in Sweden, while demand remained weak in Finland. Declining oil prices discouraged new investments in Norway's oil and gas sector and wider economy. Internal restructurings burdened our performance in Denmark. In Europe East, growth was fast in the Baltics while political and economic uncertainty continued in Russia and Ukraine. In Europe Central, market activity increased in Poland and demand started to pick up in the Czech Republic and Slovakia.

We further intensified cost control in all markets. Contingency actions were undertaken and restructurings and asset write-downs impacted the full year 2014 EBITA, decreasing to EUR 65.8 (92.1) million or 10.7% (14.2%) of sales. Cash flow after investments was at EUR 21.8 million. We kept a solid financial position with a net debt to EBITDA ratio of 1.4x at year-end.

EXPANDING THE OFFERING THROUGH ACQUISITIONS AND OUTSOURCINGS

Ramirent has a good track record in growing through outsourcing and selected acquisitions. This path continued in 2014.

We acquired Kurko-Koponen companies' telehandler business in Finland. We also acquired a majority stake in Safety Solutions Jonsereds, supporting our growing focus on safety. Moreover, acquiring Dry Construction Concept from NSS Group reinforced our weather protection proficiency. An outsourcing contract with Empower reinforced our industrial service offering.

In 2014, we began a joint venture with German Zeppelin Rental to serve the construction of the Fehmarnbelt Fixed Link between Danish and German coasts. I feel the project is a remarkable way to provide the best for our customers.

New agreements included a three-year contract with Skanska's machinery department in Sweden and a renewal of the cooperation contract with Veidekke in Norway. Hartela outsourced its tower-cranes fleet to Ramirent and signed a five-year rental contract in Finland.

With our strong balance sheet, we will continue pursuing outsourcing opportunities and selected small to mid-sized acquisitions.

BUSINESS MODELS IN TRANSFORMATION

In equipment rental, two complementary business models are emerging: over-the-counter and provision of integrated solutions. The change gives us an opportunity to leverage our know-how of both.

To earn our customers' trust and serve them better, we sharpened our sales approach and defined two sales teams. Solutions Sales will focus on value creation through early involvement and co-development and Customer Centre Sales will focus on over-the-counter rental. I see unlocking the solution sales potential as a necessity for meeting our growth strategy.

ADVANCING OPERATIONAL EXCELLENCE CONTINUED

To achieve profitable and sustainable growth, we developed the common Ramirent Platform further in 2014, unifying and improving our operating model and business logic. An important milestone was achieved in December 2014 when we received a multisite certification for the RamiWay integrated quality, environment, health and safety management system. At year-end, the common Ramirent Platform was in use in Norway, Denmark and Sweden. It will be deployed in Finland next.

To reach Group EBITA margin target of 17%, implementation of the efficiency programme continued throughout 2014. The full financial benefits are yet to be realised, partly due to more adverse market conditions, though our operational performance still improved. In 2014, we also enhanced our sourcing operations and developed our supply chain management. Efficiency actions will continue in 2015, though we expect the targeted EBITA margin improvement from the actions to materialise mainly in 2016.

As we improved performance management in the Group, we also continued to foster entrepreneurial spirit within Ramirent – something I strongly encourage.

RAMIRENT IS MORE THAN MACHINES

The year brought a renewed brand promise: Ramirent is More Than Machines™. It clarifies our value proposition of delivering our customers sustainable solutions that improve efficiency by offering the competence of our people combined with high-quality equipment and right services. In this fast-evolving industry, our practical expertise, industry insight and customer understanding are becoming increasingly important.

To offer a unique customer experience and differentiate ourselves, we launched NextRamirent – our improvement agenda for 2014–2018. We aim to build on Ramirent's strong culture and develop as a knowledge-based company involving all employees in the strategy work.

I am truly grateful to every Ramirent employee for the effort they give. We are a company in transition and together we will make Ramirent the most progressive and knowledge-based rental solutions provider in Europe. I also wish to warmly thank our customers, partners and shareholders for our shared year.

Magnus Rosén
President and CEO

STRATEGY

Ramirent's vision is to become the leading and most progressive equipment rental solutions company in Europe. Part of our vision is also to set the industry benchmark for performance and customer service. In order to reach the vision, we have set four strategic priorities. In the center of our strategy are customers, who always come first.

VISION

To be 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™.

VALUES

OPEN

- We are good listeners
- We are honest and humble
- We share our knowledge

ENGAGED

- We keep actively in touch
- We keep our promises
- We are team players

PROGRESSIVE

- We work systematically
- We exceed expectations
- We want to know more

BRAND PROMISE

MORE THAN MACHINES™

FROM CONSOLIDATION TO A SOLID FOUNDATION FOR PROFITABLE GROWTH

On its journey, Ramirent has systematically transferred from early ramp-up phase through stabilisation to consolidation phase, and then to growth strategy for the coming years. During the last couple of years, Ramirent has successfully implemented a number of actions to develop its operational excellence, to increase the value proposition and to reduce risk by balancing the company's business portfolio, both geographically and by widening the customer base.

In the year 2014 focus returned on sustainable profitable growth – by continuing to advance initiatives that have been on our agenda in recent years. The long-term strategic objectives remain valid, those being achieving Sustainable profitable growth through Customer first, building One company and agility in managing business.

	RAMP-UP 2003 to 2008	STABILISATION 2009 to 2010	CONSOLIDATION 2011 to 2013	PROFITABLE GROWTH FOCUS 2014–
Market Environment	• Strong economic development • Buoyant construction market	• Financial crisis and weak economic conditions in all major markets • Severe construction downturn	• Slow European economic recovery • Modest recovery in construction sector	• Modest growth in the main markets. • Recovery in the emerging markets.
Strategy	• Grow volumes • Grow market share • Expand network • Bolt-on acquisitions	• Balance risk level • Manage through the downturn • Leadership change • Develop common platform • Countercyclical cash flow	• Operational excellence • Build uniform operating platform • Grow value proposition • Outsourcing and acquisitions • Focus on Baltic Rim • New group management team	• Sustainable profitable growth oriented initiatives • Customer first through NextRamirent agenda • One company – common Ramirent platform • Agility in managing business

RAMIRENT'S STRATEGIC PRIORITIES

1 SUSTAINABLE PROFITABLE GROWTH

Ramirent aims at being the leading general rental company in the markets it operates, setting a benchmark for industry performance and customer service. We offer products and services combined into tailored solutions for its customers and pursues market-specific opportunities to develop its product offering.

Ramirent pursues sustainable profitable growth and increasing market share through strengthening the customer offering, widening the customer portfolio and growing through outsourcing deals, selected acquisitions and joint venture opportunities. The aim is to accelerate organic growth and to strengthen Ramirent's geographic presence and offering. Also, opportunities to expand in market segments, such as energy, oil and gas and the public sector, as well as new geographies are constantly assessed.

Financial stability and sustainable, profitable net sales growth is supported by operational excellence, cost efficiency and lower risk level. Key drivers in improving profitability will be integrated solutions provided to all customers and improved operational excellence through a common Ramirent Platform.

2 CUSTOMER FIRST – NextRamirent

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 provides tailored offerings and approaches for different customer segments with increased focus on sustainability, safety and quality.

To clarify Ramirent's ambition to offer a unique customer experience and to differentiate from competitors, Ramirent has launched an improvement agenda for the period 2014–2018 called NextRamirent. NextRamirent is about building upon Ramirent's strong culture with common goals and involving all employees to the strategy work. The aim is to strive for Ramirent to become a knowledge-based company, deploying five development areas. NextRamirent targets the company to become more competent, proactive, conscious, safe and green, as well as more efficient – in all of its operations.

3 ONE COMPANY – 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 a group-wide IT platform and shared support processes will assist in realising synergies and driving operational excellence.

Strong focus on cost efficiency is supported by improved price management and further centralising of the sourcing, as well as advantages created by scale and scope and commercial excellence in pricing practices. The Ramirent Platform will significantly increase efficiency through harmonising the company's operations, and it is an integral part of the activities that are expected to deliver a 300 bps EBITA margin improvement at Group level, from 14% in 2012 to 17% by the end of 2016.

4 AGILITY IN MANAGING BUSINESS – THROUGH A DIVERSIFIED BUSINESS PORTFOLIO

Ramirent balances risks through a balanced portfolio of customers, products, competences and markets. To offset its dependency on the construction sector, we target to widen its customer base and thus, grow the share of non-construction dependent customer segments to 40% of the Group's net sales. In the end of 2014, the share of non-construction dependent customers was already 37%.

To fulfill the different needs of customers, Ramirent will have a broad portfolio of product and service offerings, where continuous innovation of progressive rental solutions is important. While our core market area in Europe is the Baltic Rim, we will also continue to develop our well-diversified geographic market presence.

STRATEGY IN ACTION: STRATEGY EXECUTION IN 2014

In 2014 the growth strategy returned into Ramirent's focus. Unfortunately, the challenging market conditions did not support us in reaching growth. Our top priority is sustainable profitable growth and by that measure, we are not satisfied with our 2014 results.

We continued strategic efforts to develop our unique service offering and enhance customer experience, as well as improve operational efficiency and agility. We also reviewed opportunities to expand our footprint into new customer segments to balance our portfolio further.

One of our focus points in 2014 was developing an even more customer oriented sales approach. The equipment rental business is in transformation, and in order to respond to the two evolving business models, rental over-the-counter and offering of integrated solutions, we defined two sales teams with different approaches. The implementation of the new sales organisation started in our countries in 2014 and ramp-up of the new solution sales structure will continue in 2015. The sales teams' sharpened focus on the right value drivers will support our proactivity as well as Ramirent in striving for higher levels of profitability and the EBITA margin target of 17% group.

Agility to Ramirent's business is reached through a balanced business portfolio. Efforts to widen the customer base continued, and we are close to the target of the non-construction dependent customers representing 40% of Ramirent's total net sales.

In 2014 we announced the formation of a ground-breaking joint venture Fehrmanbelt Solutions Services A/S, in preparation for serving the cross-border Fehmarnbelt tunnel construction project between Germany and Denmark together with German-based Zeppelin Rental.

In March 2014, we acquired the telehandler business from Kurko-Koponen companies, whereby we complemented our product range and also extended our offering to providing telehandler operator services. Thanks to this transaction, Ramirent now has the widest telehandler service offering on the Finnish market.

A majority stake in Safety Solutions Jonsereds was acquired in April – this was an acquisition to support our strategic focus on safety. The acquisition of the weather shelter and scaffolding division Dry Construction Concept from NSS Group reinforced our capabilities in the weather protection.

During the year, several new agreements were signed and existing ones renewed. New agreements included a three-year agreement with Skanska's machinery department in Sweden. According to the agreement Ramirent will be preferred equipment rental partner to Skanska Maskin AB. We renewed the nationwide cooperation agreement with Veidekke in Norway.

As a natural continuation for a long-term cooperation, the Finnish construction company Hartela outsourced their tower-cranes fleet to Ramirent and signed a five-year rental agreement in Finland covering Ramirent's entire assortment. We also strengthened our capability in developing services for the industrial segment as Empower outsourced significant parts of its equipment fleet to Ramirent and signed a five-year co-operation agreement with Ramirent Finland.

With regard to our operational efficiency and the One company approach, we continued to implement the Ramirent Platform. In this strategic priority area, our focus will be also in the next coming years on finalising the uniform operating model, developing our performance culture and continuing to harmonise our organisational structures.

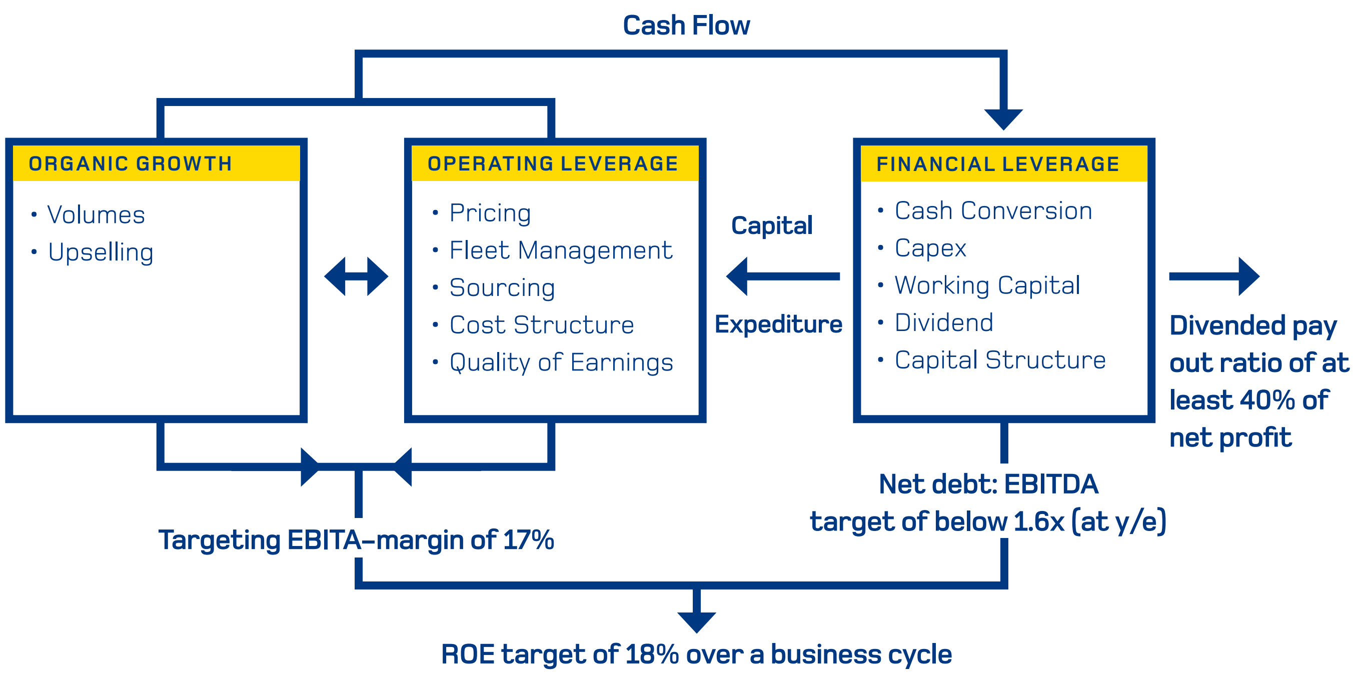
RAMIRENT'S FINANCIAL TARGETS

Ramirent has stated long-term financial targets, described in the table below. In order to maintain and strengthen the competitiveness and to enable the company to reach its long-term targets, Ramirent started an efficiency program in 2013. Implementation of the efficiency program continued throughout the year 2014.

TARGET	YEAR 2014 (2013)
Profit generation	
Return on equity (ROE) of 18% over a business cycle	9.4% (14.7%)
Leverage and risk	
Net debt to EBITDA below 1.6x at the end of each fiscal year	1.4x (1.1x)
Dividend	
Dividend payout ratio of at least 40% of net profit	132.0% (73.7%)

RAMIRENT FINANCIAL BUSINESS MODEL

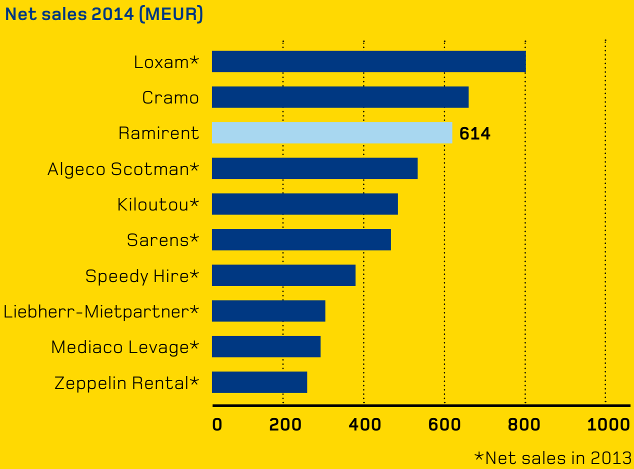
Ramirent's financial business model shows how we pursue our financial targets. Three complimentary levers – organic growth, operating leverage and financial leverage – drive Ramirent's value creation.



OPERATING ENVIROMENT

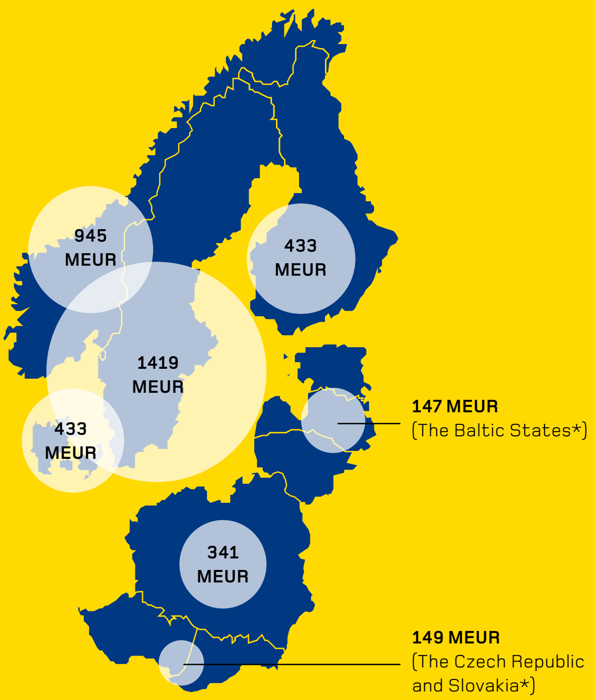
In 2014, the Ramirent market picture continued to be mixed. Increased geopolitical and macroeconomic uncertainty hampered activities in several of Ramirent's markets. However, demand for equipment rental remained stable from public sector construction and infrastructure as well as energy sector projects.

LARGEST EQUIPMENT RENTAL COMPANIES IN EUROPE



Source: Companies financial statements

EQUIPMENT RENTAL MARKET SIZES 2014 (EUR MILLION)



Source: ERA 11/2014 and company estimates

The equipment rental industry in which Ramirent operates is strongly influenced by the overall development of the construction industry. In 2014, construction industry represented 63% (64%) of Ramirent's net sales by customer sector. While construction is Ramirent's main customer sector, Ramirent seeks to balance the risk level of its business by increasing the non-construction dependent sales close to 40% of total net sales. At the end of 2014, non-construction dependent industry sectors represented 37% (36%) of Ramirent's net sales.

Ramirent focuses on the Baltic Rim with operations in the Nordic countries (Finland, Sweden, Norway, Denmark), in Central Europe (Poland, the Czech Republic and Slovakia) and Eastern Europe (the Baltic States as well as Russia and Ukraine through joint venture company, Fortrent). Ramirent is the market leader in seven of the ten countries where it operates and the third largest equipment rental company in Europe.

Ramirent's business portfolio is balanced between the more mature markets in the Nordic countries and emerging markets such as Central and Eastern Europe, which hedges the company against changes in individual markets. Ramirent strives to reduce business risk of being overly dependent on any sector by seeking new customers outside construction sector.

MIXED EXPECTATIONS IN EQUIPMENT RENTAL MARKET

The total equipment rental market size of the countries where Ramirent operates, excluding Fortrent operations, is nearly EUR 3.9 billion with Sweden accounting for over third of the total market.

The average equipment rental penetration in the construction industry in Europe is at the level of

1.50% counted as rental volume divided by total construction volume. In the Nordic countries, rental penetration is highest in Sweden followed by Norway, Denmark and Finland. In Central and Eastern Europe, equipment rental markets are still developing and thus, offering substantial growth possibilities.

In 2014, European rental companies were cautious with their investment policies and with the expansion of their fleet. Capacity utilisation rates and prices remained relatively stable. Residential and infrastructure construction continued as the main equipment rental market growth drivers in Sweden. In Finland, market demand remained weak in the construction sector as well as among industrial customers. In Norway, modest demand for equipment rental continued from residential construction. In Denmark, demand was supported by construction in the capital city region and demand from the public sector. Growth in renovation supported market situation in all Nordic countries.

According to estimates by the European Rental Association published in November 2014, the equipment rental market is expected to grow moderately in 2015 in most of Ramirent's key markets. However, as geopolitical uncertainty increased towards year-end, Ramirent expects the market picture for 2015 to remain mixed with challenging market conditions in especially Finland and Norway.

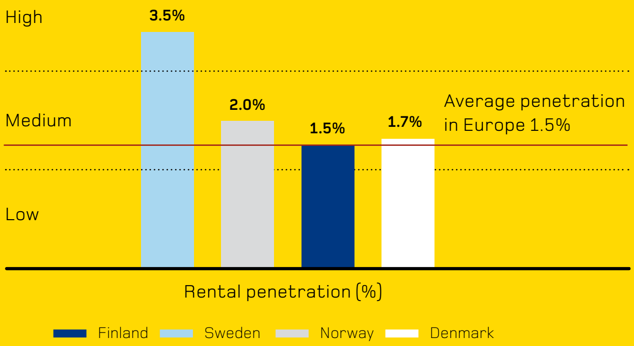
In the long term, rental penetration in Europe is expected to increase as construction and industrial companies recognise the advantages of renting. An important growth driver is equipment outsourcing which offers companies improved flexibility and cost efficiency in challenging economic conditions.

In general, the development of industrial confidence has been somewhat mixed in Ramirent's markets within the past year. Sweden and Europe Central have been showing the most positive development, whereas the confidence has been decreasing in Denmark, Norway and Finland.

CONSTRUCTION INDUSTRY'S SUBSECTORS DIFFER IN CYCLICALITY

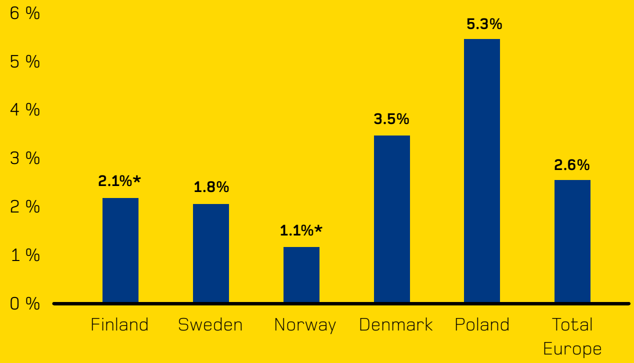
The construction industry is exposed to cyclical fluctuations. Individual subsectors do not, however,

EQUIPMENT RENTAL PENETRATION IN THE NORDIC COUNTRIES IN 2014 (%)



Source: ERA 11/2014; Rental Turnover / Total construction output

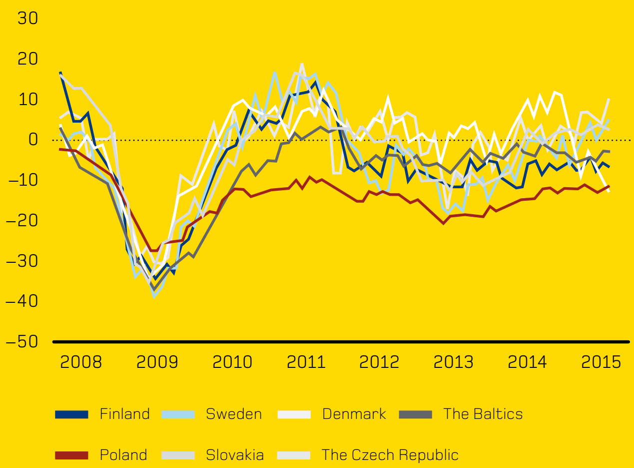
EQUIPMENT RENTAL MARKET GROWTH 2015E (%)



* As geopolitical uncertainty increased towards year-end 2014, Ramirent expects the market picture for 2015 to remain mixed with challenging market conditions in especially Finland and Norway.

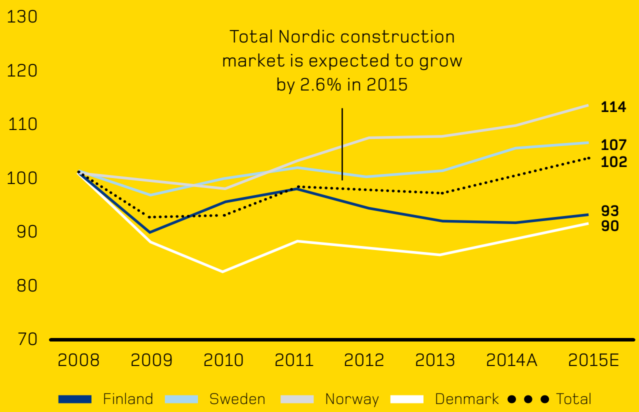
Source: ERA 11/2014

INDUSTRIAL CONFIDENCE INDICATOR IN EU-COUNTRIES (INDEX)



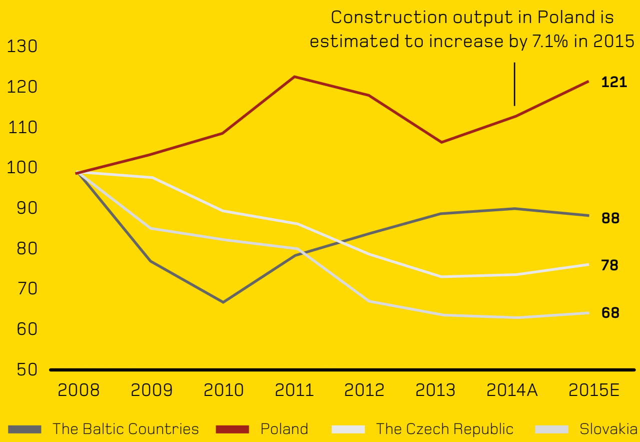
Source: European Commission 12/2014, Norway not included as not EU-country

CONSTRUCTION OUTPUT IN THE NORDIC COUNTRIES (INDEX)



Source: Euroconstruct 11/2014

CONSTRUCTION OUTPUT IN THE BALTIC COUNTRIES AND EUROPE CENTRAL COUNTRIES (INDEX)



Source: Euroconstruct 11/2014

show similar trends simultaneously, but have different growth patterns. In addition, there are differences between various geographical markets.

Construction industry's subsectors are residential construction, non-residential construction, renovation and infrastructure construction. Main customer sectors for Ramirent are residential construction and non-residential construction as well as renovation.

In 2014, the market situation in the construction sector varied depending on country. Geopolitical uncertainty decreased demand for rental equipment in construction in several of Ramirent's markets. Increased macroeconomic uncertainty hampered activity levels especially in the Finnish and Norwegian construction sector.

Residential construction increased considerably in Sweden during 2014, while it slowed down in Finland and Norway. In Denmark, demand for residential construction improved somewhat, though from very low levels. Market activity in non-residential construction was stable in Sweden, recovered in Denmark but declined in Finland and Norway. Renovation continued to increase in all Nordic countries. Infrastructure construction grew especially in Norway and Denmark, fuelled by new government road and railway projects.

The construction market in the Baltic countries remained stable in 2014, supported by healthy activity in building construction. In Russia, high political uncertainty, declining oil price and weakening of the rouble have affected construction activity negatively. In Ukraine, the crisis has slowed down the construction market considerably and many construction sites are frozen.

In Poland, market activity picked up supported by increasing residential and infrastructure construction. In the Czech Republic, demand started to pick up in non-residential and infrastructure construction, whereas residential construction is still declining. In Slovakia, construction activity started to pick up towards the end of the year.

According to recent Euroconstruct estimates, construction output is expected to grow by a moderate 2.6% in 2015 in the Nordics and decrease slightly in the Baltics. Construction in Poland is estimated to see a healthy 7.1% increase.

RENOVATION CONSTRUCTION EXCEEDS NEW BUILDING CONSTRUCTION

Renovation is an important construction sub-sector for Ramirent in all geographical areas. In the Nordic market, the share of renovation construction of total building construction is already higher than the share of new building construction. According to a Euroconstruct report published in November 2014, renovation accounts for 57% of the total Nordic building construction market, while the share of new building construction is 43%. Renovation tends to be counter-cyclical, compensating to some extent decline of new construction during downturns.

Large ageing building stock, need to improve energy efficiency and space use, as well as numerous moisture and mould damages support the demand for renovations. Based on Euroconstruct estimates, renovation construction is expected to increase by approximately 2% in 2015 in Ramirent's main markets. A growing number of damages caused by flooding and other natural disasters have increased demand for renovation construction especially in Norway and Denmark.

INDUSTRIAL OPERATIONS BALANCE THE BUSINESS PORTFOLIO

Ramirent has one of the widest industrial customer sector portfolios in the equipment rental industry in Europe. Depending on the country, Ramirent's relevant industrial customers and other customer sectors include manufacturing, mining, shipbuilding, energy and utilities, oil and gas, pulp and paper, retail and services as well as public sector and households. In contrast to the construction business, which is strongly dependent on cyclical fluctuations as well as politic and other macroeconomic factors, demand for rental equipment in industrial operations is stable, as it is driven by regular maintenance breaks, overhauls and ongoing maintenance service.

When compared to Ramirent's other operating countries, Finland and Norway have a larger exposure to industry sectors outside the construction industry.

In Europe Central and East, the share of construction related business is still dominant.

GROWTH POTENTIAL IN SEVERAL INDUSTRY SECTORS

Ramirent has identified several industrial growth pockets that offer special growth potential to the company, such as energy, oil and gas and the public sector. Expansion of wind power parks and related infrastructure create long-term growth prospects especially in Finland, Sweden, Denmark and Poland. Furthermore, constructions of completely new energy production plants create growth opportunities. Typically, rental penetration in the energy sector is at low level.

The rental market related to the oil and gas sector is still immature. Ramirent is one of the pioneers of the rental equipment industry serving the sector. In 2014, as a result of rapid decline in oil price, oil and gas companies became more hesitant regarding new investments. Norway is Ramirent's key market for equipment rental solutions in oil and gas related projects. Outside of Norway the company principally targets oil production plants, oil refineries and shale gas projects in Poland and the Baltic countries. Compared to the construction business, the oil and gas sector offers more visibility due to the long-term nature of projects mainly in customer's existing facilities.

Also the public sector offers several growth opportunities for Ramirent. Rental demand is driven by demand of temporary space, ongoing maintenance and facility maintenance. Usage of rental equipment is slowly increasing in the public sector. Especially temporary spaces are needed in connection with construction and renovation of hospitals, schools and care homes.

ENERGY INVESTMENTS SUPPORTED DEMAND IN 2014

In general, industrial activity remained stable in the Nordic countries in 2014. Demand in the oil and gas sector in Norway remained stable during the year, even though customers became more cautious towards the end of the year. In Finland, market demand remained weak among industrial customers due to overall increased geopolitical and macroeconomic uncertainty. In Denmark, demand for equipment rental in the industrial sector remained stable.

In the Baltic States, industrial activity was favourable throughout the year, supported by high activity in energy sector related projects. The market situation remains challenging in Russia and Ukraine. In Poland, activity in industrial sector recovered in 2014. Ramirent made new inroads to the power plant and shale gas industry sectors with several projects and is well-positioned for serving new planned energy projects. It is estimated that shale gas, a natural gas found in shale rocks, would cover 7% of the world's natural gas production by 2030.

RAMIRENT'S KEY MARKET GROWTH DRIVERS

Six key growth drivers support equipment rental business both in the short and in the long term.

1 RENTAL PENETRATION

- In the long term, rental penetration is expected to increase steadily in Europe as users recognise the advantages of renting.
- Construction companies aim to focus on their core businesses and lighten their balance sheets. In particular in downturns, companies are looking for ways to be more efficient and release capital from their balance sheets by outsourcing their machinery fleets to rental companies.
- Times of high activity and potential cyclical recovery may increase customers' need to rent due to the high utilisation of their own fleets.
- In the Nordic countries, rental penetration is highest in Sweden followed by Norway, Denmark and Finland. In Central and Eastern Europe, equipment rental markets are still developing and offering substantial growth possibilities. Rental is developing into two complementary business models reflecting different customer needs: rental over the counter and rental of solutions. Ramirent has the opportunity to leverage on its know-how of both business models and has redefined its sales approach to better cater for the specific customer needs.

2 EQUIPMENT OUTSOURCING

- Construction companies increasingly outsource their non-core activities to release capital, improve flexibility and reduce fixed costs.
- Industrial companies seek to divest their non-core machinery operations.
- Ramirent has a strong track record in taking over customers in-house machinery operations and tailoring a rental agreement optimised to the customers' business needs.

3 INTEGRATED SOLUTIONS

- Customers are increasingly interested in giving a broader rental-related responsibility to rental companies in their projects. This is driven by increasing requirements for on-time fleet delivery, maintenance and operations.
- Industrial customers have special needs related to health and safety, eco-efficiency, 24/7 service, just-in- time deliveries, dedicated technical specialists and on-site temporary outlets.
- 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 with over 14,000 rental companies operating in Europe. Largest top 3 players hold less than 10% market share in the overall European equipment rental market.
- In Ramirent's main markets, there are only 2–3 nationwide players with high market shares, and a large number of small specialised companies focusing on specific product groups or geographical areas.
- Ramirent has a proven track record of growth through acquisitions. The company's strong financial position and leading market position in all of its operating countries enable Ramirent to play an active role in market consolidation, also in the future, while maintaining its strong financial position.

5 NEW CUSTOMER SEGMENTS

- Rental penetration and market maturity in customers segments like energy, oil and gas as well as public sector varies.
- Emergence of equipment rental in these new customer segments offers opportunities for accelerated growth and is likely to balance Ramirent's business portfolio further.
- Demand for rental equipment especially in the industrial sectors is driven by maintenance breaks, overhauls and ongoing maintenance.

6 NEW GEOGRAPHIES

- There is long-term growth potential in construction volumes per capita in Ramirent's Central and Eastern European markets when compared to the more mature markets in the Nordic countries. This indicates long-term growth potential also for the equipment rental sector in these markets.
- Ramirent is also viewing additional strategic opportunities in Continental Europe either in the current markets or in new geographies.

OUR OFFERING AND IMPACT ON THE MARKET

Ramirent is simply more than machines. We simplify business for our customers by delivering Dynamic Rental Solutions™.

Our offer ranges from single equipment to high quality services to comprehensive rental solutions that enhance your productivity.

Our expertise lies in customising the solution to your particular needs freeing up time for your core business.

CUSTOMER BENEFITS

EQUIPMENT

HEAVY EQUIPMENT
ACCESS EQUIPMENT
- Lifts, hoists, scaffolding, tower cranes

MODULES AND SITE EQUIPMENT
LIGHT EQUIPMENT
- Tools, power and heating equipment

BENEFITS
Lighter balance sheets, less investments

SERVICES

PLANNING
ON-SITE SERVICES
LOGISTICS
MERCHANDISE SALE
RENTAL INSURANCE
TRAINING

BENEFITS
More uptime in core operations due to less downtime in equipment,less maintenance costs, right choice of equipment improves efficiency, less product liability risk

RENTAL BUSINESS AND SECTOR KNOWLEDGE

CONSTRUCTION
MINING
PAPER
POWER GENERATION
OIL & GAS
SHIPYARDS
RETAIL & SERVICE
PUBLIC SECTOR
HOUSEHOLDS

BENEFITS
Understanding client requirements helps to customise product selection and further improve productivity

INTEGRATED SOLUTIONS

SPACESOLVE
ACCESSSOLVE
POWERSOLVE
CLIMATESOLVE
SAFESOLVE
ECOSOLVE
TOTALSOLVE

BENEFITS
Easy to buy, reduced number of subcontractors, increased focus on the core business

INTEGRATED RENTAL SOLUTIONS

ADJUSTABLE WEATHER PROTECTION SAVES COSTS AND SPACE

SOLUTION

Reponen Ltd set out to construct Europe's largest wooden apartment building with a customised Ramirent ClimateSolve™ solution.

BENEFITS

1. Dry and safe worksite enables continuous work
2. Structure can be raised as work progresses

Thanks to our skilled employees, our customers and users benefit from reliable equipment and safe operations throughout their projects.

OPTIMISING LOGISTICS IMPROVED SECURITY AND COST-EFFICIENCY

SOLUTION

Ramirent TotalSolve™ solution was customised for **Veidekke Bostad AB's** construction project of exclusive apartments in challenging surroundings in Stockholm.

BENEFITS

1. High security on site
2. Optimised logistics gives cost-efficiency
3. Better logistics ensured reduced impact on surroundings

SMART ACCESS CONTROL TO CONSTRUCTION SITES

SOLUTION

Construction company **NCC** chose RamiSmart solution to comply with Finnish legislation obligating construction companies to identify and report all construction workers on each site.

BENEFITS

1. Legislative reporting requirements met automatically
2. Site introduction data of construction workers can be linked automatically with the personnel data improving site occupational safety
3. Cumulative working time data can be used in controlling and payroll computation

SAFE VERTICAL ACCESS FOR COMPLEX MODERNISATION WORK

SOLUTION

Ramirent provided **Polimex SA** with flexible services, engineering designs and vertical access solution for the modernisation of PKN Orlen plant in Płock, Poland.

BENEFITS

1. Customer could focus on core operations
2. State-of-the-art scaffolding enabled safety

SEGMENT AND MARKET POSITION | **HIGHLIGHTS IN 2014**

Market position: #1

- Net sales were supported by acquisitions and improved sales management throughout the country
- Lower net sales from regions West and North was offset by more favourable rental activity in regions South and Central
- Ramirent adjusted its cost base to prevailing market conditions through temporary lay-offs in all operations and by closing eight customer centres, mainly in central and eastern parts of Finland

RENTAL PENETRATION
1.5% (MEDIUM)

COMPETITIVE LANDSCAPE
- Two nationwide companies and many local and specialist operators

MARKET OUTLOOK FOR 2015
Construction output: +1.5%
Equipment rental market: +2.1%

Ramirent expects market conditions in the equipment rental market to be challenging in Finland in 2015.

Market position: #2

- Demand for equipment rental in the construction sector improved gradually during the year after a slow start to the year
- Healthy demand in residential and infrastructure sectors supported the rental activity level especially in the capital city region
- During the year, Ramirent carried out several actions to reduce its fixed cost base in the Swedish operations
- Acquisition of a majority stake in the copmpany Safety Solutions Jonsereds strengthened capabilities in the area of safety
- Acquisition of the company DCC, a Nordic provider of weather shelter solutions and scaffolding

RENTAL PENETRATION
3.5% (HIGH)

COMPETITIVE LANDSCAPE
- Two nationwide companies and many local and specialist operators
- Also strong medium sized players in the market

MARKET OUTLOOK FOR 2015
Construction output: +1.3%
Equipment rental market: +1.8%

The demand for equipment rental is expected to improve in Sweden supported by increasing activity in all construction sectors in 2015.

Market position: #1

- Net sales were affected by modest demand from residential construction especially in large cities
- High activity within infrastructure construction supported demand throughout the year
- The rapid decline in oil prices led to cautiousness in new investments in the Norwegian oil and gas sector and wider economy
- Profitability was hampered by lower demand, pricing pressure and restructuring costs

RENTAL PENETRATION
2.0% (MEDIUM)

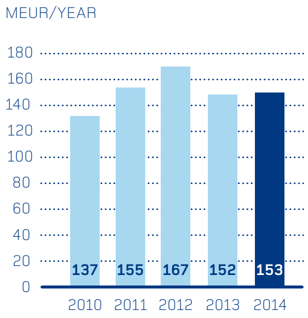
COMPETITIVE LANDSCAPE
- Two strong companies with number of local and specialist operators

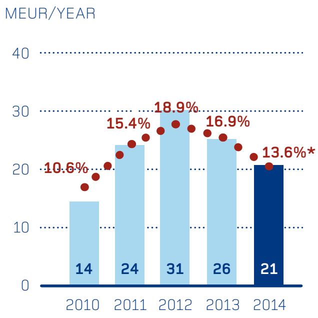
MARKET OUTLOOK FOR 2015
Construction output: +3.9%
Equipment rental market: +1.1%

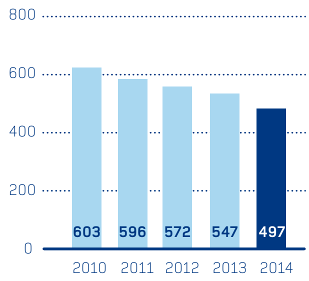
Ramirent expects market conditions to be challenging in Norway in 2015 due to increased macroeconomic uncertainty combined with rapid decline in oil prices.

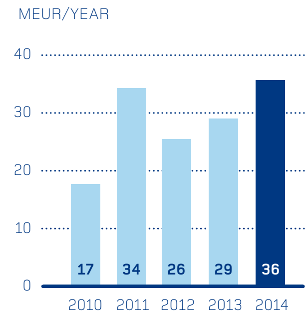
Sources: Euroconstruct 11/2014, ERA 11/2014

NET SALES	EBITA & EBITA MARGIN	PERSONNEL	CAPITAL EXPENDITURE

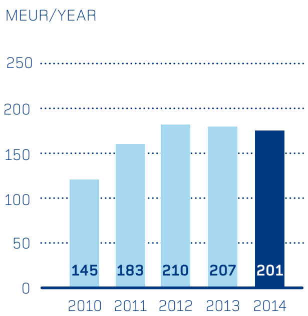


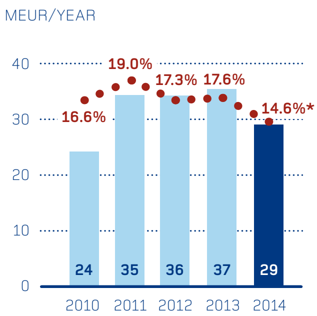


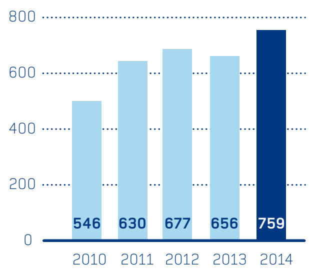


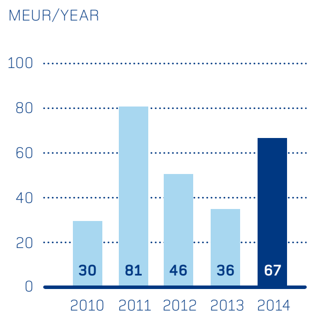


* EBITA excluding non-recurring items was EUR 22.3 million or 14.6% in January–December 2014. The non-recurring items included EUR 1.5 million of restructuring costs and asset write-downs booked in the fourth quarter of 2014.

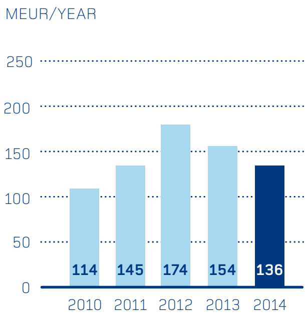


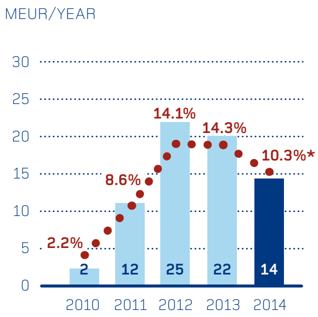


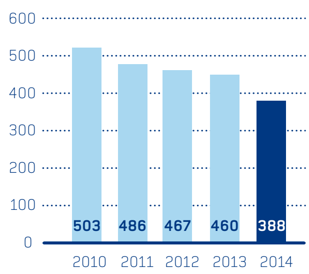


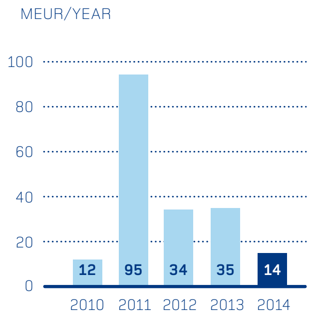


* EBITA excluding non-recurring items was EUR 30.1 million or 14.9% of net sales in January–December 2014. The non-recurring items included EUR 0.7 million restructuring costs booked in the fourth quarter of 2014.









* EBITA excluding non-recurring items was EUR 16.2 million or 11.9% of net sales in January–December 2014 The non-recurring items included EUR 2.2 million of restructuring costs booked in the second half of the 2014.

SEGMENT AND MARKET POSITION | **HIGHLIGHTS IN 2014**

Market position: #1

- Net sales were affected by restructuring measures implemented to restore profitability
- Market conditions in the equipment rental market recovered slightly during the year mainly due to improving activity within infrastructure construction and in the public sector projects
- A tough competitive environment led to further pressure on the price level in the equipment rental market
- Further integration of back-office operations with Sweden continued

RENTAL PENETRATION

1.7% (MEDIUM)

COMPETITIVE LANDSCAPE

- Highly fragmented market with around 300 local and specialist operators
- Three large players in the market

MARKET OUTLOOK FOR 2015

Construction output: +2.9%
Equipment rental market: +3.5%

The Danish equipment rental market is expected to continue its recovery in 2015.

Market position:
The Baltics #2
Russia #1 (through Fortrent Joint Venture)
Major player in Ukraine (Fortrent)

- In the Baltics, demand for equipment rental was fuelled by many power plant projects and increased activity in the building construction sector
- Profitability improved in Baltics mainly due to higher net sales and improved operational efficiency in all operations
- Due to the prolonged Ukrainian crisis, high political and macroeconomic uncertainty continued in Fortrent markets in Russia and Ukraine

RENTAL PENETRATION

LOW

COMPETITIVE LANDSCAPE

The Baltics: Two strong companies with number of national and local specialist operators
Russia and Ukraine: No nationwide players, only a few international equipment rental companies Ukraine: Highly fragmented market

MARKET OUTLOOK FOR 2015

Construction output: Estonia: -4.0%, Latvia:-4.0%, Lithuania:+1.0%, Russia: -2.0%, Ukraine: n/a

Overall demand in the Baltic equipment rental market is expected to remain fairly stable in 2015. Due to the prolonged Ukrainian crisis and rapid decline in oil prices, the demand for equipment rental in Russia is expected to be modest in 2015.

Market position:
Poland #1
Slovakia #1
Czech Republic #2

- In Poland, demand for equipment rental started to recover in the construction sector especially among small and medium sized customers
- Profitability improved in the Czech and Slovakian operations due to sales growth and higher fleet utilisation especially in the second half of the year
- Cost saving actions implemented in the previous year supported the profitability in all Europe Central countries

RENTAL PENETRATION

0.5% in Poland (LOW)

COMPETITIVE LANDSCAPE

- Fragmented market with international and local equipment rental companies”

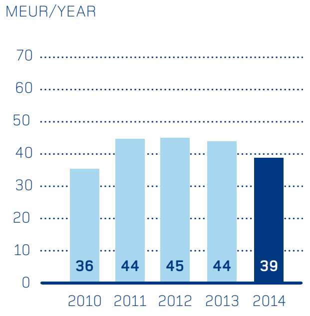
MARKET OUTLOOK FOR 2015

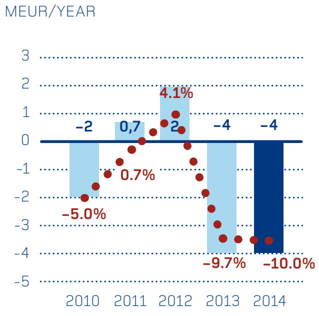
Construction output: Poland: 7.1%, The Czech Republic: 2.5%, Slovakia: 1.8%
Equipment rental market: Poland: 5.3%

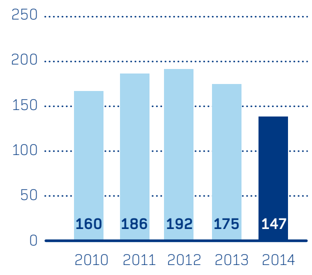
Overall demand for equipment rental is expected to improve in 2015 in Europe Central markets.

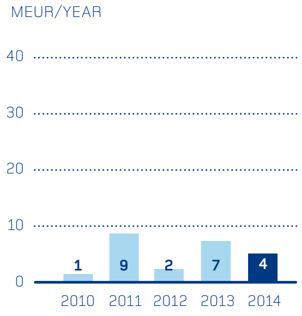
Sources: Euroconstruct 11/2014, ERA 11/2014

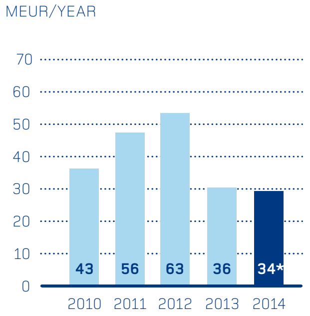
NET SALES	EBITA & EBITA MARGIN	PERSONNEL	CAPITAL EXPENDITURE

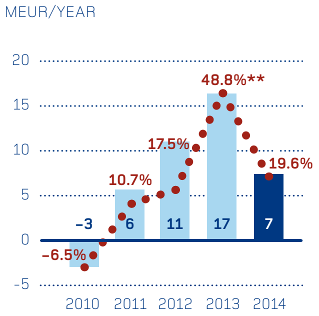


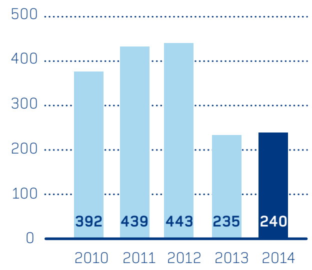


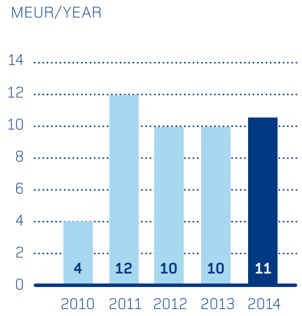






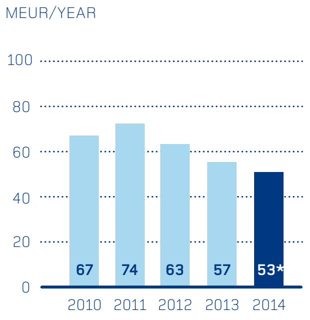


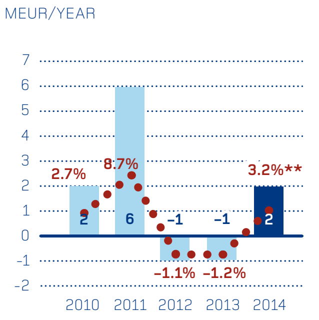


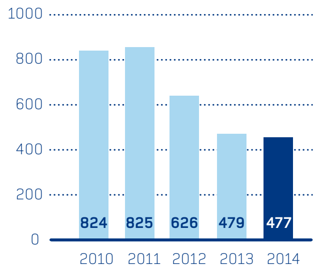


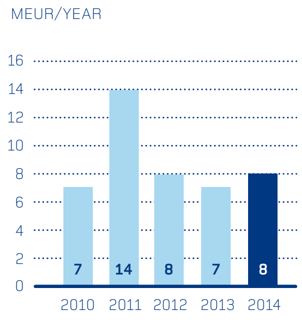
* Adjusted for the transfer of the Russian and Ukrainian operations to Fortrent Group as of 1 March 2013, the increase in net sales January-December 2014 was 9.5%.

** EBITA excluding non–recurring items and EBITA from Russia and Ukraine was EUR 6.0 million or 19.3% of net sales in January–December 2013. The non–recurring items included the non–taxable capital gain of EUR 10.1 million from the formation of Fortrent recorded in the first quarter of 2013.









* Adjusted for the divestment of the Hungarian operations in 2013, the increase in net sales January-December 2014 was 1.2%.

** EBITA excluding non–recurring items was EUR 2.8 million or 5.3% of net sales in January–December 2014. The non–recurring items included EUR 1.1 million of restructuring costs and asset write-downs booked in the fourth quarter of 2014.

RAMIRENT PLC'S CORPORATE GOVERNANCE STATEMENT 2014

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 and auditors as well as eventual Board proposals. At the AGM the 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 eight 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.

The following eight ordinary members were elected to the current Board of Directors at the AGM 2014:

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.

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.

Ulf Lundahl, member of the Board, (born 1952), Master of law and Bachelor in Business, Swedish citizen, independent of the Company and of significant shareholders.

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.), 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, CEO of Almedahls Group, independent of the Company and of significant shareholders.

Mats O Paulsson, member of the Board, (born 1958), M.Sc. (Eng.), Swedish citizen, independent of the Company and of significant shareholders.

The term of the current Board members will expire at the end of AGM 2015.

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 2014, the Board had 9 meetings. The percentage for participation was 96%.

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 2014 Ulf Lundahl 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. All of the Working Committee members are independent of the Company and Ulf Lundahl is also independent 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 2014, the Working Committee had 3 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, Sweden at BE Group 2008; SVP, Cramo Oyj 2006-2008; MD, Cramo Scandinavia, 1998-2006; MD, BT Hyrsystem AB and Service Market Manager, BT Svenska AB, 1989-1998.

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 1,428,000 SEK per annum.

The Managing Director's contract time may be terminated with twelve months notice by either the Managing Director or the Company. If the Company terminates the agreement, the Managing Director shall receive additional discharge compensation equal to one year's annual base salary.

GROUP MANAGEMENT 2014

In 2014, the Group Management structure consists of the Executive Management Team (EMT) and four Senior Vice Presidents who report to a member of the EMT.

EXECUTIVE MANAGEMENT TEAM

The CEO and other members designated by the Board form Ramirent EMT. The EMT assists the CEO in preparation of matters such as business plans, strategies, Ramirent policies and other matters of joint importance within Ramirent as requested by the CEO. EMT will convene when called by the CEO. On 31 December 2014 the EMT consisted of the following six members reporting to the Group President and CEO.

Magnus Rosén, Group President and CEO

Erik Alteryd, Executive Vice President, Sweden and Denmark

Anna Hyvönen, Executive Vice President, Finland and Baltics

Mikael Kämpe, Executive Vice President, Europe Central

Dino Leistenschneider, Executive Vice President, Sourcing and Fleet Management

Jonas Söderkvist, Group CFO and Executive Vice President, Corporate Functions

THE GROUP MANAGEMENT TEAM

The Group Management Team (GMT) includes, in addition to the EMT members, four members. On 31 December 2014 the GMT included, in addition to the EMT, the following members who report to a member of the EMT:

Peggy Hansson, Senior Vice President, Human Resources, Health and Safety

Franciska Janzon, Senior Vice President, Marketing, Communications and IR

Mats Munkhammar, Senior Vice President and CIO

Heiki Onton, Senior Vice President, Baltics

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

Internal control is a process, put into effect by Ramirent's Board of Directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to strategy, operations, reporting and compliance.

Risk management is an 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 the business. Risk assessment is conducted as a part of the 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. Indicators to follow are set and measures to be taken if the risks materialize are described in an action plan drafted during the assessment of risks.

The objectives of the internal control and risk management systems for financial reporting are to ensure that the financial reports disclosed by Ramirent gives essentially correct information about the company finances, are reliable and that Ramirent complies with the applicable laws, regulations, International Financial Reporting Standards (IFRS) as adopted by EU 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 2013) 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 for financial reporting and sets the tone at the top. 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. The 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 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 focuses on developing and enhancing internal control over the financial reporting by concentrating on the internal control environment and by monitoring the effectiveness of the internal control. All relevant issues are reported to the Working Committee and the CEO.

Ramirent's operating model is decentralized 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. Accounting functions in the countries are independent with direct reporting lines to the Group head office. Internal control at the country level is the responsibility of the Country Manager in accordance with the Group framework.

Ramirent's financial reporting process is integrated and serves both external and internal reporting purposes. Ramirent prepares consolidated financial statements and interim reports in accordance with the 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 the 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 regularly to the Board.

CONTROL ACTIVITIES

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

Common control points for Ramirent business units are defined for the key process and sets forth minimum requirements for each process. Examples of such internal control activities are authorizations 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 financial 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.

Ramirent has an internal audit function which objective is to provide assurance and to support management in development of operational efficiency. The scope and program of the internal audit function is reviewed related to the changes in the strategic objectives of Ramirent Group, changes in assessed risks and findings from previous audits.

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 Procedure and Disclosure Policy, reporting timetables etc are available on Ramirent's intranet. Ramirent arranges training for personnel regarding internal control tools. Internal audit reports the results of the work on internal audit as a standing item on the agenda of the Working Committee's meetings. The Working Committee reports to the Board as needed.

Ramirent has established a procedure for anonymous reporting of violations related to fraud, misconduct or internal controls and auditing.

MONITORING

Ramirent is constantly monitoring effectiveness of its internal controls. The 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.

Financial performance is monitored at all levels of the organization as a combination of variance analysis, benchmarking and management reviews. Ramirent is constantly developing harmonized reporting tools and processes to allow higher transparency and better comparability between business units.

COMPLIANCE WITH LAWS AND CODE OF ETHICS

Ramirent is committed 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 company values describe Ramirent's corporate culture. Each and every Ramirent employee has to be familiar with the principles of the Ramirent's Code of Ethics, company values, the legislation and operating guidelines of their own areas of responsibility. Management is responsible for the internal control of the operations.

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 and is performed by an external service provider. Internal audit reports directly to the Working Committee and 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.

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 on 26 March 2014 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 26 March 2014. 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.

RAMIRENT REMUNERATION STATEMENT 2014

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 2014 decided to keep the remunerations unchanged, and they 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:

(EUR 1,000)	2014	2013
Appleton, Kevin	33,0	40,0
Bergh, Kaj-Gustaf	35,0	37,0
Ek, Johan	11,0	35,0
Chairman Hofvenstam, Peter	51,0	54,0
Norvio, Erkki	34,0	35,0
Lundahl, Ulf	27,3	0,0
Paulsson, Mats O.	42,5	27,5
Vice Chairman Renlund, Susanna	41,7	45,6
Sølsnes, Gry Hege	34,0	35,0
Total	**309,5**	**309,1**

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 consist 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 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 Group Management Team 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 Economic Profit (EBIT) 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 2014, 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 40-55% of their annual base salary.

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 executives 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 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 was targeted at approximately 50 managers. The members of the Group Management Team were included in the target group of the incentive program. The Performance Share Program included one earning period, calendar years 2010–2012. The reward from the program for the earning period was 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 reward from the earning period 2010–2012 was paid in April 2013 partly in Company shares and partly in cash. The cash payment was intended to cover the personal taxes and tax–related costs arising from the reward. Based on the share issue authorisation granted by the AGM, the Board decided to convey 31,561 of the company's own shares, held by the company, without payment to the key persons of the Group as a settlement of the Performance Share Program 2010. The accrued cost for 2013 was EUR 0.1 million. In 2012 cost recognised earlier was reversed by EUR 0.8 million. The total cost accumulated during 2010–2013 was EUR 0.5 million.

LONG–TERM INCENTIVE PROGRAM 2011

The Performance Share Program for the years 2011–2013 was targeted at approximately 60 managers. The members of the Group Management Team were included in the target group of the incentive program. The Performance Share Program included one earning period, calendar years 2011–2013. The reward from the program for the earning period 2011–2013 was 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 reward was paid in April 2014 partly in Company shares and partly in cash. The cash payment was intended to cover the personal taxes and tax–related costs arising from the reward. No reward was to be paid to a manager, if his or her employment or service with the Group was ended before the reward payment. Based on the share issue authorisation granted by the AGM, the Board decided to convey 24,674 of the company's own shares, held by the company, without payment to the key persons of the Group as a settlement of the Performance Share Program 2011. In 2014 cost recognised earlier was reversed by EUR 0.2 million. The cost for 2013 was EUR 0.3 million. The total cost accumulated during 2011–2014 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 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 estimated reward realisation was revised in 2014 based on the financial performance of the Group. Thus the cost accrued in 2012—2013 was reversed in 2014 by EUR 0.5 million. The cost for 2013 was EUR 0.4 million. The total cost accumulated during 2012–2014 was EUR 0.3 million.

LONG–TERM INCENTIVE PROGRAM 2013

The share–based incentive program for the years 2013–2015 is targeted at approximately 50 managers of the company for the earning period 2013–2015. The members of the Group Management Team are included in the target group of the incentive program. The program includes matching shares and performance shares. The program includes one earning period, the calendar years 2013—2015. The potential reward from the program for the earning period 2013—2015 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 2013—2015 will be paid partly in the Company's shares and partly in cash in 2016. 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 2013—2015 will correspond to the value of up to 390,244 Ramirent Plc shares (including also the proportion to be paid in cash). The accrued cost for 2014 was EUR 0.1 million (in 2013 EUR 0.4 million). The total cost accumulated during 2013–2014 was EUR 0.5 million.

LONG–TERM INCENTIVE PROGRAM 2014

The share–based incentive program for the years 2014–2016 is targeted at approximately 60 executives of the company for the earning period 2014–2016. The members of the Executive Management Team and 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 2014—2016. The potential reward from the program for the earning period 2014—2016 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 2014—2016 will be paid partly in the Company's shares and partly in cash in 2017. 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 2014—2016 will correspond to the value of up to 360,000 Ramirent Plc shares (including also the proportion to be paid in cash). The accrued cost for 2014 was EUR 0.2 million.

REMUNERATION OF THE PRESIDENT AND CEO

CEO Magnus Rosén's annual base salary consists of EUR 203,016 and SEK 2,058,231 respectively. He has additionally a free car benefit as a fringe benefit.

In 2014, the total remuneration paid to Magnus Rosén consisting of fixed annual base salary and fringe benefits was EUR 438,770. In addition in 2014, Magnus Rosén received also a compensation based on settlement of the Long-term Incentive Program 2011 of EUR 75,095.

Magnus 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 1,428,000 per annum.

BOARD OF DIRECTORS

KEVIN APPLETON

B. 1960. B.A. British citizen. Board member since 2012. Deemed to be independent of the Company and of significant shareholders.

Ramirent shares Dec. 31, 2014: 1,199

Kevin Appleton works as Managing Director of Yusen Logistics (UK) Ltd.

Prior working experience: Executive Chairman of Travis Perkins PLC's General Merchanting Division; CEO in Lavendon Group PLC; Managing Director in Constructor Dexion; Managing Director & VP Europe at FedEx Logistics/ Caliber Logistics; and Marketing Manager and then Sales and Marketing Director in NFC Plc .

Director and Member of the Board of UK Freight Transport Association (FTA), Chairman of Horizon Platforms Ltd and Director of KCA Business Services Ltd.

KAJ-GUSTAF BERGH

B. 1955. B.Sc. (Econ.) and LL.M (Master of Laws). Finnish citizen. Ramirent Board member since 2004. Deemed independent of the Company and, in his role as Chairman of the board of Julius Tallberg Corp., dependent of significant shareholders.

Ramirent shares Dec. 31, 2014: 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 the Board of Stockmann Oyj Abp, Sponda Oyj and Oy Julius Tallberg Ab, Board member of Fiskars Corporation, Wärtsilä Oyj Abp and JM AB.

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, 2014: -

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 the Board of Exel Composites Plc and Bygghemma Intressenter AB, Member of the Board of Rostistella AB, Active Biotech AB, Bygghemma Sverige AB and Inredhemma Sverige AB.

ERKKI NORVIO

B. 1945. M.Sc. (Engineering) and B.Sc. (Econ.). Finnish citizen. Ramirent Board member since 1986. Deemed dependent of the Company, independent of significant shareholders. He is deemed to be dependent of the Company based on recommendation 15 b of the Finnish Corporate Governance Code.

Ramirent shares Dec. 31, 2014: 30,000

Prior working experience: Erkki Norvio was President and CEO of Ramirent Plc 1986 - 2005.

Board member of Intera Partners Ltd, NSSG Holding Oy, Consti Yhtiöt Oy and RGE Holding Oy.

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, 2014: 10,000 (holding of interest parties 12,207,229)

Prior working experience: Administration Manager of the Institute for Bioimmunotherapy, Helsinki Ltd. 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 and Vice Chairman of Oy Julius Tallberg Ab.

GRY HEGE SØLSNES

B. 1968.B. Sc. (Mgnt). Norwegian citizen. Board member since 2011. Deemed to be independent of the Company and to be independent of significant shareholders.

Ramirent shares Dec. 31, 2014: -

Gry Hege Sølsnes is CEO of Almedahls Group.

Prior working experience: Managing Director of Fristads Norge and Adolphe Lafont, Supply chain director of division of Kwintet Group, COO/ Head of Division of Kwintet Group, Independent advisor and consultant.

ULF LUNDAHL

B. 1952. Master of law and Bachelor in Business from University of Lund. Swedish citizen. Ramirent Board member since 2014. Member of Ramirent's Working Committee. Deemed to be independent of the Company and of significant shareholders.

Ramirent share Dec. 31, 2014: 5,000

Prior working experience: Executive Vice President and deputy CEO of L E Lundbergföretagen AB; CEO of Danske Securities; CEO Östgota Enskilda Bank; CEO of Nokia Data Sweden; Executive Vice President and Head of consumer banking of Götabanken; Strategy consultant of SIAR.

Chairman of the Board of Fidelio Capital AB and Board member of Holmen AB, Indutrade AB, Attendo Care Holding AB and Eltel AB.

MATS O PAULSSON

B. 1958 M.Sc. (Eng.) Swedish citizen. Board member since 2013. Deemed to be independent of the Company and of significant shareholders.

Ramirent shares Dec. 31, 2014: 10,000

Prior working experience: CEO of Bravida, CEO of Scandinavian Division, Strabag Group, holder of leading positions at Peab Group as Deputy CEO and CEO of Peab Industry AB, owner of Peab's rental company Lambertsson.

Board member of Acando AB and GDL Transport AB.

GROUP MANAGEMENT TEAM

Ramirent's Group Management team consists of the Executive Team (EMT) and Senior Vice Presidents who report to a member of the EMT. On 14 April, Erik Høi, Senior Vice President of Ramirent Denmark and member of the Group Management Team resigned by mutual agreement from his position. On 14 August, Bjørn Larsen, Executive Vice President of Ramirent Norway and member of the Group Management Team, decided to leave his position by mutual agreement. On 3 December, Øyvind Emblem, was appointed as Senior Vice president of the Ramirent's Norway segment and Managing Director of Ramirent AS as well as member of the Group Management Team as of 23 January 2015.

EXECUTIVE MANAGEMENT TEAM

MAGNUS ROSÉN

B. 1962. President and CEO. Swedish citizen, M.Sc. (Econ), MBA. Employed since 2009.

Ramirent shares Dec. 31, 2014: 31,322

Prior working experience: MD, Business Area, Sweden at BE Group 2008; SVP, Cramo Oyj 2006-2008; MD, Cramo Scandinavia, 1998-2005; MD, BT Hyrsystem AB and Service Market Manager, BT Svenska AB, 1989-1998.

Positions of trust: Board member of the European Rental Association, ERA and Llentab AB.

JONAS SÖDERKVIST

B. 1978. Chief Financial Officer and EVP Corporate Functions. Swedish citizen, M.Sc. (Eng.), M.Sc. (Econ.). Employed since 2009.

Ramirent shares Dec. 31, 2014: 13,809

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.

Positions of trust: Board member of Fortrent Group.

ANNA HYVÖNEN

B. 1968, EVP, North Central Europe since 23 January 2015. Finnish citizen. Licentiate of Technology (PhD). Employed since 2012.

Ramirent shares Dec. 31, 2014: 10,865

Prior working experience: EVP, Finland and Baltics, Ramirent Plc, 2013–1/2015; SVP, Finland, Ramirent Plc, 2012–2013; Head of Maintenance business, KONE Oyj, 2008–2012; Head of Portfolio management and business excellence, Service business , Nokia Networks/Nokia Siemens networks, 2006–2008; Head of Product management, Delivery Services, Nokia Networks, 2003–2006; Head of Maintenance services, Latin America, Nokia Networks, 2001–2003

Positions of trust: Board member of Caverion Corporation.

DINO LEISTENSCHNEIDER

B. 1971. EVP, Sourcing and Fleet Management. German citizen, M.Sc. (Eng.), M.Sc. (Ind. Ec.). Employed since 2010.

Ramirent shares Dec. 31, 2014: 6,913

Prior working experience: Director, Group Sourcing, Ramirent Plc, 2010–2013; 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.

EVP: Executive Vice President
SVP: Senior Vice President

On 23 January 2015, Ramirent announced a renewed management structure where Ramirent's operating segments are organised under two new market areas; Scandinavia (including segments Sweden, Norway and Denmark) and North Central Europe (including segments Finland, Europe East and Europe Central). President and CEO Magnus Rosén will also head the Scandinavia market area and Anna Hyvönen was appointed Executive Vice President, North Central Europe.

OTHER GROUP MANAGEMENT TEAM MEMBERS

ERIK ALTERYD

B. 1963, SVP, Sweden and Denmark since 23 January 2015. Swedish citizen. M.Sc. Eng. Employed since 2013.

Ramirent shares Dec. 31, 2014: 11,383

Prior working experience: EVP, Sweden and Denmark, 2013–1/2015; Managing Director, Veidekke Entreprenad, 2009–2013; Regional Manager, Construction Stockholm, 2004–2009; various management positions at Skanska Group, 1989–2003.

PEGGY HANSSON

B. 1967. SVP, Human Resources, Health and Safety. M.Sc. (Adult education). Employed since 2012.

Ramirent shares Dec. 31, 2014: 1,168

Prior working experience: HRD Manager, Ambea, 2011 – 2012; Group HRD Manager, Alma Media 2008 – 2011; Director Competence Development, Konecranes since 2005 and with various HR assignments at Konecranes 1991-2008.

FRANCISKA JANZON

B. 1972. SVP, Marketing, Communications and IR. Finnish citizen. M.Sc. (Econ.) Employed since 2007.

Ramirent shares Dec. 31, 2014: 7,496

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.

Position of trusts: Chairman of European Rental Association's (ERA) Sustainability Committee.

MIKAEL KÄMPE

B. 1968. SVP, Europe Central since 23 January 2015. Finnish citizen. B.Sc. (Eng.). Employed since 2004.

Ramirent shares Dec. 31, 2014: 9,842

Prior working experience: EVP, Europe Central 2013–1/2015; Director, Group Fleet, Ramirent Plc 2009–2013; 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.

MATS MUNKHAMMAR

B. 1968. CIO and SVP. Degree in Programming and systems design and in Market economics. Employed since 2010.

Ramirent shares Dec. 31, 2014: 4,267

Prior working experience: MD and IT Manager at Fazer Services in Sweden, 2008 - 2010; CIO, CloettaFazer AB 2007-2008, various positions in IT at Axfood IT AB 2000-2007 and at ICA AB 1990-2000.

HEIKI ONTON

B. 1978. SVP, Baltics. Estonian citizen. Ph.D. (Eng.). Employed since 2001.

Ramirent shares Dec. 31, 2014: 3,956

Prior working experience: Managing Director, Ramirent Baltic AS 2012-2013; VP, Ramirent Baltic AS 2010-2012; Sales Director, Ramirent AS 2008-2010; VP, Ramirent AS 2005-2008; Designer and Product line manager Ramirent AS 2001-2005. Before joining Ramirent: Civil Engineer at ETS Nord AS.

DEDICATED PROJECT MANAGER BRINGS EFFICIENCY

SOLUTION

A customised Ramirent TotalSolve™ solution enabled high performance predictability and safety at Reinertsen's **Thora Storm High School** construction project in Norway.

BENEFITS

1. One contact point for equipment just-in-time
2. Project manager available continuously
3. Interaction model that improved predictability of performance, cost-efficiency and safety control

ON-SITE RENTAL OUTLET IMPROVES CUSTOMER EXPERIENCE

SOLUTION

An on-site customer centre served efficiently numerous subcontractors at the **National Museum** construction site in Tartu, Estonia.

BENEFITS

1. Fast deliveries covering Ramirent's entire product and service range
2. Good access to consultancy, support and other services

Our integrated solutions simplify business for our customers.

HIGH CLASS TEMPORARY PRE-SCHOOL BUILDING UP IN NO TIME

SOLUTION

Bollnäs municipality needed to expand a pre-school. To achieve high quality within a short time frame, a customised Ramirent SpaceSolve™ solution was delivered featuring a high-class module line.

BENEFITS

1. Environmentally friendly solution saves energy
2. Safe spaces adapted for needs of children
3. Short time from customer's decision to implementation

FINANCIAL STATEMENT CONTENT

REPORT OF THE BOARD OF DIRECTORS

RAMIRENT IN BRIEF

Ramirent is More Than Machines™. We are a leading rental equipment group combining the best equipment, services and know-how into rental solutions that simplify customer business. Ramirent serves a broad range of customer sectors including construction, industry, services, the public sector and households. Ramirent focuses on the Baltic Rim with operations in the Nordic countries and in Central and Eastern Europe. Ramirent is the market leader in seven of the ten countries where it operates. In 2014, Ramirent Group sales totalled EUR 614 million. The Group has 2,576 employees in 302 customer centres in 10 countries. Ramirent is listed on the NASDAQ Helsinki Ltd.

MARKET REVIEW

The overall market situation in Ramirent's main markets was mixed and weakened especially in the second half of the year due to increased geopolitical and macroeconomic uncertainty. Slow economic growth and weaker than expected recovery in the Nordic construction sector impacted negatively on the demand for equipment rental. In Sweden, market conditions improved in the second half of the year supported by several large project start-ups in the construction sector. Increasing residential and infrastructure construction were the primary drivers of growth in the Swedish equipment rental market. In Finland, market demand remained weak in the construction sector as well as among industrial customers. In Norway, the demand from residential construction was modest especially in large cities but stabilised in the second half of the year, while infrastructure construction supported equipment rental demand throughout the year. Rapid decline in oil prices led to cautiousness regarding new investments in the Norwegian oil and gas sector and and wider economy. Construction volumes in Denmark recovered gradually during the year supporting the demand for equipment rental. In the Baltics, market conditions were favourable throughout the year based on healthy activity in the building construction sector as well as in the energy sector. In Poland, increasing construction and industrial activity fuelled the demand and strengthened the price levels for equipment rental. In the Czech Republic and Slovakia, demand for equipment rental started to pick up towards the end of the year. Due to the prolonged Ukrainian crisis, high political and macroeconomic uncertainty continued in Fortrent markets in Russia and Ukraine. Rapid decline in oil prices and the weakening of the rouble hampered the market conditions further in the second half of the year.

NET SALES

The Group's January–December 2014 net sales decreased by 5.2%, amounting to EUR 613.5 (2013 647.3; 2012: 714.1) million. At comparable exchange rates, the Group's January–December net sales decreased by 2.1%. Adjusted for the transfer of the operations in Russia and Ukraine to Fortrent Group and divestment of operations in Hungary, Ramirent Group's net sales decreased by 0.6% in January–December at comparable exchange rates.

In January–December 2014, net sales increased in Finland by 0.6%. Net sales decreased in Sweden by 3.0%, in Norway by 11.6% and in Denmark by 10.5%. In Europe East, net sales decreased by 4.5%; however adjusted for the transfer of operations in Russia and

Net sales development by segment was as follows:

(MEUR)	Jan–Dec 2014	% of total 2014	Jan–Dec 2013	% of total 2013	Change 14/13
Finland	152.8	24.8%	151.9	23.4%	0.6%
Sweden	201.0	32.6%	207.3	31.9%	–3.0%
Norway	135.7	22.0%	153.6	23.6%	–11.6%
Denmark	39.4	6.4%	44.0	6.8%	–10.5%
Europe East	33.9	5.5%	35.5	5.5%	–4.5%[1]
Europe Central	53.2	8.6%	57.3	8.8%	–7.2%[2]
Elimination of sales between segments	–2.4		–2.3		
Total	**613.5**		**647.3**		**–5.2%**

[1] Adjusted for the transfer of the Russian and Ukrainian operations to Fortrent as of 1 March 2013, net sales increased in January–December 2014 by 9.5%.

[2] Adjusted for the divestment of the operations in Hungary as of 17 September 2013, net sales increased in January–December 2014 by 1.2%.

Ukraine to Fortrent Group, net sales increased by 9.5%. In Europe Central, net sales decreased by 7.2% but adjusted for the divestment of operations in Hungary, net sales increased by 1.2%.

In January–December 2014, the geographical distribution of net sales was Sweden 32.6% (31.9%), Finland 24.8% (23.4%), Norway 22.0% (23.6%), Denmark 6.4% (6.8%), Europe East 5.5% (5.5%) and Europe Central 8.6% (8.8%).

FINANCIAL RESULTS

Ramirent Group's January–December EBITDA decreased by 13.9% from the previous year to EUR 167.9 (195.1) million. The EBITDA margin was 27.4% (30.1%) of net sales. Credit losses and change in the allowance for bad debt amounted to EUR –3.4 (–4.7) million.

Fortrent Group recognised an impairment of all goodwill related to its Ukrainian operations, with a negative effect of EUR 0.3 million on Ramirent Group in the fourth quarter. Ramirent's share of profit or loss from the Fortrent Group is presented above EBITDA in the consolidated income statement in accordance with the equity method of accounting (50% of the consolidated net result of Fortrent Group). The impairment is not reported as part of non-recurring items on Ramirent Group level.

Depreciation and amortisation decreased to EUR 109.7 (112.8) million. In the comparative period, amortisation included a goodwill impairment loss of EUR 2.9 million recognised in Hungary.

January–December EBITA was EUR 65.8 (92.1) million, representing 10.7% (14.2%) of net sales. EBITA excluding non-recurring items and adjusted for transferred or divested operations was EUR 71.5 (83.6) million or 11.7% (13.1%) of net sales. In the fourth quarter, Ramirent booked EUR 2.4 million costs arising from restructuring and EUR 1.3 million assets write-downs, mainly in Finland, Europe Central and Sweden. In the third quarter, restructuring costs of EUR 1.9 million were booked in Norway. The comparative period includes a non-taxable capital gain of EUR 10.1 million from the transaction to form Fortrent Group, EUR 1.5 million restructuring costs in Denmark and a EUR 1.9 million loss from disposal of Hungarian operations. The comparative period includes also EBITA from transferred and divested operations in Russia, Ukraine and Hungary.

January–December EBIT decreased to EUR 58.1 (82.3) million or 9.5% (12.7%) of net sales. EBIT excluding non-recurring items and adjusted for transferred and divested operations was 63.8 (79.6) or 10.4% (12.5%) of net sales. Reported EBIT result in the comparative period includes also goodwill impairment loss of 2.9 million recognised in Hungary.

Net financial items were EUR –15.7 (–18.4) million, including EUR –3.7 (–4.3) million net effects of exchange rate gains and losses.

The Group's profit before taxes decreased compared to the previous year and amounted to EUR 42.5 (63.9) million. Income taxes amounted to EUR –10.4 (–9.8) million. The effective tax rate of the Group increased to 24.4% (15.4%) in January–December 2014. In the comparison period, effective tax rate excluding the EUR 10.1 million non-taxable capital gain from the formation of the Fortrent Group and disposal loss of Hungary was 17.7% At the beginning of 2014, corporate income tax rate declined in Finland from 24.5% to 20.0%, in Norway from 28.0% to 27.0% and in Denmark from 25.0% to 24.5%.

January–December 2014 profit for the period declined by 39.6% to EUR 32.6 (54.0) million. Earnings per share weakened to EUR 0.30 (2013: 0.50; 2012: 0.59). On a rolling 12 months basis, the Return on invested capital (ROI) was 12.2% (2013: 16.5%; 2012: 18.9%) and Return on equity (ROE) was 9.4% (2013: 14.7%; 2012: 18.5%). The equity per share was EUR 3.01 (2013: 3.44; 2012: 3.38) at the end of the financial year.

EBITA and EBITA margin by segment were as follows:

(MEUR AND % OF NET SALES)	Jan–Dec 2014	EBITA margin	Jan–Dec 2013	EBITA margin
Finland	20.8[1]	13.6%	25.7	16.9%
Sweden	29.4[2]	14.6%	36.6	17.6%
Norway	14.0[3]	10.3%	22.0	14.3%
Denmark	–3.9[4]	–10.0%	–4.3	–9.7%
Europe East	6.7	19.6%	17.3	48.8%
Europe Central	1.7[5]	3.2%	–0.7	–1.2%
Net items not allocated to operating segments	–2.8		–4.6	
Total	**65.8**	**10.7%**	**92.1**	**14.2%**

Non-recurring items and transferred or divested operations impacting EBITA

(MEUR)	Jan–Dec 2014	Jan–Dec 2013
Finland	–1.5[1]	–
Sweden	–0.7[2]	–
Norway	–2.2[3]	–
Denmark	–0.1[4]	–1.5
Europe East	–	11.4
Europe Central	–1.1[5]	–1.4
Net items not allocated to operating segments	–	–
Total	**–5.7**	**8.5**

1) EUR 1.5 million of restructuring costs and asset write-downs were booked in the fourth quarter of 2014.

2) EUR 0.7 million of restructuring costs were booked in the fourth quarter of 2014.

3) EUR 0.2 million of restructuring costs were booked in the fourth quarter of 2014. EUR 1.9 million restructuring provision was booked in the third quarter of 2014

4) EUR 0.1 million of restructuring costs were booked in the fourth quarter of 2014.

5) EUR 1.1 million of restructuring costs and asset write-downs booked in the fourth quarter of 2014.

EBITA excluding non-recurring items and transferred or divested operations

(MEUR AND % OF NET SALES)	Jan–Dec 2014	EBITA margin	Jan–Dec 2013	EBITA margin
Finland	22.3	14.6%	25.7	16.9%
Sweden	30.1	14.9%	36.6	17.6%
Norway	16.2	11.9%	22.0	14.3%
Denmark	–3.8	–9.6%	–2.8	–6.3%
Europe East	6.7	19.6%	6.0	19.3%
Europe Central	2.8	5.3%	0.7	1.2%
Net items not allocated to operating segments	–2.8		–4.6	
Total	**71.5**	**11.7%**	**83.6**	**13.1%**

CAPITAL EXPENDITURE AND CASH FLOWS

Ramirent Group's January–December gross capital expenditure on non-current assets totalled EUR 144.6 (125.8) million of which EUR 48.2 (2.7) million related to acquisitions. In some of the acquisitions Ramirent agreed to pay contingent consideration to the sellers. The estimated contingent considerations are included in the gross capital expenditure. Investments in machinery and equipment amounted to EUR 106.4 (115.3) million.

Sales of tangible non-current assets at sales value were EUR 33.0 (28.7) million, of which EUR 24.7 (28.3) million was attributable to rental machinery and equipment. The book value of sold tangible assets was EUR 17.4 (8.0) million, of which EUR 10.9 (8.0) million related to rental machinery and equipment.

Group's cash flow from operating activities in January–December 2014 was EUR 140.5 (182.2) million of which the change in working capital was EUR –15.9 (16.4) million. Cash flow from investing activities was EUR –118.7 (–108.8) million. Cash flow after investments amounted to EUR 21.8 (73.4) million.

Committed investments on rental machinery at the end of the year amounted to EUR 7.4 (4.8) million.

In April 2014, Ramirent paid EUR 39.9 (36.6) million in dividends to shareholders. No own shares were repurchased during the review period.

FINANCIAL POSITION

At the end of December 2014, interest-bearing liabilities amounted to EUR 230.2 (208.8) million.

Net debt amounted to EUR 227.1 (206.9) million at the end of the financial period. Gearing increased to 69.9% (55.8%). Net debt to EBITDA ratio was 1.4x (1.1x) at the end of December, which was below Ramirent's long-term financial target of maximum 1.6x at the end of each fiscal year.

On 9 June 2014 Ramirent Plc's revolving credit facility of EUR 145 million was refinanced and set to mature in 2020. The multicurrency revolving credit facility was previously part of the syndicated credit facility agreement maturing fully in 2017. After refinancing, Ramirent has committed long-term senior credit facilities of EUR 415.0 million.

At the end of December 2014, Ramirent had unused committed back-up loan facilities of EUR 188.7 (232.1) million available. The average interest rate of the loan portfolio was 2.7% (2.8%) at the end of the December. The average interest rate including interest rate hedges was 3.1% (3.9%) at the end of 2014.

Total assets amounted to EUR 743.9 (759.5) million at the end of December 2014, of which property, plant and equipment amounted to EUR 406.0 (432.2) million. The Group's equity attributable to the parent company shareholders amounted to EUR 324.3 (371.0) million and the Group's equity ratio was 43.7% (48.9%).

Non-cancellable minimum future off-balance sheet lease payments amounted to EUR 76.6 (88.7) million at the end of the period, of which EUR 0.9 (0.8) million arose from leased rental equipment and machinery.

PERSONNEL AND CUSTOMER CENTRES	Average personnel			Customer centres		
	2014	2013	2012	2014	2013	2012
Finland	522	560	587	66	74	76
Sweden	706	666	688	77	74	79
Norway	422	465	472	43	43	42
Denmark	154	184	182	16	16	19
Europe East	238	261	436	42	41	62
Europe Central	469	558	687	58	56	80
Group administration and services	55 [2]	32	25	–	–	–
Total	**2 566 [1]**	**2 725 [1]**	**3 077**	**302**	**304**	**358**

[1] The reporting of the number of personnel was changed to FTE (full time equivalent) as from 2014. The FTE–number indicates the number of employees calculated as full time workload for each person employed and actually present in the company.

[2] Including personnel in a shared service center.

BUSINESS EXPANSIONS, ACQUISITIONS AND DIVESTMENTS

On 20 January 2014, Ramirent signed a strategic partnership agreement related to lift maintenance in Finland. Rostek-Tekniikka Oy bought the lift maintenance operations from Ramirent and 20 employees working with lift maintenance moved to Rostek-Tekniikka Oy.

On 10 March 2014, Ramirent signed an agreement to acquire the telehandler business of Kurko-Koponen Companies, a leading telehandler equipment rental provider in Finland. In addition, Ramirent signed a co-operation agreement with Kurko-Koponen for telehandler operator services. With the acquisition and co-operation agreement, Ramirent has the widest telehandler service offering on the Finnish market. The annual rental volume of the acquired telehandler business is approx. EUR 6 million and 7 employees working with telehandlers moved to Ramirent. The acquisition was effective on 1 April 2014.

On 24 April 2014, Ramirent announced the acquisition of a majority stake in Safety Solutions Jonsereds, a Sweden-based company specialised in developing fall protection and safety systems for the construction industry. The company's 18 employees are reported in Ramirent.

On 4 June 2014, Ramirent signed an agreement with NSS Group AB to acquire weather shelter and scaffolding division DCC (Dry Construction Concept). The annual sales volume of the DCC division is approx. EUR 16 million and 120 employees moved to Ramirent. The company is specialised in efficient weather shelter solutions and safe assembly of scaffolding in Sweden, Denmark and Finland.

On 9 June 2014, Empower outsourced significant parts of its equipment fleet to Ramirent and signed a five-year co-operation agreement covering Ramirent's entire range of equipment and services offered to Empower in Finland. The expected annual sales level of the agreement is approx. EUR 1 million.

On 17 July 2014, Ramirent signed a contract with German-based Zeppelin Rental to form a joint venture in preparation for serving the cross-border Fehmarnbelt tunnel construction project between Germany and Denmark. By establishing the joint venture, two of Europe's leading rental and construction site solution providers will combine their resources and expertise in handling large-scale construction sites in this project. The Fehmarnbelt Fixed Link between Germany and Denmark will be the world's longest immersed road and rail tunnel. The project will start in 2015 and will run until 2021. It has an estimated construction volume of EUR 6.2 billion, of which typically the equipment rental volume amounts to 1-3%. After the end of the review period, on 12 January 2015, Ramirent and Zeppelin Rental announced the successful closing of the formation of their joint venture Fehmarnbelt Solution Services A/S.

On 23 September 2014, Ramirent announced the outsourcing of its Finnish yard and storage operations to Barona. According to the agreement 23 employees moved to Barona on 1 October 2014.

On 9 October 2014, Hartela outsourced its fleet of tower cranes to Ramirent and signed a five-year cooperation agreement with Ramirent in Finland.

On 12 November 2014, Ramirent acquired the business operations of Finland-based Savonlinnan Rakennuskonevuokraamo Oy, the leading machine rental company in the Savonlinna and Joensuu areas, with annual net sales of about EUR 2 million and ten employees who moved to Ramirent.

DEVELOPMENT PROGRAMMES

Ramirent started in 2014 a new strategic framework, NextRamirent, to clarify its ambition to offer a unique customer experience and to differentiate from competitors. NextRamirent is about building upon Ramirent's strong culture with common goals and involving all employees to the strategy work. The improvement agenda gathers initiatives within five development areas:

More Proactive

The aim of the development initiative is to increase proactivity to enable early involvement and thereby deliver improved customer solutions.

More Competent

The aim of the development initiative is to ensure Ramirent people have the required competences to serve the needs of various customer segments and to fulfil our promise of delivering More Than Machines™.

More Conscious

The aim of the development initiative is to ensure a good reputation and employer brand to enable a wider resource pool is reached in recruitment.

More Safe & Green

The aim of the development initiative is to meet the customer demands and generate new business through a focus on safety and eco-efficiency aspects.

More Efficient

The aim of the development initiative that was launched in 2013 is to secure a mindset for cost-efficiency and operational excellence to ensure that the company can reach its long-term financial targets also in the future. The defined efficiency actions are planned to deliver a Group EBITA margin level of 17%. Implementation of defined efficiency actions continued in 2014 across all segments related to developing integrated solutions, the common Ramirent platform, improving pricing management, optimising the customer centre network, improving fleet utilisation and the governance of sourcing operations.

PERFORMANCE BY SEGMENT

Finland

KEY FIGURES (MEUR)	Jan–Dec 2014	Jan–Dec 2013	Change
Net sales	152.8	151.9	0.6%
EBITA	20.8[1]	25.7	–19.3%
EBITA margin, %	13.6%	16.9%	
EBIT	19.3	24.6	–21.4%
EBIT margin, %	12.6%	16.2%	
Capital Expenditure	35.8	28.8	24.4%
Personnel (year–end)	497	547	–9.1%
Customer centres	66	74	–10.8%

[1] EBITA excluding non–recurring items was EUR 22.3 million or 14.6% of net sales in January–December 2014. The non–recurring items included EUR 1.5 million of restructuring costs and asset write-downs booked in the fourth quarter of 2014.

Ramirent's January–December net sales in Finland increased by 0.6% to EUR 152.8 (151.9) million. Net sales were supported by acquisitions and improved sales management throughout the country. Demand for site services as part of integrated solutions increased compared to the previous year. Lower net sales from regions West and North was offset by more favourable rental activity in regions South and Central during 2014. Demand in the industrial sector softened due to increased macroeconomic uncertainty. Net sales in the comparative year included large industrial projects that were completed in 2013 as well as formworks operations, which were divested in May 2013.

In 2014 Ramirent signed outsourcing agreements with Empower and Hartela as well as and acquired a telehandler business from Kurko-Koponen Companies and strengthened its presence in eastern parts of Finland with the acquisition of Savonlinnan Rakennuskonevuokraamo Oy's business operations.

January–December EBITA in Finland decreased by 19.3% from the previous year and amounted to EUR 20.8 (25.7) million. January–December EBITA margin was 13.6% (16.9%). EBITA excluding non-recurring items was EUR 22.3 (25.7) million or 14.6% (16.9%) of net sales. EBITA was negatively impacted by lower demand in the construction sector and slow activity in industrial projects compared to the previous year. Pricing environment was challenging throughout the year mainly due to weak market conditions in the construction sector. EBITA was also impacted by increased depreciation as a result of acquisitions during the year. In 2014, Ramirent adjusted its cost base to prevailing market conditions through temporary lay-offs in all operations and by closing eight customer centres, mainly in central and eastern parts of Finland. Furthermore, Ramirent increased the efficiency and flexibility of the operations by outsourcing its non-core yard and storage operations in 2014. Cost reductions and operational efficiency improvements will continue in the first quarter of 2015.

According to a forecast from European Rental Association (ERA) in November 2014, the Finnish equipment rental market is estimated to increase by 2.1% in 2015. However, Ramirent expects market conditions to be challenging in Finland in 2015. According to a forecast published by Euroconstruct in November 2014, the Finnish construction market is expected to grow by 1.5% in 2015. Demand for renovation is estimated to increase due to ageing residential stock and government assistance for renovation projects. Weak market conditions are expected to continue in the new residential construction sector. Demand for equipment rental in the non-residential construction is expected to recover supported by start-ups of certain large commercial and industrial building projects. The Confederation of Finnish Industries (EK) expects industrial investments to increase in the general manufacturing sector as well as in the energy sector in 2015.

Sweden

KEY FIGURES (MEUR)	Jan–Dec 2014	Jan–Dec 2013	Change
Net sales	201.0	207.3	–3.0%
EBITA	29.4[1)]	36.6	–19.8%
EBITA margin, %	14.6%	17.6%	
EBIT	26.3	34.0	–22.5%
EBIT margin, %	13.1%	16.4%	
Capital Expenditure	67.3	35.8	87.8%
Personnel (year–end)	759	656	15.7%
Customer centres	77	74	4.1%

1) EBITA excluding non–recurring items EUR 30.1 million or 14.9% of net sales in January–December 2014. The non–recurring items included EUR 0.7 million restructuring costs booked in the fourth quarter of 2014.

Ramirent's January–December net sales in Sweden decreased by 3.0% to EUR 201.0 (207.3) million. At comparable exchange rates, net sales increased by 2.0%. Weakening of the Swedish krone impacted negatively on the net sales in euros. Demand for equipment rental in the construction sector improved gradually during the year after a slow start to the year. Healthy demand in residential and infrastructure sectors supported the rental activity level especially in the capital city region. Demand picked up in other regions, except North, towards the end of the year. In 2014, Ramirent signed an important three-year rental agreement with Skanska's machinery department, Skanska Maskin AB, setting Ramirent as their preferred equipment rental partner in Sweden. Ramirent strengthened its capabilities in the area of safety with the acquisition of a majority stake (50.1%) in Safety Solutions Jonsereds, a fall protection and safety specialist, and in weather protection solutions with the acquisition of DCC, a Nordic provider of weather shelter solutions and scaffolding in Sweden, Finland and Denmark.

January–December EBITA in Sweden decreased by 19.8% from the previous year and amounted to EUR 29.4 (36.6) million. January–December EBITA margin was 14.6% (17.6%). EBITA excluding non-recurring items was EUR 30.1 (36.6) million or 14.9% (17.6%) of net sales. EBITA was impacted by lower than expected net sales due to delays in project start-ups during the first half of 2014. Profitability improved in the second half of the year as a result of increased net sales. The price level remained stable in the Swedish operations. During the year, Ramirent carried out several actions to reduce its fixed cost base in the Swedish operations. We expect the full effects of the cost savings implemented in 2014 to materialise in 2015.

According to a forecast published by ERA in November 2014, the Swedish equipment rental market is expected to grow by 1.8% in 2015. The demand for equipment rental is expected to improve in Sweden supported by increasing activity in all construction sectors. According to a forecast published by Euroconstruct in November 2014, the Swedish construction market is expected to grow by 1.3% in 2015. New residential start-ups will remain at a high level due to strong household's economy and continuous housing shortage especially in larger cities. Non-residential construction is expected to increase supported by growth in office and commercial building. The government's transport infrastructure plan, approved in 2014, will fuel activity within infrastructure construction especially in the Stockholm and Gothenburg areas. Due to a continuously expanding and ageing building stock, renovation is expected to grow in 2015. Demand for equipment rental in the industrial sector is anticipated to remain fairly stable in Sweden.

Norway

KEY FIGURES (MEUR)	Jan–Dec 2014	Jan–Dec 2013	Change
Net sales	135.7	153.6	–11.6%
EBITA	14.0 [1]	22.0	–36.3%
EBITA margin, %	10.3 %	14.3 %	
EBIT	12.2	19.7	–38.3%
EBIT margin, %	9.0%	12.8%	
Capital Expenditure	14.2	34.5	–58.8%
Personnel (year–end)	388	460	–15.6%
Customer centres	43	43	–

[1] EBITA excluding non–recurring items was EUR 16.2 million or 11.9% of net sales in January–December 2014. The non–recurring items included EUR 2.2 million of restructuring costs booked in the second half of the 2014

Ramirent's January–December net sales in Norway declined by 11.6% to EUR 135.7 (153.6) million. At comparable exchange rates, net sales decreased by 5.4%. Net sales were affected by the weakened Norwegian krone against the euro. Modest demand from residential construction especially in large cities continued. High activity within infrastructure construction supported demand throughout the year. Demand for equipment rental was most favourable in regions North and West. In south eastern parts of Norway, net sales were impaired by tough competition and overcapacity in the rental equipment market. Customers in the oil and gas sector became more hesitant regarding new investments in the second half of the year.

Ramirent's January–December EBITA in Norway declined by 36.3% from the previous year and amounted to EUR 14.0 (22.0) million. January–December EBITA margin was 10.3% (14.3%). Profitability was hampered by lower demand, pricing pressure and restructuring costs. In 2014, Ramirent adjusted the cost base to prevailing market conditions. Restructuring costs of EUR 2.2 million were booked in January–December 2014. EBITA in Norway excluding non-recurring items was EUR 16.2 (22.0) million or 11.9% (14.3%) of net sales in January–December 2014.

According to a forecast published by ERA in November 2014, the Norwegian equipment rental market is expected to grow by 1.1% in 2015. However, Ramirent expects market conditions to be challenging in Norway in 2015 due to increased macroeconomic uncertainty combined with rapid decline in oil prices. According to a forecast published by Euroconstruct in November 2014, the Norwegian construction market is expected to grow by 3.9% in 2015. Infrastructure construction will be the main growth driver fuelled by several road, railway and metro projects. The market situation in the residential sector has stabilised and construction is estimated to remain at the previous year's level in 2015. New construction and renovation in the non-residential construction sector is expected to increase supported mainly by public sector projects. According to the Norwegian Oil and Gas association, investments in the oil and gas sector are estimated to decline by 11% in 2015.

Denmark

KEY FIGURES (MEUR)	Jan–Dec 2014	Jan–Dec 2013	Change
Net sales	39.4	44.0	–10.5%
EBITA	–3.9[1]	–4.3[2]	8.3%
EBITA margin, %	–10.0%	–9.7%	
EBIT	–3.9	–4.4	11.6%
EBIT margin, %	–10.0%	–10.1%	
Capital Expenditure	3.6	6.6	–44.6%
Personnel (year-end)	147	175	–16.1%
Customer centres	16	16	–

[1] EUR 0.1 million restructuring provision was booked in the fourth quarter of 2014.
[2] EBITA excluding non-recurring items was EUR –2.8 million or –6.3% of net sales in January–December 2013. The non-recurring items included the EUR 1.5 restructuring costs in the third quarter of 2013.

Ramirent's January–December net sales in Denmark declined by 10.5% and amounted to EUR 39.4 (44.0) million. At comparable exchange rates, net sales decreased also by 10.5%. Net sales were affected by restructuring measures implemented to restore profitability. Market conditions in the equipment rental market recovered slightly during the year mainly due to improving activity within infrastructure construction and in the public sector projects. High construction activity in the capital city region supported demand in 2014. Demand from the industrial sector developed steadily.

Ramirent's January–December EBITA in Denmark was EUR –3.9 (–4.3) million. EBITA margin was –10.0% (–9.7%). The profitability was mainly hampered by lower than expected net sales in January–December. In the comparative period, EBITA excluding non-recurring items was EUR –2.8 million or –6.3% of net sales. Ramirent continued to carry out measures to enhance the operational efficiency and lower the fixed cost base by further integration with the Swedish operations. The turnaround process of the low performing customer centres continued in 2014. In July, Ramirent and Zeppelin Rental announced the formation of the joint venture Fehmarnbelt Solutions Services A/S to serve the upcoming Fehmarnbelt tunnel construction project. The transaction was approved by the competition authorities and closed after the end of the review period on 12 January 2015.

The Danish equipment rental market is expected to continue its recovery in 2015. According to a forecast published by ERA in November 2014, the Danish equipment rental market is expected to grow by 3.5% in 2015. According to a forecast published by Euroconstruct in November 2014, the Danish construction market is expected to increase by 2.9% in 2015. Renovation is estimated to grow in all construction sectors in 2015. New residential construction is expected to grow backed by good underlying demand in the major cities. Market activity in non-residential construction is expected to improve mainly due to increasing construction of buildings for education and health. Infrastructure construction is forecasted to grow fuelled by several transport infrastructure projects. A major infrastructure project, the Fehmarnbelt tunnel between Denmark and Germany, is expected to start summer 2015.

Europe East
The Baltics and Fortrent, the joint venture in Russia and Ukraine

KEY FIGURES (MEUR)	Jan–Dec 2014	Jan–Dec 2013	Change
Net sales	33.9	35.5	–4.5%[1]
EBITA	6.7	17.3[2]	–61.6%
EBITA margin, %	19.6%	48.8%	
EBIT	6.5	17.2	–61.9%
EBIT margin, %	19.3%	48.4%	
Capital Expenditure	10.6	9.6	10.3%
Personnel (year–end)	240	235	2.1%
Customer centres	42	41	2.4%

[1] Adjusted for the transfer of the Russian and Ukrainian operations to Fortrent as of 1 March 2013 the increase in net sales in January–December 2014 was 9.5%.
[2] EBITA excluding non–recurring items and EBITA from Russia and Ukraine was EUR 6.0 million or 19.3% of net sales in January–December 2013.
The non–recurring items included the non–taxable capital gain of EUR 10.1 million from the formation of Fortrent recorded in the first quarter of 2013.

Ramirent's January–December net sales in Europe East decreased by 4.5% to EUR 33.9 (35.5) million. Adjusted for the transfer of the Russian and Ukrainian operations to Fortrent Group as of 1 March 2013, the increase in net sales in January–December was 9.5%. In the Baltics, demand for equipment rental was fuelled by many power plant projects. Some weakness in infrastructure construction activity was offset by increased demand in other construction sectors. Full-year net sales increased in all Baltic countries compared to the previous year.

January–December EBITA in Europe East decreased from the comparative period to EUR 6.7 (17.3) million. January–December EBITA margin was 19.6% (48.8%). EBITA excluding non-recurring items and transferred operations was 6.7 (6.0) million or 19.6% (19.3%) of net sales. Fortrent Group recognised an impairment of all goodwill related to its Ukrainian operations, with a negative effect of EUR 0.3 million on Ramirent Group in the fourth quarter. The comparative period includes the non-taxable capital gain of EUR 10.1 million from the transaction to form Fortrent Group.

January–December EBITA in the Baltics was EUR 7.2 (5.4) million or 21.2% (17.4%) of net sales. EBITA improved mainly due to higher net sales and improved operational efficiency in all operations. In 2014, fleet utilisation was at a high level in the Baltics. Price levels remained stable in the construction as well as industrial sectors during the year.

The overall demand in the Baltic equipment rental market is expected to remain fairly stable in 2015. According to a forecast published by Euroconstruct in November 2014, the total construction market in the Baltics is expected to decline slightly in 2015. In Estonia the construction market is expected to decline by 4% in 2015. The main construction projects will be located in the capital city region and southern Estonia. The Latvian construction market is also estimated to decline by 4%. Residential construction is expected to recover, but activity in the non-residential sector will slow down in 2015. In Lithuania the construction market is expected to grow by 1% in 2015. Increasing residential construction and high activity in renovation will be the main growth drivers in Lithuania. EU funded projects will support infrastructure construction and renovation projects in the Baltics. The decline in the oil price is expected to have a negative impact on energy sector projects.

FORTRENT – JOINT VENTURE IN RUSSIA AND UKRAINE (THE COMPARATIVE PERIOD FOR 1–12/2014 WAS 3–12/2013)

Fortrent Group's January–December (March–December) net sales decreased by 10.7% to EUR 38.0 (42.5) million but increased by 9.1% at comparable exchange rates. Fortrent began operations on 1 March 2013. Sales decreased due to the considerable slow down in the Russian and Ukrainian construction market, which was caused by the prolonged Ukrainian crisis. The steep weakening of the Russian rouble and rapid decline in oil prices in the second half of the year, increased uncertainty also in the equipment rental market. In Russia, demand for rental equipment weakened in the regions North-West and Central compared to the previous year.

Fortrent Group's January–December (March–December) EBITA amounted to 2.0 (4.5) million. The January–December EBITA margin was 5.3% (10.6%) of net sales. The net result for the period was EUR –1.0 (1.1) million. Fortrent continued to adjust its cost base to the weaker market situation and investments were significantly reduced in the fourth quarter. Fortrent recognised an impairment loss of EUR 0.5 million on all goodwill related to its Ukrainian operations in the fourth quarter. After the impairment testing, there is no more goodwill related to the Ukrainian operations. In early 2014, Fortrent expanded its customer centre network to cover new cities in Russia both by establishing new customer centres and by integrating previously enterpreneur-managed customer centres to its network. In the second half of the year, Fortrent focused on cost reductions and improving its operational efficiency.

Fortrent is owned and controlled 50/50 by Ramirent and Cramo, and its parent company Fortrent Ltd is a Finnish limited liability company. Ramirent's share of profit or loss from the joint venture is presented above EBITDA in the consolidated income statement in accordance with the equity method of accounting (50% of the consolidated net result of Fortrent Group). The share of the consolidated net result from Fortrent Group to Ramirent for January–December 2014 was EUR –0.5 (0.6) million (the previous year figure is for March–December 2013). The merger of all business units in Russia into one company took effect in January 2014.

Due to the prolonged Ukrainian crisis and rapid decline in oil prices, the demand for equipment rental in Russia is expected to be modest in 2015. Furthermore, the weakening of the rouble and high inflation have increased the macroeconomic uncertainty in Russia. According to a forecast published by Euroconstruct in November 2014, the Russian construction market is expected to decrease by 2% in 2015. Building construction is estimated to remain close to the previous year's level supported by large ongoing projects but infrastructure construction is expected to decline clearly. In Ukraine, construction activity has slowed down considerably due to the crisis and market conditions are expected to remain challenging in 2015.

Europe Central
Poland, the Czech Republic and Slovakia

KEY FIGURES (MEUR)	Jan–Dec 2014	Jan–Dec 2013	Change
Net sales	53.2	57.3	–7.2%[1]
EBITA	1.7[2]	–0.7[3]	340.6%
EBITA margin, %	3.2%	–1.2%	
EBIT	1.6	–3.7	142.7%
EBIT margin, %	3.0%	–6.5%	
Capital Expenditure	7.8	7.1	10.0%
Personnel (year–end)	477	479	–0.3%
Customer centres	58	56	3.6%

[1] Adjusted for the divestment of the Hungarian business the increase in net sales in January–December 2014 was 1.2%.
[2] EBITA excluding non–recurring items was EUR 2.8 million or 5.3% of net sales in January–December 2014. The non–recurring items included EUR 1.1 million of restructuring costs and asset write-downs booked in the fourth quarter of 2014.
[3] EBITA excluding non–recurring items and EBITA from Hungary was EUR 0.7 million or 1.2% of net sales in January–December 2013. The non-recurring items included the EUR 1.9 million loss from disposal of Hungarian operations, recorded in the third quarter 2013.

Ramirent's January–December net sales in Europe Central decreased by 7.2% to EUR 53.2 (57.3) million. At comparable exchange rates, net sales decreased by 6.6%. Adjusted for the divestment of Hungarian operations in 2013, net sales increased in January–December 2014 by 1.2%. In Poland, demand for equipment rental started to recover in the construction sector especially among small and medium sized customers. Demand from power plant projects supported net sales. Net sales were somewhat affected by a lower number of large projects especially in the second half of the year. In the Czech Republic, recovery in construction activity fuelled the sales growth in the second half of the year. In Slovakia, improved sales management and an enlarged customer base supported the net sales.

Ramirent's January–December EBITA in Europe Central increased markedly and amounted to EUR 1.7 (–0.7) million. EBITA margin in January– December strengthened to 3.2% (–1.2%). EBITA excluding non-recurring items was EUR 2.8 (0.7) million or 5.3% (1.2%) of net sales. Price increases during the year supported the profitability in Europe Central. Cost saving actions implemented in the previous year supported the profitability in all Europe Central countries. Profitability improved in the Czech and Slovakian operations due to sales growth and higher fleet utilisation especially in the second half of the year.

The overall demand in Europe Central equipment rental markets is expected to improve in 2015. According to a forecast published by ERA in November 2014, the Polish equipment rental market is expected to increase by 5.3% in 2015. In 2015, the Polish construction market is estimated to grow by 7.1% according to a forecast published by Euroconstruct in November 2014. Infrastructure construction projects, funded largely by EU, will be the primary driver of growth in the construction sector. Market conditions are expected to be favourable in the residential construction as new start-ups are forecasted to increase clearly. Construction activity is expected to continue to pick up in the non-residential sector supported by especially construction of industrial buildings. The market situation in renovation is estimated to remain stable. High project activity in the power plant sector is expected to support the demand for equipment rental. In the Czech Republic and Slovakia, the construction market is expected to grow by 2.5% and by 1.8% respectively in 2015.

CHANGES IN THE GROUP MANAGEMENT TEAM IN 2014

On 12 February 2014, Tomasz Walawender, SVP, Ramirent Poland and member of the Group Management Team decided to pursue his career outside Ramirent. Mikael Kämpe, EVP of Europe Central was appointed acting Managing Director of Ramirent Poland effective 12 February 2014.

On 14 April 2014, Erik Høi, SVP, Ramirent Denmark and member of the Group Management Team decided to leave the company by mutual agreement. André Bakke, previous Sales and Marketing Manager of Ramirent Denmark, was appointed Country Manager, Ramirent Denmark and he reports to Erik Alteryd, EVP of Ramirent Sweden.

On 14 August 2014, Bjørn Larsen, SVP, Ramirent Norway and member of the Group Management Team decided to leave his position by mutual agreement.

On 3 December 2014, Øyvind Emblem was appointed as Senior Vice President of Ramirent's Norway segment and Managing Director of Ramirent AS as well as member of the Group Management Team as of 1 April 2015. Magnus Rosén, President and CEO of Ramirent Group, continues as interim Managing Director for the Norwegian subsidiary Ramirent AS until 1 April 2015.

After the end of the review period, Ramirent announced on 23 January 2015 a renewed management structure where operating segments are organised under two new market areas, Scandinavia and North Central Europe. President and CEO Magnus Rosén will head the Scandinavia market area which covers the operating segments Sweden, Denmark and Norway. Anna Hyvönen was appointed Executive Vice President, North Central Europe which covers the operating segments Finland, Europe East and Europe Central.

SHARES

Trading in shares

Ramirent Plc's market capitalisation at the end of December 2014 was EUR 701.1 (994.6) million. The market capitalisation was EUR 694.8 (985.4) million excluding the company's treasury shares.

The share price closed at EUR 6.45 (9.15). The highest quotation for the period was EUR 10.25 (9.86), and the lowest EUR 5.61 (6.31). The volume weighted average trading price was EUR 7.71 (7.96). The share price declined by 30.4% in January–December 2014.

The value of share turnover during January–December was EUR 332.1 (223.3) million, equivalent to 40,519,419 (28,117,229) traded Ramirent shares, i.e. 37.6% (26.1%) of Ramirent's total number of shares outstanding.

The average daily trading volume was 162,078 (112,469) shares, representing an average daily turnover of EUR 1,328,355 (893,218).

At the end of December 2014, the number of registered shareholders was 14,242 (12,299). At the end of the period, a total of 50.1% (53.3%) of the company's shares were owned by nominee-registered and non-Finnish investors.

Shareholders with higher than 5.0% ownership in Ramirent at the end of December 2014 were Nordstjernan AB with 28.80% of the share capital and Oy Julius Tallberg Ab with 11.23% of the share capital.

Flagging notifications

On 26 March 2014, Ramirent received a notification pursuant to Chapter 9 Section 5 of the Finnish Securities Markets Act from Varma Mutual Pension Insurance Company according to which their holding of shares and votes in Ramirent Plc decreased below 1/20. After the transaction made on 26 March 2014 Varma Mutual Pension Insurance Company held 4.37% of the outstanding shares of Ramirent Plc.

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 107,723,371.

Own shares

At the end of December 2014, Ramirent Plc held 973,957 of the Company's own shares, representing 0.90% of the total number of Ramirent's shares. No shares were acquired during January–December 2014.

DECISIONS AT THE AGM 2014 AND THE BOARD OF DIRECTORS–FORMATIVE MEETING

Ramirent Plc's Annual General Meeting, which was held on 26 March 2014, adopted the 2013 annual financial accounts and discharged the members of the Board of Directors and the President and CEO from liability.

The Annual General Meeting decided to pay a dividend of EUR 0.37 per share based on the adopted financial statements for 2013. The date of record for dividend distribution was 31 March 2014 and the dividend was paid on 11 April 2014.

The number of the members of the Board of Directors was confirmed at eight (8). Kevin Appleton, Kaj-Gustaf Bergh, Peter Hofvenstam, Erkki Norvio, Mats O Paulsson, Susanna Renlund and Gry Hege Sølsnes were re-elected as members of the Board of Directors and Ulf Lundahl was elected as a new member of the Board of Directors. Peter Hofvenstam was elected as the Chairman of the Board and Susanna Renlund as the Deputy Chairman. Peter Hofvenstam (Chairman), Ulf Lundahl and Susanna Renlund were appointed to the Working Committee to which, among other things, the duties of an audit committee are assigned. The remunerations of the members of the Board of Directors remained unchanged.

The number of auditors was confirmed to be one (1) and PricewaterhouseCoopers Oy ("PwC") was re-elected as the company's auditor with APA Ylva Eriksson as principally responsible auditor.

THE BOARD OF DIRECTORS' AUTHORISATIONS

Repurchase of own shares

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

Potential additional dividend

The Annual General Meeting authorised the Board to decide at its discretion on the payment of additional dividend based on the adopted financial statements for 2013. The amount of the additional dividend may not exceed EUR 0.63 per share.

On 11 February 2015, the Board decided that it will not utilise the authorisation received from the Annual General Meeting 2014 to pay an additional dividend based on the adopted financial statements for 2013. The Board of Directors evaluates the Company's capital structure on an ongoing basis. Whether or not to issue dividends, and to what amount, is determined mainly on the basis of the Company's rate of cash generation and existence of opportunities for profitable growth. At times where cash generation is above the level likely to be required to support growth, the Board of Directors will consider paying out higher than ordinary dividends.

DIRECTED SHARE CONVEYANCE FOR KEY PERSONS AS A SETTLEMENT OF THE PERFORMANCE SHARE PROGRAM 2011

On 26 March 2014, the Board decided, based on the share issue authorisation granted by the AGM, to convey 24,674 of the company's own shares, currently held by the company, without cash payment to the key persons of the Group as a settlement of the Performance Share Program 2011. As the Program was set to combine the objectives of the shareholders and the key persons of the Group in order to increase the value of the company, there was an especially weighty financial reason for the directed share conveyance. The value of the issued shares of EUR 199,400 was recognised in the invested unrestricted equity fund.

LONG–TERM INCENTIVE PROGRAM (LTI) 2014

On 26 March 2014, the Board of Directors of Ramirent Plc approved a new share–based incentive program for the executives of the company. The aim of the new program is to combine the objectives of the shareholders and the executives in order to increase the value of the company, to commit the executives to the company and to offer the executives a competitive reward program based on holding the Company's shares. The new Program includes one earning period, calendar years 2014–2016. The potential reward from the program for the earning period 2014–2016 will be based on the Group's Total Shareholder Return (TSR) and on Group's cumulative Economic Profit.

STRATEGY AND FINANCIAL TARGETS

Ramirent's strategy is focused on three major objectives:

1. Sustainable profitable growth through putting the Customer First through the NextRamirent improvement agenda that targets the company to become more competent, proactive, conscious, safe and green, as well as more efficient in all its operations. Ramirent also seeks growth by strengthening the customer offering, widening the customer portfolio and, through outsourcing deals and selected acquisitions.

2. Building One Company to realise operational excellence, scale benefits and synergies throughout the Group. Developing the common Ramirent platform is an integral part of the activities that will deliver a 300 bps EBITA margin improvement at Group level, from 14% in 2012 to 17% by the end of 2016.

3. Maintaining agility in business through a diversified business portfolio of customers, products, competences and geographies. To offset its dependency on the construction sector, Ramirent targets the share of non–construction dependent customer segments to account for up to approximately 40% of the Group's net sales.

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

The long–term financial targets are 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. The purpose of risk management in Ramirent is to ensure continuity of operations and that Ramirent Group reaches its objectives.

The Board of Directors approves the risk policy principles. Risk mapping and assessment is conducted as a part of the annual strategy process at the country, segment and Group level. Management sets indicators to follow and measures to take in case the risks materialise which are described in action plans prepared during the assessment of risks. Action plans include the risk owner 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.

An essential part of Ramirent's risk management is to maintain and develop appropriate insurance coverage of our fleet. Group insures all personnel, financial, operative and hazard risks which after risk management measures are above Group´s risk retention limit and cost-effective to insure.

The Ramirent risk management policy was developed in 2014 based on the COSO ERM Framework and the ISO 31000 'Risk management - Principles and guidelines' standard. Risk Management Policy has a direct linkage to the Internal Control Policy which was developed in parallel and is based on COSO 2013 framework.

The risk management process is directly linked to Ramirent's objectives. The Risk Management process identifies and assesses the relevant risks in relation to the objectives.

The strategic risks described below comprise the key risks that Ramirent and its shareholders are exposed to.

Changes in the demand of customer industries may 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. 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 in a highly competitive environment and existing competitors or new entrants to the market may take actions to establish sustainable competitive advantage over Ramirent. Ramirent focuses on active sales, fleet availability and competitive product and service offering.

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. Ramirent continues to invest in education and develop tools for project management in order to run projects professionally and cost-efficiently.

A common fleet structure has been created in order to optimise utilisation and defend price levels. Ramirent will continue to streamline its fleet in accordance with the fleet strategy prepared for each market and within the selected brands. Special attention has been paid to fleet management processes such as maintenance and repair in order to optimise fleet utilisation.

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 and 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. More internal resources have been allocated to the project and higher focus has been placed on communicating the change beforehand in advance to prepare the organisation for the change. Organisation structures are also being further developed to support realisation of synergies.

Operating in diversified markets includes risks related to the local laws and regulations and at the same time taking these into account when drafting uniform operating principles.

Ramirent applies a decentralised organisational model, which implies a high degree of autonomy for its business units. 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. Ramirent has developed the communication and training of Group instructions, and continues to improve reporting quality.

The whistle blowing system has been published on the home pages and intranet of all countries and Group to encourage both employees and third party to report any misconduct. All reported matters are investigated and responsible persons will be made accountable.

Ramirent is subject to certain financial risks such as foreign currency, interest rate, 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 changes in foreign exchange rates, interest rates 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 eurozone into euros. Changes in the exchange rates may increase or decrease net sales or results. Hedging operations are managed centrally by 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 and assess the credit quality of their customers by taking into account the 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. Customer credit risks in Ramirent are diversified as trade receivables are generated by a large number of customers.

EVENTS AFTER THE END OF THE REVIEW PERIOD

On 12 January 2015, Ramirent and Zeppelin Rental announced the successful closing of the formation of their joint venture Fehmarnbelt Solution Services A/S. With the transaction, two of Europe's leading rental and construction site solution providers combine their resources and expertise to serve the cross-border Fehmarnbelt tunnel construction project due to start summer 2015.

On 23 January 2015, Ramirent announced a renewed management structure where Ramirent's operating segments are organised under two new market areas; Scandinavia (including segments Sweden, Norway and Denmark) and North Central Europe (including segments Finland, Europe East and Europe Central). Through a more integrated management structure, Ramirent is accelerating the execution of the group strategy and targeting to increase synergies between the businesses.

New long—term incentive program 2015

On 11 February 2015, the Board of Directors of Ramirent Plc approved a new Long-term incentive program for the executives of the company. The aim of the new program is to combine the objectives of the shareholders and the executives in order to increase the value of the company, to commit the executives to the company and to offer the executives a competitive reward program based on holding the Company's shares. The new program includes matching shares and performance shares, and the program is targeted at approximately 60 executives for the earning period 2015—2017. The potential reward from the program for the earning period 2015—2017 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 will correspond to the value up to 450,000 Ramirent Plc shares (including also the proportion to be paid in cash).

Settlement of the long-term incentive program 2012

On 11 February 2015, the Board decided, based on the share issue authorisation granted by the AGM, to convey 13,308 of the company's own shares, currently held by the company, without cash payment to the key persons of the Group as a settlement of the Long-term incentive program 2012. As the program was set forth to combine the objectives of the shareholders and the key persons of the Group in order to increase the value of the company, there was an especially weighty financial reason for the directed share conveyance.

RAMIRENT OUTLOOK FOR FULL YEAR 2015

Ramirent expects the market picture for 2015 to remain mixed, with challenging market conditions in especially Finland and Norway. We expect full-year 2015 net sales and EBITA margin to be similar to the level of 2014 when measured in local currencies.

PROPOSAL OF THE BOARD ON THE USE OF DISTRIBUTABLE FUNDS

The parent company's distributable equity on 31 December 2014 amounted to EUR 342,899,079.01 of which the net profit from the financial year 2014 is EUR 9,556,746.93.

The Board of Directors proposes to the Annual General Meeting 2015 that an ordinary dividend of EUR 0.40 (0.37) per share be paid for the financial year 2014. The proposed dividend will be paid to shareholders registered in Ramirent's shareholder register maintained by Euroclear Finland Ltd on the record date for dividend payment 27 March 2015. The Board of Directors proposes that the dividend be paid on 10 April 2015. The proposed dividend represents a 132% (74%) payout ratio for 2014.

The Board of Directors has decided not to utilise the authorisation received from the Annual General Meeting 2014 to pay an additional dividend based on the adopted financial statements for 2013, but proposes that the Annual General Meeting resolves that the Board of Directors be authorised to decide at its discretion on the payment of an additional dividend based on the adopted balance sheet for the financial year ended on 31 December 2014. The authorisation is proposed to be valid until the Annual General Meeting 2016 and the amount of the additional dividend may not exceed EUR 0.60 per share.The proposed dividend is not reflected in the year 2014 financial statements

CORPORATE GOVERNANCE STATEMENT

Ramirent has issued a Corporate Governance Statement for financial year 2014. 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 2014 and on Ramirent's web pages www.ramirent.com.

ANNUAL GENERAL MEETING 2015

Ramirent Plc's Annual General Meeting will be held on Wednesday 25 March 2015 at 10:00 a.m. at Scandic Marina Congress Center, Fennia I meeting room, at the address of Katajanokanlaituri 6, Helsinki, Finland. The stock exchange release to convene the AGM 2015 will be published on the Company's website on 12 February 2015.

FORWARD–LOOKING STATEMENTS

Certain statements in this report, which are not historical facts, including, without limitation, those regarding expectations for general economic development and market situation; regarding customer industry profitability and investment willingness; regarding Company growth, development and profitability; regarding cost savings; regarding fluctuations in exchange rates and interest levels; regarding the success of pending and future acquisitions and restructurings; and statements preceded by "believes," "expects," "anticipates," "foresees" or similar expressions are forward–looking statements.

These statements are based on current expectations and currently known facts. Therefore, they involve risks and uncertainties that may cause actual results to differ materially from results currently expected by the Company.

In conjunction with the strategy process, Ramirent's Board of Directors assesses the need to revise the financial targets. Changes in financial targets are published as a stock exchange release. Based on its financial targets and the current market outlook, Ramirent gives a general outlook for the current financial year in conjunction with the full year report and interim reports. The outlook is given for the entire year and not for each quarter.

CONSOLIDATED STATEMENT OF INCOME

(EUR 1 000)	Note	Jan–Dec 2014	Jan–Dec 2013
NET SALES		**613 536**	**647 252**
Other operating income	5	2 290	12 732
Materials and services	6	–209 162	–213 169
Employee benefit expenses	7	–150 305	–156 791
Other operating expenses	8	–88 003	–95 660
Share of result in associates and joint ventures	15	–486	688
Depreciation, amortisation and impairment charges	9	–109 728	–112 768
OPERATING PROFIT		**58 143**	**82 284**
Financial income	10	11 292	15 639
Financial expenses	10	–26 974	–34 055
Total financial income and expenses	10	–15 683	–18 415
PROFIT BEFORE TAXES		**42 460**	**63 869**
Income taxes	11	–10 370	–9 839
PROFIT FOR THE PERIOD		**32 090**	**54 030**
Profit for the period attributable to:			
Shareholders of the parent company		32 632	54 030
Non–controlling interest		–542	–
		32 090	54 030
Earnings per share (EPS) on parent company shareholders' share of profit			
Basic, EUR	12	0.30	0.50
Diluted, EUR	12	0.30	0.50

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1 000)	Note	Jan–Dec 2014	Jan–Dec 2013
PROFIT FOR THE PERIOD		**32 090**	**54 030**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Actuarial gains/(losses) on defined benefit plans, net of tax	11,23	–2 567	487
Items that may be reclassified to profit or loss in subsequent periods:			
Translation differences		–14 677	–10 180
Cash flow hedges, net of tax	11	597	3 444
Portion of cash flow hedges transferred to profit or loss, net of tax	11	–	–127
Share of other comprehensive income in associates and joint ventures	11,15	–12 689	–4 386
Available for sale investments		–70	105
Total		–26 840	–11 144
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		–29 407	–10 657
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		2 683	43 373
Total comprehensive income for the period attributable to:			
Shareholders of the parent company		3 225	43 373
Non–controlling interest		–542	–
Total		**2 683**	**43 373**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR 1 000)	Note	31.12.2014	31.12.2013
ASSETS			
NON-CURRENT ASSETS			
Goodwill	13	139 780	124 825
Other intangible assets	13	46 720	38 427
Property, plant and equipment	14	406 001	432 232
Investments in associates and joint ventures	15	5 278	18 524
Non-current loan receivables	16	17 666	20 261
Available-for-sale financial assets	17	139	517
Deferred tax assets	18	605	647
TOTAL NON-CURRENT ASSETS		**616 189**	**635 432**
CURRENT ASSETS			
Inventories	19	12 431	11 494
Trade and other receivables	20	109 370	109 207
Current tax assets		2 775	1 495
Cash and cash equivalents	21	3 129	1 849
TOTAL CURRENT ASSETS		**127 705**	**124 045**
TOTAL ASSETS		**743 894**	**759 477**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	22	25 000	25 000
Revaluation fund		–976	–1 502
Invested unrestricted equity fund		113 767	113 568
Retained earnings from previous years		153 876	179 882
Profit for the period		32 632	54 030
Equity attributable to the parent company shareholders		324 299	370 978
Non-controlling interest		693	–
TOTAL EQUITY		**324 992**	**370 978**
NON-CURRENT LIABILITIES			
Deferred tax liabilities	18	50 798	54 286
Pension obligations	23	17 491	13 923
Non-current provisions	24	2 371	1 198
Non-current interest-bearing liabilities	25	206 685	174 981
Other non-current liabilities	26	19 890	–
TOTAL NON-CURRENT LIABILITIES		**297 236**	**244 388**
CURRENT LIABILITIES			
Trade payables and other liabilities	27	92 798	104 369
Current provisions	24	1 455	664
Current tax liabilities		3 899	5 278
Current interest-bearing liabilities	25	23 514	33 800
TOTAL CURRENT LIABILITIES		**121 666**	**144 111**
TOTAL LIABILITIES		**418 902**	**388 499**
TOTAL EQUITY AND LIABILITIES		**743 894**	**759 477**

CONSOLIDATED CASH FLOW STATEMENT

(EUR 1 000)	Note	Jan–Dec 2014	Jan–Dec 2013
Cash flow from operating activities			
Profit before taxes		42 460	63 869
Adjustments			
Depreciation, amortisation and impairment charges	9	109 728	112 768
Adjustment for proceeds from sale of used rental equipment		17 136	8 975
Financial income and expenses	10	15 683	18 415
Adjustment for proceeds from disposals of subsidiaries		–	–15 609
Other adjustments		–6 140	4 735
Cash flow from operating activities before change in working capital		**178 867**	**193 153**
Change in working capital			
Change in trade and other receivables		–2 150	18 994
Change in inventories		–1 472	3 114
Change in non-interest-bearing liabilities		–12 302	–5 724
Cash flow from operating activities before interests and taxes		**162 942**	**209 537**
Interest paid		–10 418	–5 270
Interest received		620	1 047
Income tax paid		–12 646	–23 068
Net cash generated from operating activities		140 499	182 245
Cash flow from investing activities			
Acquisition of businesses and subsidiaries, net of cash		–29 872	–2 832
Investment in tangible non-current assets (rental machinery)		–88 902	–110 115
Investment in other tangible non-current assets		–504	–2 825
Investment in intangible non-current assets		–9 680	–6 503
Proceeds from sale of tangible and intangible non-current assets (excluding used rental equipment)		7 713	360
Proceeds from sales of other investments		–	14 681
Loan receivables, increase, decrease and other changes		2 594	–1 577
Net cash flow from investing activities		**–118 651**	**–108 812**
Cash flow from financing activities			
Dividends paid		–39 858	–36 618
Borrowings and repayments of current debt (net)		22 686	–49 771
Borrowings of non-current debt		2 651	99 031
Repayments of non-current debt		–6 047	–85 565
Net cash flow from financing activities		**–20 567**	**–72 923**
Net change in cash and cash equivalents during the financial year		**1 281**	**511**
Cash at the beginning of the period		1 849	1 338
Translation differences		–	–
Change in cash		1 281	511
Cash at the end of the period		3 129	1 849

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR 1 000)	Share capital	Revaluation fund	Invested unrestricted equity fund	Translation differences	Retained earnings	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
EQUITY 1.1.2013	**25 000**	**−4 924**	**113 329**	**6 220**	**223 948**	**363 573**	**–**	**363 573**
Translation differences	–	–	–	–10 180	–	–10 180	–	–10 180
Actuarial gains/losses on defined benefit plans	–	–	–	–	487	487	–	487
Cash flow hedges	–	3 317	–	–	–	3 317	–	3 317
Share of other comprehensive income in associates and joint ventures	–	–	–	–4 386	–	–4 386	–	–4 386
Available-for-sale investments	–	105	–	–	–	105	–	105
Profit for the period	–	–	–	–	54 030	54 030	–	54 030
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**–**	**3 421**	**–**	**–14 566**	**54 517**	**43 373**	**–**	**43 373**
Share based payments	–	–	–	–	412	412	–	412
Issue of treasury shares	–	–	239	–	–	239	–	239
Dividend distribution	–	–	–	–	–36 618	–36 618	–	–36 618
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**–**	**–**	**239**	**–**	**–36 206**	**–35 967**	**–**	**–35 967**
EQUITY 31.12.2013	**25 000**	**–1 502**	**113 568**	**–8 346**	**242 258**	**370 978**	**–**	**370 978**
Translation differences	–	–	–	–14 677	–	–14 677	–	–14 677
Actuarial gains/losses on defined benefit plans	–	–	–	–	–2 567	–2 567	–	–2 567
Cash flow hedges	–	597	–	–	–	597	–	597
Share of other comprehensive income in associates and joint ventures	–	–	–	–12 689	–	–12 689	–	–12 689
Available-for-sale investments	–	–70	–	–	–	–70	–	–70
Profit for the period	–	–	–	–	32 632	32 632	–542	32 090
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**–**	**526**	**–**	**–27 366**	**30 065**	**3 225**	**–542**	**2 683**
Share based payments	–	–	–	–	97	97	–	97
Issue of treasury shares	–	–	199	–	–	199	–	199
Dividend distribution	–	–	–	–	–39 858	–39 858	–	–39 858
Acquisition of subsidiary with non-controlling interests	–	–	–	–	–	–	1 236	1 236
Redemption liability on non-controlling interest option	–	–	–	–	–10 342	–10 342	–	–10 342
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**–**	**–**	**199**	**–**	**–50 103**	**–49 904**	**1 236**	**–48 668**
EQUITY 31.12.2014	**25 000**	**–976**	**113 767**	**–35 712**	**222 220**	**324 299**	**693**	**324 992**

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

1. BUSINESS ACTIVITIES AND ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

BUSINESS ACTIVITIES

Ramirent Plc ("the company") 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 (together, "Ramirent" or the "Group"). The Group's business activities comprise rental of construction machinery and equipment for construction and process industries, the public sector and households. 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 with operations in 10 countries at the end of 2014 – Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, the Czech Republic and Slovakia. In Russia and Ukraine the operations were carried out through a joint venture. The business operations were conducted from a total of 302 (304) rental outlets located in these countries.

At the end of 2014 Ramirent employed 2,576 (2,589) people. The consolidated net sales amounted to EUR 613.5 (647.3) million, of which 75% (77%) was generated outside Finland.

These consolidated financial statements were authorised for issue by the Board of Directors on 11 February 2015.

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 2014 that are applicable to Ramirent's business operations, including all SIC and IFRIC interpretations thereon, have been complied with when preparing both year 2014 and comparative year 2013 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 procedures laid down in European Union regulation (EC No 1606/2002). 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 rounding the sum of individual figures may differ from the totals.

Ramirent has adopted the following new or amended standards beginning 1 January 2014:

IFRS 10 "Consolidated Financial Statements" 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 does not have any material impact on Ramirent's financial reporting.

IFRS 11 "Joint Arrangements". The standard focuses on accounting for joint arrangements, the rights and obligations rather than its legal form. The standard does not have any material impact on Ramirent's financial reporting as Fortrent is classified as a joint venture also under the new IFRS 11 and consequently there is no change in accounting for Ramirent's share of Fortrent's result.

IFRS 12 "Disclosures of Interest in Other Entities" The standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates and/or structured entities. The standard expanded the disclosure information provided on subsidiaries, associates and joint ventures.

IAS 27 (revised) "Separate financial statements" 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. The standard does not have any material impact on Ramirent's financial reporting.

IAS 28 (revised) "Associates and joint ventures" The standard includes requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11. The standard does not have any material impact on Ramirent's financial reporting.

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

IFRIC 21 "Levies". The interpretation gives guidance on when to recognise a liability for a levy imposed by a government. The interpretation does not have any material impact on Ramirent's financial reporting.

BASIS OF PREPARATION

The consolidated financial statements have been prepared under the historical convention except as disclosed in the accounting policies below.

CONSOLIDATION PRINCIPLES

Subsidiaries

The consolidated financial statements include the parent company Ramirent Plc and all companies over which Ramirent has control.

Ramirent controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power means that Ramirent has existing rights that give it the current ability to direct the activities that significantly affect the investee's returns.

The subsidiaries are listed in note 37.

The consolidated financial statements are prepared using the acquisition method, according to which the separately identified assets, liabilities and contingent liabilities of the acquired company are measured at their fair value at the date of acquisition. The acquisition cost is based on the fair value of the assets acquired, equity instruments issued and liabilities incurred or assumed 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. In addition, amounts previously recognised in other comprehensive income in respect of the disposed subsidiary are reclassified to profit or loss. If the parent company retains control, impacts from changes in ownership in a subsidiary are recognised directly in the Group's equity.

Goodwill is defined as 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 cannot be 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 professional fees, are expensed through profit or loss. Non–controlling interest in the acquiree is measured acquisition–by–acquisition either at fair value or at value, which is equal to the proportional share of the non–controlling interest in the identifiable net asset acquired.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

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

All internal transactions, balances and internal unrealised profits as well as internal distribution of profit 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.

Associated Companies

Associated companies are entities over which Ramirent has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised in the balance sheet as cost, and the carrying amount is increased or decreased to recognise Ramirent's share of the profit or loss and other comprehensive income after the date of the acquisition. The share of the profit or loss is presented separately in the consolidated income statement. Ramirent's investment in associates includes goodwill identified on acquisition.

Joint Arrangements

Joint arrangements are arrangements in which Ramirent has joint control with one or more parties. Ramirent applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Ramirent has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures. Acquisition related costs are included in the investment value.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires the Group's management to make and rely on estimates and to make judgements when applying the 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:

- fair value (collectable amount) of trade receivables (note 2, section credit risk),
- estimates of future financial performance of the Group, affecting the reward realisation of the long term incentive programmes (note 7)
- future business estimates and other elements of impairment testing (note 13)
- probability of future taxable profits against which tax deductible temporary differences can be utilised thus giving rise to recognition of deferred income tax assets (note 18),
- actuarial assumptions applied in the calculation of defined benefit obligations (note 23),
- measurement of fair value of assets acquired in connection with business combinations (note 28), and

- contingent consideration arrangements in acquisitions (note 28).

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

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 euro, which is the functional currency of the Group's parent company Ramirent Plc.

Recording Foreign Currency Transactions

The initial transactions in foreign currency are recorded in the functional currency at the exchange rates prevailing at the dates of the transactions. Receivables and liabilities denominated in foreign currencies are translated to functional currency by 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 income statement, whereas those stemming from financing items are recognised in financial income and expenses in income statement.

Translating The Financial Statements Of Foreign Entities

The income statements of the Group's subsidiaries, whose functional currency is not the euro, are translated into euros based on the average exchange rate of the financial period. Their statements of financial position, with the exception of net result, are translated to euros 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 income statement as part of the gain or loss of the sale or liquidation.

REPORTING BY SEGMENT

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CEO of the Ramirent Group.

Segment information is presented for Ramirent's operating segments, which are determined by geographical split. Operating segments are managed separately and they are separately reported in internal management reporting to the CEO.

Ramirent's operating segments are:

- Finland
- Sweden
- Norway
- Denmark
- Europe East (The Baltic States and Russia and Ukraine through the joint venture) and
- Europe Central (Poland, Czech Republic and Slovakia). (Hungary is included in the comparative information until 18 September, 2013).

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

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

The segments' invested capital comprises of assets and liabilities that the segments utilise in their business operations to the extent assets and liabilities are reported regularly to the chief operating decision maker in Ramirent Group.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

REVENUE RECOGNITION

All rental income and income from sale of goods are accounted for as revenues. The revenues are reported at the fair value of the consideration received or receivable, 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.

Ramirent may in the course of its ordinary activities, routinely sell machinery or equipment that it has held for rental to others. Such assets shall be transferred to inventories at the carrying amount when they cease to be rented and become held for sale. Income from sales of rental machinery and equipment is recognised in net sales on a gross basis.

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.

MATERIAL AND SERVICES

The costs related to the sales of used rental machinery and equipment as well as the carrying value of sold rental machinery and equipment are recognised as material and service expenses.

EMPLOYEE BENEFITS

Pension Obligations

The Group companies have organised their pensions by means of various pension plans in accordance with local conditions and practices. Such plans are either defined contribution plans or defined benefit plans.

In defined contribution plans, the Group makes fixed payments to separate entities or plans, in which the Group has no legal or constructive obligation to make any additional payments if the party receiving them is unable to pay the pension benefits in question. All arrangements that do not qualify as defined contribution plans are defined benefit plans. Ramirent has defined contribution plans in all countries where it operates. Ramirent has defined benefit plans only Sweden and Norway.

The pension contributions paid or payable for defined contribution pension plans are expensed in profit or loss during the financial period to which the costs 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. Under this method, the cost of providing pensions is charged to profit or loss so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plans every year. The pension obligation is measured as the present value of estimated future cash outflows using interest rates of highly rated government securities or corporate bonds, as appropriate that materially corresponds to the currency and expected maturity of the defined benefit pension obligation.

The Group immediately recognises all actuarial gains and losses arising from defined benefit plans directly in equity in Other Comprehensive Income as they occur. The Group reports the service cost in employee benefit expenses and the net interest in financial items. The Group reports a net pension asset or liability in the Balance Sheet.

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 as an expense with a corresponding credit to equity. The part of the reward that is settled in cash is recognised as an expense and as a liability. The liability is revaluated at each reporting date for subsequent changes in the fair value of the liability. The cash–settled portion relates to personal taxes and other employer's contributions.

OPERATING PROFIT BEFORE AMORTISATION AND IMPAIRMENT OF INTANGIBLE ASSETS (EBITA)

The operating profit or loss before amortisation and impairment of intangible assets, i.e. EBITA, 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 on non-current assets are subtracted. The share of result in associates and joint ventures is included in the EBITA. Foreign currency differences stemming from working capital items are included in the EBITA, whereas foreign currency differences from financial assets and liabilities are included in financial income and expenses.

OPERATING PROFIT (EBIT)

Operating result EBIT is calculated from EBITA by subtracting amortisation and impairment charges on non-current 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 balance sheet and recognised as financial expenses in profit or loss using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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

Goodwill is defined as the excess of the cost of the business combination over the acquirer's interest in the fair value of the identifiable net assets, liabilities and contingent liabilities of the acquiree at the date of acquisition. 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. Operating countries Finland, Sweden, Norway and Denmark each form one CGU. The Baltic States and Europe Central–segment (Poland, the Czech Republic and Slovakia) also each form one CGU. 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 is never 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, costs for IT–systems and development costs for new products for 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, customer relationships and development costs for new products 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 on a straight–line basis. The estimated useful lives per asset category are as follows:

- Software licenses and IT–system 3–5 years
- Costs for development of new products 5 years
- Non–competition agreements 2–5 years
- Customer agreements and relationships 3–10 years
- Cooperation agreements 3–5 years

Amortisation methods, useful lives 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.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

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 straight–line item–by–item depreciation during their estimated useful life. Land is not subject to depreciation.

The estimated useful lives per asset category as follows:

- Buildings, structures and land improvements 10–30 years
- Machinery and equipment for own use 3–10 years
- Other tangible non–current assets 3–8 years

- Itemised rental machinery, fixtures and equipment
  - Lifting and loading equipment 8–15 years
  - Light equipment 3–8 years
  - Modules and site equipment 10 years

- Non–itemised rental machinery, fixtures and equipment 3–10 years
  - Scaffolding
  - Formwork and supporting fixtures
  - Other non–itemised tangible assets

Depreciation methods, useful lives 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 and 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 and sales losses are recognised as other operating expenses.

IMPAIRMENT

Non–current assets are reviewed regularly to determine whether there are any indications of impairment, 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 is never reversed.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

ASSETS HELD FOR SALE

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary or business, all of the assets and liabilities of the subsidiary or business are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary or business after the sale.

Assets and disposal groups classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

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 lives 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. The main categories of inventories are goods for sale as well as spare parts, accessories and materials to be consumed in the rendering of services.

FINANCIAL ASSETS AND LIABILITIES

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.

Financial Assets At Fair Value Through Profit Or Loss (FVTPL)

Financial assets are classified at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short–term profit–taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than that held for trading may be designated at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets and financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the income statement. The net gain or loss recognised incorporates any dividend or interest earned on the financial asset and is included in other operating income or other operating expenses, as appropriate.

Loans And Other Receivables

Loans and other 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 other receivables comprise trade and other receivables.

Loans and other 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 bad debts. Trade receivables are included in bad debt allowance when there is objective evidence that their value is impaired and that they may not be collectable. Trade receivables are analysed client by client and receivable by receivable to determine whether they are not collectable.

Liabilities At Amortised Cost

All financial liabilities are initially recognised at fair value. In subsequent periods they are 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.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw–down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre–payment for liquidity services and amortised over the period of the facility to which it relates.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

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.

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 consultants 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 comprehensive 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.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash inflows or outflows (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income or expense is recognised on an effective interest basis for debt instruments other than those classified as at FVTPL.

DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

The main derivative instruments used by the company for the financial years 2014 and 2013 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 swaps 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 common provisions that the Group has are restructuring provisions. They are recognised only when general recognition criteria for provisions are fulfilled and the Group has a detailed formal plan about the business concerned, the location and number of employees affected, a detailed estimate of the associated costs and appropriate timeline. Restructuring provisions consist of 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

The basic earnings per share (EPS) is calculated by dividing the net result attributable to the parent company's shareholders with the weighted average number of shares outstanding 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 attributable to the parent company's shareholders with the weighted average number of shares outstanding 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.

IFRS 9 "Financial Instruments" (effective from 1 January 2018). 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 15 "Revenue from Contracts with Customers" (effective from 1 January 2017). New standard includes a five phase model to be applied in revenue recognition. Revenue recognition may happen in a point of time or over time. Essential criteria for revenue recognition is transfer of control. New standard is not expected to have significant effect on consolidated financial statements.The standard has not yet been endorsed by EU.

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

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

2. 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, counterparty risk and 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 a risk management policy which is described in the 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 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 operative management, namely CEO and CFO, controls that the risk management has been conducted in an appropriate way in the Group.

The overall operative financial risk management has been centralised to the Group Treasury of Ramirent. 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. 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 management 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 Group Treasury.

FOREIGN EXCHANGE RATE RISK

Ramirent is an international 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 euros, while the major part of investment arises in euros. 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' counterparty 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. Group Treasury hedges the exposures externally with foreign currency nominated borrowings and foreign exchange forward contracts.

On 31 December 2014, Ramirent had outstanding foreign exchange forwards of EUR 32.7 (30.9) million (nominal value) with a market value of EUR –0.01 million (EUR –0.2 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 2014	EUR exposure in companies reporting in foreign currency 2013
Trade receivables	178	4 328
Trade payables	–1 377	–1 186
Total	**–1 199**	**3 143**

INTEREST-BEARING DEBT BY CURRENCY

(EUR 1 000)	2014	2013
EUR	200 385	178 923
SEK	16 580	16 107
NOK	13 233	13 751
Total	**230 198**	**208 781**

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.

(EUR 1 000)	2014	2013
+/–10% change in EUR/SEK	–/+ 866	+/– 273
+/–10% change in EUR/NOK	–/+ 2 239	–/+ 3 638
+/–10% change in EUR/PLN	+/– 585	+/– 530
+/–10% change in EUR/DKK	–/+ 88	+/– 170
+/–10% change in EUR against other currencies	–/+ 482	–/+ 1 416
+/–10% change in EUR Total	**–/+ 3 090**	**–/+ 4 081**

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 hedge currently 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 Ramirent's profitability, interest rates are fixed for certain periods of time and fixing dates are 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. The duration (average interest fixing period) for the Group's consolidated net borrowing is used to measure the interest rate risk exposure.

Group Treasury is responsible for interest rate risk management in Ramirent Group. Guideline of the interest rate risk exposure management in Ramirent's Finance Policy is that the periods of interest rates shall be diversified. Interest rate swaps and swaptions may only be used to fix the floating rate of underlying loans. Ramirent applies hedge accounting for all interest rate derivatives. The actual average interest rate fixing period of interest-bearing debt on 31 December 2014 was 27.5 months and the hedging level for variable rate loans was 66.3%. Group Treasury is responsible for monitoring and updating the estimated interest rate benchmark position of Ramirent.

On 31 December 2014, Ramirent had outstanding interest rate swaps of EUR 52.7 (88.8) million (nominal value) with a market value of EUR –1.7 (–2.6) million.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

WEIGHTED AVERAGE MATURITY AND AVERAGE INTEREST RATE ON 31 DECEMBER 2014

	Weighted average maturity (years)	Weighted average interest rate (%)
Loans from financial institutions	2.2	1.56%
Bond	4.2	4.38%
Commercial papers	0.2	0.47%
Other liabilities	1.6	4.25%

WEIGHTED AVERAGE MATURITY AND AVERAGE INTEREST RATE ON 31 DECEMBER 2013

	Weighted average maturity (years)	Weighted average interest rate (%)
Loans from financial institutions	1.3	1.64 %
Bond	5.2	4.38 %
Finance lease liabilities	0.7	4.00 %

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

INTEREST RATE HEDGE COVERAGE OVER TIME (BALANCES AT PERIOD ENDS)

On 31 December 2014

(EUR 1 000)	2014	2015	2016	2017	2018	2019	Later
Debt, fixed rate	100 440	99 982	100 171	100 367	99 961	–	–
Debt, variable rate	129 758	78 885	78 954	–	–	–	–
Interest rate hedges	52 718	37 718	12 718	–	–	–	–

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

INTEREST RATE HEDGE COVERAGE OVER TIME (BALANCES AT PERIOD ENDS)

On 31 December 2013

(EUR 1 000)	2013	2014	2015	2016	2017	2018	Later
Debt, fixed rate	99 151	99 300	99 458	99 621	99 789	99 961	–
Debt, variable rate	109 630	75 672	75 719	75 788	–	–	–
Interest rate hedges	88 751	53 751	38 751	13 751	–	–	–

Sensitivity analysis
The following table demonstrates the sensitivity of Ramirent's profit or loss for 2014 and equity as at 31 December 2014 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 2013.

31 DECEMBER 2014

	Profit or loss		Equity (Other comprehensive income)	
(EUR 1 000)	1 percentage unit increase	1 percentage unit decrease	1 percentage unit increase	1 percentage unit decrease
Variable rate instruments	–1 299	239	–	–
Interest rate swaps	527	–174	545	–448
Total	**–772**	**65**	**545**	**–448**

31 DECEMBER 2013

	Profit or loss		Equity (Other comprehensive income)	
(EUR 1 000)	1 percentage unit increase	1 percentage unit decrease	1 percentage unit increase	1 percentage unit decrease
Variable rate instruments	–961	363	–	–
Interest rate swaps	888	–350	1 422	–900
Total	**–73**	**14**	**1 422**	**–900**

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, they have all been assumed to affect equity.

FUNDING RISK

Funding risk is the risk that refinancing of the existing debt portfolio and/or raising new funding will not be available, or is available at high price. The aim is to minimise Ramirent's refinancing risk by spreading debt/debt facility maturities over time and by securing refinancing 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 the 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 the Finance policy, in the 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 occurs, the Group Treasury is obliged to start negotiations to alter this structure no later than eighteen months before the planned amortisation.

As of the end of 2014, Ramirent had funding from a committed long-term term-loan facility in total of EUR 75.0 million, committed long-term revolving credit facilities in total of EUR 220.0 million under two different agreements and a committed overdraft facility of EUR 20.0 million with financial institutions. During 2013 Ramirent issued an inaugural unsecured senior bond of EUR 100.0 million. In addition, an uncommitted EUR 150.0 million domestic commercial paper program was used.

The average maturity of the committed debt facilities as of 31 December 2014 was 2.7 years. Ramirent's borrowing facilities with financial institutions will mature in 2016, 2017 and 2020. The bond will mature in 2019.

As at 31 December 2014 Ramirent was in compliance with all covenants and other terms of its debt instruments.

LIQUIDITY RISK

Liquidity risk is the risk that existing funds and borrowing facilities become insufficient to meet the Group'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, whichever 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 a strategic liquidity reserve that management of the Ramirent Group estimates for the foreseeable future. Top management shall constantly review the optimal level of the strategic liquidity requirement to allow the 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 2014, Ramirent had EUR 188.7 million (30.8% of net sales 2014) of committed liquidity reserves readily available.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

The table below summarises the contractual maturities of financial liabilities and including interest payments as of 31 December 2014:

31 DECEMBER 2014

(EUR 1 000)

Non-derivative financial liabilities	Contractual cash flows	Carrying amount	2015	2016	2017	2018	2019	Later
Committed loans from financial institutions	–108 490	–102 784	–1 801	–30 001	–76 688	–	–	–
Bond	–121 875	–99 300	–4 375	–4 375	–4 375	–4 375	–104 375	–
Commercial papers	–23 115	–23 000	–23 115	–	–	–	–	–
Committed bank overdrafts	–4 164	–3 974	–574	–61	–3 529	–	–	–
Other long-term liabilities	–27 387	–21 030	–689	–1 744	–8 780	–7 862	–5 473	–2 839
Other short-term liabilities	–6 731	–5 634	–6 731	–	–	–	–	–
Trade payables	–27 962	–27 962	–27 962	–	–	–	–	–
Total	–319 724	–283 684	–65 247	–36 181	–93 372	–12 237	–109 848	–2 839
Derivative financial instruments								
Interest rate swaps (fair value)	–1 736	–1 736	–952	–662	–121	–	–	–
Foreign exchange forwards (fair value)	–8	–8	–8	–	–	–	–	–
Total	–1 744	–1 744	–960	–662	–121	–	–	–
Total	**–321 468**	**–285 427**	**–66 207**	**–36 843**	**–93 493**	**–12 237**	**–109 848**	**–2 839**

31 DECEMBER 2013

(EUR 1 000)

Non-derivative financial liabilities	Contractual cash flows	Carrying amount	2014	2015	2016	2017	2018	Later
Committed loans from financial institutions	–116 795	–108 762	–36 169	–1 688	–1 875	–77 063	–	–
Bond	–126 250	–99 151	–4 375	–4 375	–4 375	–4 375	–4 375	–104 375
Committed bank overdrafts	–869	–808	–12	–14	–16	–827	–	–
Finance lease liabilities	–63	–60	–40	–23	–	–	–	–
Other liabilities	–10 166	–10 166	–10 166	–	–	–	–	–
Trade payables	–35 964	–35 964	–35 964	–	–	–	–	–
Total	–290 107	–254 911	–86 726	–6 100	–6 266	–82 265	–4 375	–104 375
Derivative financial instruments								
Interest rate swaps (fair value)	–2 593	–2 593	–1 413	–674	–453	–53	–	–
Foreign exchange forwards (fair value)	–227	–227	–227	–	–	–	–	–
Total	–2 820	–2 820	–1 640	–674	–453	–53	–	–
Total	**–292 927**	**–257 731**	**–88 366**	**–6 774**	**–6 719**	**–82 318**	**–4 375**	**–104 375**

CREDIT RISK

OPERATIONAL CREDIT RISK

Credit risk is defined as the possibility of a customer not fulfilling its commitments towards Ramirent. The Group has a Credit Risk Management Principle that sets the guidelines for credit management and controls it in all Group companies. According to the Group Credit Risk Management Principle, the operative management of each operating Ramirent entity is responsible for setting specific local procedures to evaluate and manage credit risk. The Group Credit Risk Management Principle 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 2014 except one customer group that comprises about 10 percent of the Groups total sales. The quality of receivables is evaluated by the aging of the receivables and based on specific customer analysis.

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

ANALYSIS OF TRADE RECEIVABLES BY AGE

(EUR 1 000)	Gross 2014	Accumulated allowance for bad debts 2014	Gross 2013	Accumulated allowance for bad debts 2013
Undue trade receivables	70 476	–	73 607	–
Trade receivables 1–30 days overdue	17 018	–	17 200	–
Trade receivables 31–90 days overdue	4 890	–	4 419	–266
Trade receivables 91–180 days overdue	3 184	–1 645	2 225	–2 225
Trade receivables 181–360 days overdue	2 081	–2 081	1 287	–1 287
Trade receivables more than 360 days overdue	9 151	–9 151	5 804	–5 804
Total	**106 801**	**–12 877**	**104 542**	**–9 582**

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

(EUR 1 000)	2014	2013
Allowance for bad debts on 1 January	–9 582	–11 061
Exchange differences	268	360
Increase during the financial year	–6 086	–3 999
Decrease due to actual credit losses during the financial year	1 036	2 442
Decrease due to customer payments during the financial year	1 487	1 954
Decrease of allowance due to disposal of subsidiaries	0	722
Net movement of allowance for bad debts during the financial year	**–3 295**	**1 478**
Allowance for bad debts on 31 December	**–12 877**	**–9 582**

Financial Counterparty Risk

Financial counterparty risk is defined as the risk of banks/financial institutions not being able to fulfil 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 rating. Ramirent co-operates only with counterparties judged to be capable of meeting their undertakings to Ramirent.

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.

CASH FLOW HEDGES

Ramirent Group uses interest rate derivatives to reduce the volatility of interest expenses in the income statement 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 derivatives 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 2014 and 2017.

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 the income statement. 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 both during 2014 and 2013.

Gains and losses accumulated in other comprehensive income are recycled in the income statement 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 2014, interest rate hedge effect to other comprehensive income was EUR 0.6 million (after taxes).

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

3. CAPITAL MANAGEMENT

The targets of capital management in Ramirent have been adopted by the Board of Directors in the 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 a business cycle. In addition the company is to earn a sustainable return that is higher than the market cost of its capital.

Ramirent Group's long–term financial targets are aligned with the strategic priorities and have been set to further emphasise 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 pay–out ratio of at least 40% of net profit.

To secure its long–term profit generation target, Ramirent is pursuing an EBITA margin of at least 18% for all segments which is expected to deliver a 300 bps EBITA margin improvement at Group level, from 14% in 2012 to 17% by the end of 2016.

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 2015 resolves in favour of paying a dividend of EUR 0.40 cent per share, which corresponds to 132.0% per cent of the annual net profit. Total dividend distribution during the past 5 years corresponds with 84.3% of the accumulated net profit for the past five years.

In 2014 the Annual General Meeting adopted the Board's proposal that a dividend of EUR 0.37 per share be paid based on the adopted balance sheet for the financial year ended on 31 December 2013. The date of record for dividend payment was 31 March 2014 and the dividend was paid on 11 April 2014.

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 2014 and 2013 was as follows:

(EUR 1 000)	2014	2013
Interest–bearing liabilities	230 199	208 781
Cash and cash equivalents	–3 129	–1 849
Net debt	227 070	206 932
Total equity	324 992	370 978
Gearing	69.9%	55.8%

RECONCILIATION OF NET DEBT

	2014	2013
Net debt at 1 January	206 932	239 375
Decrease/(increase) in cash during the year	–1 281	–512
Increase in long–term debt through cash flow	–	99 031
Decrease in long–term debt through cash flow	–7 833	–
Change in net debt from cash flows	26 936	–131 082
Acquired companies	2 166	–
Non–cash movements:		
– deferred costs of raising debt	149	120
Increase/(decrease) in net debt during the year	20 137	–32 443
Net debt at 31 December	227 070	206 932

4. SEGMENT INFORMATION

The Group comprises six operating segments: Finland, Sweden, Norway, Denmark, Europe East (The Baltics and Russia and Ukraine through the joint venture) and Europe Central (Poland, Czech Republic and Slovakia). Hungary is included in the comparative information until 18 September, 2013. Segment performance is evaluated and decisions on resource allocation are made based on operating result (EBIT). 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 a management fee for the services rendered from its subsidiaries. The cost is included in segments operating result.

Segment assets and liabilities are items that are used by a segment in its operating activities and can be allocated to a segment on a reasonable basis. Non-current assets in the following tables include all non-current assets other than financial instruments, post-employment benefit assets and deferred tax assets. Segment liabilities in the following tables include non-current and current liabilities other than interest-bearing liabilities.

Parent company expenses consist of e.g. personnel cost including social costs, headquarter costs, expenses related to development of business and IT systems and certain marketing expenses that relate to development of Ramirent brand. These costs are recharged to the operating segments to the extent that they benefit the segments. The shareholder costs, costs that relate to parent company's status as a listed company and related reporting requirements are not recharged to the operating segments. Unallocated items at EBITA level consist of such parent company expenses that have not been recharged internally to operating segments.

YEAR 2014 SEGMENT INFORMATION

(EUR 1 000)	Finland	Sweden	Norway	Denmark	Europe East	Europe Central	Unallocated items and eliminations	Group total
External net sales	151 949	200 374	135 103	39 359	33 835	52 905	12	613 536
Inter-segment net sales	854	653	608	–	65	279	–2 460	–
Total net sales	152 803	201 027	135 711	39 359	33 901	53 184	–2 448	613 536
Depreciation, amortisation and impairment charges	–25 964	–32 820	–25 025	–6 013	–6 968	–12 165	–772	–109 728
EBITA	20 776	29 351	14 001	–3 921	6 652	1 713	–2 751	65 821
Operating profit (EBIT)	19 296	26 327	12 166	–3 921	6 540	1 601	–3 865	58 143
Reportable non-current assets	118 621	207 831	136 466	19 997	41 908	48 359	43 007	616 189
Reportable assets	149 497	256 903	162 864	32 380	50 988	65 812	25 449	743 894
Reportable liabilities	25 083	101 884	37 330	6 975	4 361	7 277	5 792	188 703
Gross capital expenditure	35 832	67 282	14 242	3 648	10 592	7 830	5 136	144 561
Number of employees								
At reporting date	497	759	388	147	240	477	68	2 576
Average during the financial year	522	706	422	154	238	469	55	2 566

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

YEAR 2013 SEGMENT INFORMATION

(EUR 1,000)	Finland	Sweden	Norway	Denmark	Europe East	Europe Central	Unallocated items and eliminations	Group total
External net sales	150 906	206 714	153 622	43 707	35 411	56 885	7	647 252
Inter-segment net sales	1 016	580	–26	245	97	437	–2 349	–
Total net sales	151 922	207 294	153 596	43 952	35 508	57 322	–2 342	647 252
Depreciation, amortisation and impairment charges	–22 591	–31 851	–28 611	–7 310	–6 549	–16 166	310	–112 768
EBITA	25 739	36 577	21 986	–4 273	17 317	–712	–4 553	92 080
Operating profit (EBIT)	24 558	33 989	19 708	–4 434	17 185	–3 748	–4 974	82 284
Reportable non-current assets	111 339	191 908	162 167	23 561	65 591	55 151	25 714	635 432
Reportable assets	144 958	229 648	196 093	36 904	72 751	74 749	4 373	759 477
Reportable liabilities**	21 837	73 470	56 411	9 521	3 126	8 862	6 492	179 718
Gross capital expenditure	28 809	35 832	34 534	6 587	9 606	7 121	3 275	125 764
Number of employees*								
At reporting date	547	656	460	175	235	479	38	2 589
Average during the financial year	560	666	465	184	261	558	32	2 725

*) The reporting of the number of personnel was changed to FTE (full time equivalent) as from 2014. The FTE-number indicates the number of employees calculated as full time workload for each person employed and actually present in the company.
**) The segment reportable liabilities in 2013 have been adjusted to comply with the amounts reported to the CODM.

INFORMATION ABOUT PRODUCTS AND SERVICES

(EUR 1 000)	2014	2013
Rental income	395 341	420 895
Service income	161 255	159 234
Sale of used rental machinery and equipment	24 714	28 317
Sale of goods	32 226	38 806
Net sales	**613 536**	**647 252**

RECONCILIATIONS

(EUR 1 000)	2014	2013
Total net sales for reportable segments	615 984	649 594
Elimination of sales between segments	–2 448	–2 342
Consolidated net sales	**613 536**	**647 252**
Total profit (operating profit) for reportable segments	62 008	87 258
Unallocated income	2 546	869
Unallocated expenses	–6 412	–5 843
Consolidated operating result	58 143	82 284
Financial income	11 292	15 639
Financial expenses	–26 974	–34 055
Consolidated profit before income taxes	**42 460**	**63 869**
Total assets for reportable segments	718 445	755 104
Elimination of inter-segment assets	–155 466	–170 721
Unallocated assets	180 916	175 094
Consolidated total assets	**743 894**	**759 477**
Total non-interest-bearing liabilities for reportable segments	182 911	173 227
Elimination of inter-segment liabilities	–6 144	–6 265
Unallocated liabilities	11 936	12 757
Consolidated total non-interest-bearing liabilities	**188 703**	**179 718**

INFORMATION ABOUT MAJOR CUSTOMERS

The Ramirent Group has one group of customers under common control that represent revenues of EUR 62.4 million (10.2% of total revenues) (EUR 61.6 million, 9.5 % of total revenues in 2013). Revenues from this group of customers under common control are included in all operating segments.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

5. OTHER OPERATING INCOME

(EUR 1 000)	2014	2013
Gain on disposals of real estates and non-rental machinery and equipment	411	154
Rental income of real estates	513	605
Non-taxable capital gain from formation of Joint Venture	–	10 128
Insurance compensations	–	343
Other income	1 366	1 503
Total	**2 290**	**12 732**

6. MATERIAL AND SERVICE EXPENSES

(EUR 1 000)	2014	2013
Cost of re-renting	–26 058	–29 343
Cost of sold rental equipment	–11 761	–13 203
Cost of goods sold	–19 449	–25 981
Repair and maintenance expenses	–29 970	–30 096
Cost of external services	–73 641	–66 272
Transportation expenses	–47 392	–47 454
Expensed equipment	–890	–820
Total	**–209 162**	**–213 169**

7. EMPLOYEE BENEFIT EXPENSES

(EUR 1 000)	2014	2013
Wages and salaries	–105 387	–107 357
Termination benefits	–1 271	–645
Social security	–21 726	–23 282
Post-employment benefits		
Pension expenses – defined benefit plans	–773	–748
Pension expenses – defined contribution plans	–8 560	–9 430
Equity-settled share-based payment transactions	–97	–412
Cash-settled share-based payment transactions	521	–720
Other personnel expenses	–13 012	–14 196
Total	**–150 305**	**–156 791**

PERFORMANCE-BASED LONG-TERM INCENTIVE PROGRAMS

Ramirent has three on-going share-based incentive programs for its key managers, one approved by the Board in 2012 for the period 2012–2014, second one approved by the Board in 2013 for the period 2013–2015 and a third one approved by the Board in 2014 for the period 2014–2016. The long-term incentive program 2010 was settled in April 2013 and the long-term incentive program 2011 was settled in April 2014.

Long-Term Incentive Program 2010

The Performance Share Program for the years 2010–2012 was targeted at approximately 50 managers. The members of the Group Management Team were included in the target group of the incentive program. The Performance Share Program included one earning period, calendar years 2010–2012. The reward from the program for the earning period was 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 reward from the earning period 2010–2012 was paid in April 2013 partly in Company shares and partly in cash. The cash payment was intended to cover the personal taxes and tax-related costs arising from the reward. Based on the share issue authorisation granted by the AGM, the Board decided to convey 31,561 of the company's own shares, held by the company, without payment to the key persons of the Group as a settlement of the Performance Share Program 2010. The accrued cost for 2013 was EUR 0.1 million. In 2012 cost recognised earlier was reversed by EUR 0.8 million. The total cost accumulated during 2010–2013 was EUR 0.5 million.

Long-Term Incentive Program 2011

The Performance Share Program for the years 2011–2013 was targeted at approximately 60 managers. The members of the Group Management Team were included in the target group of the incentive program. The Performance Share Program

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

included one earning period, calendar years 2011–2013. The reward from the program for the earning period 2011–2013 was 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 reward was paid in April 2014 partly in Company shares and partly in cash. The cash payment was intended to cover the personal taxes and tax–related costs arising from the reward. No reward was to be paid to a manager, if his or her employment or service with the Group was ended before the reward payment. Based on the share issue authorisation granted by the AGM, the Board decided to convey 24,674 of the company's own shares, held by the company, without payment to the key persons of the Group as a settlement of the Performance Share Program 2011. In 2014 cost recognised earlier was reversed by EUR 0.2 million. The cost for 2013 was EUR 0.3 million. The total cost accumulated during 2011–2014 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 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 estimated reward realisation was revised in 2014 based on the financial performance of the Group. Thus the cost accrued in 2012—2013 was reversed in 2014 by EUR 0.5 million. The cost for 2013 was EUR 0.4 million. The total cost accumulated during 2012–2014 was EUR 0.3 million.

Long–Term Incentive Program 2013

The share–based incentive program for the years 2013–2015 is targeted at approximately 50 managers of the company for the earning period 2013–2015. The members of the Group Management Team are included in the target group of the incentive program. The program includes matching shares and performance shares. The program includes one earning period, the calendar years 2013—2015. The potential reward from the program for the earning period 2013—2015 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 2013—2015 will be paid partly in the Company's shares and partly in cash in 2016. 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 2013—2015 will correspond to the value of up to 390,244 Ramirent Plc shares (including also the proportion to be paid in cash). The accrued cost for 2014 was EUR 0.1 million (in 2013 EUR 0.4 million). The total cost accumulated during 2013–2014 was EUR 0.5 million

Long–Term Incentive Program 2014

The share–based incentive program for the years 2014–2016 is targeted at approximately 60 executives of the company for the earning period 2014–2016. The members of the Executive Management Team and the Group Management Team are included in the target group of the incentive program. The program includes matching shares and performance shares. The program includes one earning period, the calendar years 2014—2016. The potential reward from the program for the earning period 2014—2016 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 2014—2016 will be paid partly in the Company's shares and partly in cash in 2017. 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 2014—2016 will correspond to the value of up to 360,000 Ramirent Plc shares (including also the proportion to be paid in cash). The accrued cost for 2014 was EUR 0.2 million.

Recognition Principles Of The Long–Term Incentive Programs

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 revaluated at each reporting date for subsequent changes in the fair value of the liability. 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.

The total liability for the on–going long–term incentive programs as at 31 December 2014 totals EUR 1.0 million (EUR 1.8 million).

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

8. OTHER OPERATING EXPENSES

(EUR 1 000)	2014	2013
Property operating lease expenses	–25 262	–25 716
Other property expenses	–9 813	–10 825
IT and office expenses	–20 219	–19 976
Other operating lease expenses	–7 328	–9 634
External services expenses	–10 270	–11 760
Credit losses	–2 884	–3 984
Change of allowance for bad debts	–525	–673
Restructuring and other non-recurring expenses	–1 951	–2 127
Marketing and representation expenses	–7 042	–8 730
Other expenses	–2 709	–2 235
Total	**–88 003**	**–95 660**
Audit and other fees to auditors		
Audit fees	–312	–270
Audit related fees	–	–70
Tax consulting fees	–32	–53
Other fees	–240	–92
Total	**–584**	**–485**

9. DEPRECIATION, AMORTISATION AND IMPAIRMENT CHARGES

(EUR 1 000)	2014	2013
Depreciation/amortisation by class of assets:		
Depreciation of tangible non-current assets		
Buildings and structures	–784	–1 246
Machinery and equipment	–99 160	–100 431
Leased machinery and equipment	–36	–67
Other tangible assets	–2 069	–1 227
Amortisation of intangible non-current assets		
Other intangible assets	–6 429	–6 176
Other capitalised long-term expenditure	–1 249	–590
Total depreciation and amortisation	**–109 728**	**–109 738**
Impairment charges		
Goodwill	–	–2 869
Other intangible assets	–	–161
Total impairment charges	**–**	**–3 029**

10. FINANCIAL INCOME AND EXPENSES

RECOGNISED IN INCOME STATEMENT

(EUR 1 000)	2014	2013
Financial income		
Dividend income on available-for-sale investments	115	86
Interest income on loans and receivables	894	1 034
Exchange rate gains on financial liabilities measured at amortised cost	10 282	14 519
Total	**11 292**	**15 639**
Financial expenses		
Interest expenses		
Bank loans	–6 906	–6 928
Finance lease liabilities	–40	–
Other financial expenses	–4 616	–4 236
Interest expenses on derivative instruments	–1 413	–4 245
Net change in fair value of cash flow hedges transferred from equity	–	127
Exchange rate losses on financial liabilities measured at amortised cost	–14 000	–18 773
Total	**–26 974**	**–34 055**
Net financial income and expenses	**–15 683**	**–18 415**

11. INCOME TAXES

(EUR 1 000)	2014	2013
Current income tax for the year	–12 131	–14 715
Income tax for prior years	49	602
Deferred income taxes	1 711	4 275
Total income taxes	**–10 370**	**–9 839**

RECONCILIATION OF INCOME TAX TO THE FINNISH CORPORATE INCOME TAX RATE

(EUR 1 000)	2014	2013
Profit before taxes	42 460	63 869
Income tax at Finnish tax rate on profit before tax	–8 492	–15 648
Impact of different tax rate outside Finland	–15	1 328
Impact of tax non–deductible expenses	–2 387	–2 497
Impact of tax exempt income	230	3 150
Income tax for prior years	49	602
Impact of change in tax rates on deferred taxes	195	2 698
Impact on non–recognition of deferred income tax assets on current year losses	–587	–444
Impact on derecognition of deferred income tax assets recognised on prior years	–	–898
Net results of joint venture and associated companies	–95	115
Other items	730	1 035
Total income taxes	**–10 370**	**–9 839**
Effective tax rate	–24.4%	–15.4%

Deferred tax assets and liabilities have been measured using the tax rates applicable on 2015 and onwards. Changes in future tax rates have taken place in Denmark. In the comparative period the impact of tax exempt income is affected by the gain related to formation of Fortrent.

TAX EFFECTS OF COMPONENTS IN OTHER COMPREHENSIVE INCOME

(EUR 1 000)	2014			2013		
	Before taxes	Tax	After taxes	Before taxes	Tax	After taxes
Translation differences	–14 677	–	–14 677	–10 180	–	–10 180
Actuarial gains/(losses) on defined benefit plans	–3 291	724	–2 567	623	–136	487
Cash flow hedges	746	–149	597	4 393	–1 076	3 317
Share of other comprehensive income in associates and join ventures	–12 689	–	–12 689	–4 386	–	–4 386
Available for sale investments	–70	–	–70	105	–	105
Total	**–29 981**	**575**	**–29 407**	**–9 445**	**–1 212**	**–10 657**

12. EARNINGS PER SHARE

(EUR 1 000)	2014	2013
Profit attributable to the parent company shareholders (EUR thousand)	32 632	54 030
Weighted average number of outstanding shares, basic (thousand)	107 718	107 691
Earnings per share, basic (EUR)	0.30	0.50
Profit attributable to the parent company shareholders (EUR thousand)	32 632	54 030
Weighted average number of shares, diluted (thousand)	107 718	107 691
Earnings per share, diluted (EUR)	0.30	0.50

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

13. GOODWILL AND OTHER INTANGIBLE ASSETS

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS 2014

(EUR 1 000)	Goodwill	Other intangible assets	Other capitalised long-term expenditure	Total
Historical cost on 1 January	129 467	44 421	22 642	196 529
Exchange differences	−5 558	−2 221	−51	−7 830
Additions	–	420	8 876	9 296
Business combinations	20 431	7 722	–	28 153
Disposals	–	−3	–	−3
Disposals of subsidiaries	–	–	–	–
Reclassifications	911	10	–	921
Historical cost on 31 December	145 251	50 349	31 467	227 066
Accumulated amortisation and impairment charges on 1 January	−4 642	−24 063	−4 572	−33 277
Exchange differences	77	1 218	49	1 344
Business combinations	–	−51	–	−51
Disposals	–	3	–	3
Disposals of subsidiaries	–	–	–	–
Reclassifications	−907	–	–	−907
Amortisation	–	−6 429	−1 249	−7 679
Accumulated amortisation and impairment charges on 31 December	−5 471	−29 323	−5 772	−40 567
Carrying value on 1 January	124 825	20 358	18 069	163 252
Carrying value on 31 December	139 780	21 026	25 695	186 500

MOVEMENT IN GOODWILL AND OTHER INTANGIBLE ASSETS 2013

(EUR 1 000)	Goodwill	Other intangible assets	Other capitalised long-term expenditure	Total
Historical cost on 1 January	138 325	50 773	16 343	205 441
Exchange differences	−6 198	−3 273	−32	−9 503
Additions	–	68	6 352	6 420
Business combinations	388	600	–	988
Disposals	–	−3 357	−22	−3 379
Disposals of subsidiaries	−2 950	−388	–	−3 339
Reclassifications	−98	−2	1	−99
Historical cost on 31 December	129 467	44 421	22 642	196 529
Accumulated amortisation and impairment charges on 1 January	−4 810	−22 703	−4 032	−31 546
Exchange differences	164	1 250	27	1 441
Disposals	–	3 371	22	3 393
Disposals of subsidiaries	2 873	356	–	3 229
Reclassifications	–	–	–	–
Amortisation and impairment	−2 869	−6 337	−590	−9 795
Accumulated amortisation and impairment charges on 31 December	−4 642	−24 063	−4 572	−33 277
Carrying value on 1 January	133 515	28 069	12 311	173 895
Carrying value on 31 December	124 825	20 358	18 069	163 252

IMPAIRMENT TESTING OF GOODWILL

Goodwill is allocated to groups of cash–generating units (CGUs). Operating countries Finland, Sweden, Norway and Denmark are each defined as CGUs. The Baltic States and Europe Central (Poland, Czech Republic and Slovakia) each form one CGU.

The goodwill allocated to CGUs is set out in the table below. CGUs are operating segments in accordance with IFRS 8 before assessment of aggregation criteria.

ALLOCATION OF GOODWILL TO CASH-GENERATING UNITS (CGUs)

(EUR 1 000)	2014	2013
Finland	22 309	19 036
Sweden	67 410	53 311
Norway	28 870	31 214
Denmark	402	401
The Baltic States	10 298	10 298
Europe Central	10 491	10 565
Total	**139 780**	**124 825**

The goodwill is recorded in local currencies and currency exchange rate fluctuations affect the amounts of goodwill in euros.

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 2015 cash flows are based on the budget for the year 2015. The cash flow estimates projected for years 2016–2019 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% is used in the testing for other segments except Denmark, for which an EBIT margin of 15% is used.

The revenue/capital ratio of approximately 100% is used for testing on a Group level. The medium term growth varies between 2.8%–8.2% 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. for all segments. It reflects both the expected growth and inflation in the operating country. The capital structure of CGU's used in the calculations reflects the target 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.

Discount rates (pre– tax WACC) used in year 2014 impairment testing did not change significantly compared to the previous testing.

The principal assumptions used in the year 2014 and 2013 impairment tests are set forth in the below two tables.

YEAR 2014 IMPAIRMENT TEST

(EUR 1 000)	Finland	Sweden	Norway	Denmark	The Baltic states	Poland, Czech Republic and Slovakia
Growth in net sales *)	2.8%	6.8%	2.8%	5.3%	5.3%	8.2%
Long-term growth	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Average EBIT margin 2015–2019	17.2%	18.7%	16.9%	7.4%	19.5%	15.4%
WACC (after tax)	8.3%	8.3%	8.3%	8.1%	10.5%	8.9%
Discount rate (pre-tax WACC)	9.9%	10.1%	10.6%	9.9%	12.1%	10.5%

*) Average growth in net sales (2015–2019) p.a.

YEAR 2013 IMPAIRMENT TEST

(EUR 1,000)	Finland	Sweden	Norway	Denmark	The Baltic States	Poland, Czech Republic and Slovakia
Growth in net sales *)	3.2%	3.4%	5.9%	3.5%	5.8%	7.7%
Long-term growth	2.0%	2.0%	2.0%	2.0%	2.5%	2.5%
Average EBIT margin 2014–2018	18.6%	18.0%	18.6%	14.4%	18.7%	13.1%
WACC (after tax)	8.2%	8.3%	8.3%	8.2%	10.3%	9.2%
Discount rate (pre-tax WACC)	10.3%	10.2%	10.8%	10.1%	11.8%	10.7%

*) Average growth in net sales (2014–2018) p.a.

The impairment test has been done on the assets as per 31 October 2014. The previous impairment test was done as per 31 October 2013.

Based on the impairment test 2014 and 2013, the recoverable amounts of the CGUs are higher than their carrying amounts for all units.

During the first quarter of 2013 Ramirent recognised an impairment loss amounting to EUR 2.9 million related to goodwill in Hungarian subsidiary. The impairment loss was recognised based on continuous monitoring of the carrying value of the Hungarian goodwill against its recoverable amount, taking into account the weak market situation in Hungary. The impairment loss was recorded in Europe Central segment. The Hungarian subsidiary was divested later in 2013.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

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

IMPAIRMENT TEST

(MEUR)	2014	2013
Finland	227.5	212.5
Sweden	322.5	237.6
Norway	144.2	161.4
Denmark	39.7	62.7
The Baltics	15.9	27.5
Poland, Czech Republic and Slovakia	66.3	49.9

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

IMPAIRMENT TEST

	2014	2013
Finland	–60.6%	–57.3%
Sweden	–54.9%	–49.2%
Norway	–41.1%	–42.2%
Denmark	–52.8%	–62.6%
The Baltics	–22.6%	–35.8%
Poland, Czech Republic and Slovakia	–49.7%	–39.3%

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

IMPAIRMENT TEST

	2014	2013
Finland	13.0%	12.3%
Sweden	10.9%	8.0%
Norway	7.3%	6.9%
Denmark	7.1%	12.5%
The Baltics	2.9%	5.8%
Poland, Czech Republic and Slovakia	7.2%	4.6%

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

14. PROPERTY, PLANT AND EQUIPMENT

MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT 2014

(EUR 1 000)	Land	Buildings & structures	Machinery & equipment	Leased machinery & equipment	Other tangible assets	Total
Historical cost on 1 January	1 075	19 175	1 008 825	1 007	12 252	1 042 333
Exchange differences	1	–803	–37 691	–57	–497	–39 048
Additions	–	339	86 825	–	126	87 290
Business combinations	–	368	21 751	–	421	22 540
Disposals	–	–6 873	–8 038	–	–547	–15 458
Reclassifications	–102	–5	–75 384	–	1 500	–73 991
Historical cost on 31 December	973	12 201	996 287	950	13 255	1 023 666
Accumulated depreciation on 1 January	–	–7 661	–595 174	–901	–6 366	–610 102
Exchange differences	–	311	23 852	52	314	24 529
Business combinations	–	–118	–2 201	–	–62	–2 381
Disposals	–	552	5 808	–	408	6 768
Reclassifications	–	148	66 336	–54	–859	65 572
Depreciation	–	–788	–99 160	–36	–2 069	–102 053
Accumulated depreciation on 31 December	–	–7 556	–600 539	–938	–8 633	–617 666
Carrying value on 1 January	1 075	11 514	413 651	106	5 885	432 232
Carrying value on 31 December	973	4 645	395 749	11	4 622	406 001

MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT 2013

(EUR 1,000)	Land	Buildings & structures	Machinery & equipment	Leased machinery & equipment	Other tangible assets	Total
Historical cost on 1 January	1 168	15 524	1 066 871	1 071	7 781	1 092 415
Exchange differences	–5	570	–54 639	–35	–183	–54 292
Additions	–	626	116 550	–	2 330	119 506
Business combinations	–	–	1 720	–	–	1 720
Disposals	–	–53	–55 848	–	–1 511	–57 411
Disposals of subsidiaries	–88	–947	–12 444	–	–915	–14 394
Reclassifications	–	3 455	–53 385	–29	4 749	–45 210
Historical cost on 31 December	1 075	19 175	1 008 825	1 007	12 252	1 042 333
Accumulated depreciation on 1 January	–	–3 792	–632 115	–893	–4 105	–640 904
Exchange differences	–	65	33 367	31	124	33 586
Disposals	–	2	52 193	–	1 284	53 479
Disposals of subsidiaries	–	332	8 343	–	691	9 366
Reclassifications	–	–3 023	43 470	29	–3 133	37 344
Depreciation	–	–1 246	–100 431	–67	–1 227	–102 972
Accumulated depreciation on 31 December	–	–7 661	–595 174	–901	–6 366	–610 102
Carrying value on 1 January	1 168	11 732	434 756	178	3 676	451 511
Carrying value on 31 December	1 075	11 514	413 651	106	5 885	432 232

15. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The amounts recognised in the balance sheet are as follows:

(EUR 1 000)	2014	2013
Investments in associates	877	910
Investments in joint ventures	4 401	17 614
Carrying value on 31 December	**5 278**	**18 524**

INVESTMENTS IN JOINT VENTURES

INFORMATION ON THE MATERIAL JOINT VENTURE:

Name of company	Industry	Domicile	Interest held 2014	Interest held 2013
Fortrent Oy	Equipment rental	Helsinki	50%	50%

(EUR 1 000)	2014	2013
Opening net assets	32 512	–
Contribution in kind	–	40 153
Result for the period	–1 048	1 131
Other comprehensive income	–25 378	–8 772
Closing net assets	**6 086**	**32 512**
Interest in joint venture (50%)	3 043	16 256
Transaction costs	1 358	1 358
Carrying value 31 December	**4 401**	**17 614**
Loans granted to Fortrent	**17 656**	**20 250**

Fortrent Oy is the only joint arrangement in which Ramirent participates. Fortrent is the leading company in the construction machinery and equipment rental markets in Russia and Ukraine.

Fortrent is owned and controlled jointly by Cramo (50 percent) and Ramirent (50 percent). Ramirent has classified its interest in Fortrent as a joint venture. Ramirent presents its share of the profit of the joint venture above EBIT using the equity method of accounting.

Cramo and Ramirent closed the forming of a joint venture in order to combine their business operations in Russia and Ukraine on 7 March 2013. The parent company of the joint venture was created 6 November 2012 under a newly established Finnish limited liability company Fortrent Oy (former Eastbound Machinery Oy), to which Cramo and Ramirent contributed their respective Russian and Ukrainian subsidiaries' shares as contribution in kind. In order to reach equal ownership, Cramo paid to Ramirent a cash contribution of approximately EUR 9.2 million in connection with the closing of the transaction in the first quarter of 2013. In addition to contribution in kind, Cramo and Ramirent granted loans in total of EUR 40.5 million to the joint venture.

The first financial period for Fortrent Oy was from 6 November 2012 to 31 December 2013. Operations started from 1 March 2013 and the comparative period is thus 10 months.

In the end of 2014 Fortrent recognised an impairment of EUR 0.5 million on goodwill related to its Ukrainian operations. The impairment loss was recognised based on the results of an impairment test where the Ukrainian goodwill was monitored against its recoverable amout. The uncertainty in Fortrent's markets in Russia and Ukraine and weakening of the Russian rouble that continued until the end of 2014 were taken into account in the testing. After the impairment testing, there is no more goodwill related to the Ukrainian operations left.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

Summarised financial information on Fortrent is presented in the following table. Fortrent prepares its consolidated financial statements in accordance with IFRS and there are no major differences to Ramirent's accounting policies.

SUMMARISED STATEMENT OF FINANCIAL POSITION

(EUR 1 000)	31.12.2014	31.12.2013
Non-current assets		
Goodwill	4 819	8 436
Intangible assets	5 579	9 952
Other non-current asset	28 170	45 956
Deferred tax asset	2 283	3 393
Total non-current assets	**40 851**	**67 737**
Current assets		
Cash and cash equivalents	811	4 514
Other current assets (excluding cash)	5 910	10 287
Total current assets	**6 721**	**14 801**
TOTAL ASSETS	**47 572**	**82 538**
Non-current liabilities		
Interest-bearing liabilities	35 311	40 500
Other non-current liabilities (Deferred tax liability)	2 868	4 778
Total non-current liabilities	**38 179**	**45 278**
Current liabilities		
Interest-bearing liabilities	–	–
Other current liabilities	3 307	4 747
Total current liabilities	**3 307**	**4 747**
TOTAL LIABILITIES	**41 486**	**50 025**
NET ASSETS	**6 086**	**32 512**

SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1,000)	2014	2013 *
Revenue	**38 759**	**42 535**
Materials and Services	–10 674	–11 695
Other expenses	–15 066	–16 149
Depreciation and amortisation	–10 985	–10 239
EBITA	**2 034**	**4 452**
Amortisation	–1 528	–972
Interest income	131	–
Other financial income	862	–
Interest expense	–1 117	–1 056
Other financial expenses	–1 794	–279
EBT	**–1 412**	**2 146**
Income taxes	364	–1 015
Profit for the year	**–1 048**	**1 131**
Other comprehensive income	–25 378	–8 772
Total comprehensive income	**–26 426**	**–7 641**

*) Reporting period 1.3.2013–31.12.2013

Fortrent had commitments amounting to EUR 240 (350) thousand.

Average number of personnel (FTE) was 371 (372).

INVESTMENTS IN ASSOCIATES

Information about the Group's immaterial associated company is presented below:

(EUR 1 000)	2014	2013
Ramirent's share of profit for the period	38	122
Carrying value on 31 December	**877**	**910**

16. NON-CURRENT LOAN RECEIVABLES

(EUR 1 000)	2014	2013
Non-current loan receivables from the joint venture	17 656	20 250
Non-current loan receivables from others	11	11
Carrying value on 31 December	**17 666**	**20 261**

Non-current loan receivables include mostly receivables from the joint venture Fortrent.

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(EUR 1 000)	2014	2013
Other shares	139	517
Carrying value on 31 December	**139**	**517**

Available-for-sale financial assets include shares in non-listed companies in Finland and Norway.

18. DEFERRED TAXES

MOVEMENT IN DEFERRED TAX ASSETS IN YEAR 2014

(EUR 1 000)	Balance on 1 Jan.	Recognised in income statement	Recognised in other comprehensive income	Exchange differences	Acquisitions/ disposals	Balance on 31 Dec.
Tax losses carried forward	1 792	-295	–	1	–	1 498
Fair value adjustments	1 666	-222	-144	–	–	1 300
Pension obligations	1 198	11	724	-69	–	1 864
Other temporary differences	1 862	152	–	-91	–	1 922
Total	**6 518**	**-354**	**580**	**-160**	**–**	**6 584**
Effect of netting	-5 871					-5 979
Deferred tax assets reported in financial statements	647					605

MOVEMENT IN DEFERRED TAX LIABILITIES IN YEAR 2014

(EUR 1 000)	Balance on 1 Jan.	Recognised in income statement	Recognised in other comprehensive income	Exchange differences	Acquisitions/ disposals	Balance on 31 Dec.
Adjustments to fair value of non-current assets due to business combinations	16 917	-1 000	5	-528	1 564	16 958
Accumulated depreciation in excess of plan	35 017	114	–	-1 750	106	33 487
Other taxable temporary differences	8 223	-1 178	-22	-691	–	6 332
Total	**60 157**	**-2 064**	**-17**	**-2 969**	**1 670**	**56 777**
Effect of netting	-5 871					-5 979
Deferred tax liabilities reported in financial statements	54 286					50 798

Consolidated financial statements include deferred tax assets on tax losses carried forward in subsidiaries that have been loss-making in current or earlier financial periods. Group management has assessed the 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 the subsidiaries. A deferred tax asset is not recognised in case there is not sufficient certainty about the subsidiaries' potential to utilise the losses. Total amount of unused tax losses for which no deferred tax asset is recognised is EUR 4.5 million (EUR 3.7 million in 2013).

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

MOVEMENT IN DEFERRED TAX ASSETS IN YEAR 2013

(EUR 1 000)	Balance on 1 Jan.	Recognised in income statement	Recognised in other comprehensive income	Exchange differences	Acquisitions/ disposals	Balance on 31 Dec.
Tax losses carried forward	4 125	–2 179	–	–154	–	1 792
Fair value adjustments	2 171	–177	–328	–	–	1 666
Pension obligations	1 440	–194	–137	89	–	1 198
Other temporary differences	2 608	–610	–	–68	–68	1 862
Total	**10 344**	**–3 160**	**465**	**–133**	**–68**	**6 518**
Effect of netting	–8 509					–5 871
Deferred tax assets reported in financial statements	1 835					647

MOVEMENT IN DEFERRED TAX LIABILITIES IN YEAR 2013

(EUR 1,000)	Balance on 1 Jan	Recognised in income statement	Recognised in other com-prehensive income	Exchange differences	Acquisitions/ disposals	Re-classification	Balance on 31 Dec
Adjustments to fair value of non-current assets due to business combinations	19 402	–1 496	–	–974	–15	–	16 917
Accumulated depreciation in excess of plan	38 561	–2 069	–	–521	–954	–	35 017
Other taxable temporary differences	15 370	–3 870	–294	–2 644	1 051	–1 390	8 223
Total	**73 333**	**–7 435**	**–294**	**–4 139**	**82**	**–1 390**	**60 157**
Effect of netting	–8 509						–5 871
Deferred tax liabilities reported in financial statements	64 824						54 286

19. INVENTORIES

(EUR 1 000)	2014	2013
Goods for sale	9 844	10 430
Spare parts and accessories to be consumed in rendering of services	2 587	1 063
Carrying value on 31 December	**12 431**	**11 494**

In 2014, consumables and changes in inventories included in "Materials and Servives" amounted to EUR 19.0 million (in 2013 EUR 25.4 million).

20. TRADE AND OTHER RECEIVABLES

(EUR 1 000)	2014	2013
Trade receivables	106 801	104 542
Allowance for bad debts	–12 877	–9 582
Other receivables	3 052	3 256
Prepayments and accrued income	12 394	10 991
Carrying value on 31 December	**109 370**	**109 207**

PREPAYMENTS AND ACCRUED INCOME CONSIST OF

(EUR 1 000)	2014	2013
Accrued rental income	3 970	2 398
Accrued interest income	65	156
VAT receivables	156	478
Prepaid insurance expenses	332	260
Prepaid property operating leases	1 498	2 299
Prepaid other operating leases	1 603	1 353
Other prepayments	4 769	4 047
Total	**12 394**	**10 991**

21. CASH AND CASH EQUIVALENTS

(EUR 1 000)	2014	2013
Cash at banks and in hand	3 129	1 849
Carrying value on 31 December	**3 129**	**1 849**

Fair value of cash and cash equivalents equals their carrying value.

22. EQUITY

(EUR 1 000)	Number of shares (thousand)	Number of treasury shares (thousand)	Share capital
Carrying value on 31 December 2012	108 697	1 030	25 000
Carrying value on 31 December 2013	108 697	999	25 000
Carrying value on 31 December 2014	108 697	974	25 000

NUMBER OF SHARES AND SHARE CAPITAL

The company's share capital on 31 December 2014 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 2014, Ramirent Plc held 973,957 own shares.

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

Ramirent's Board of Directors is authorised until the Annual General Meeting in 2015 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 at 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 authorisation to repurchase the Company's own shares was not used in 2014.

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 2013 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 significant 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.

DIRECTED SHARE ISSUE WITH OWN SHARES

On 26 March, 2014 the Board decided, based on the share issue authorisation granted by the AGM, to convey 24,674 of the company's own shares, held by the company, without cash payment to the key persons of the Group as a settlement of the Performance Share Program 2011. As the program was set to combine the objectives of the shareholders and the key persons of the Group in order to increase the value of the company, there was an especially weighty financial reason for the directed share conveyance. The value of the issued shares, EUR 199,400, was recognised in the invested unrestricted equity fund.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

SHAREHOLDERS

On 31 December 2014	Number of shares	% of shares and voting rights
Nordstjernan AB	31 303 716	28.80%
Oy Julius Tallberg Ab	12 207 229	11.23%
Nordea Funds	5 206 687	4.79%
Ilmarinen Mutual Pension Insurance Company	3 945 154	3.63%
Varma Mutual Pension Insurance Company	3 640 865	3.35%
Aktia Funds	2 215 562	2.04%
ODIN Funds	1 151 142	1.06%
Fondita Funds	997 000	0.92%
Ramirent Oyj treasury shares	973 957	0.90%
Pensionsförsäkringsaktiebolaget Veritas	807 136	0.74%
Other sharholders	46 248 880	42.55%
Total	**108 697 328**	**100.00%**

On 31 December 2013	Number of shares	% of shares and voting rights
Nordstjernan AB	31 581 716	29.05%
Oy Julius Tallberg Ab	12 207 229	11.23%
Varma Mutual Pension Insurance Company	6 753 799	6.21%
Ilmarinen Mutual Pension Insurance Company	4 145 154	3.81%
Odin Funds	2 967 052	2.73%
Nordea Funds	2 531 010	2.33%
Aktia Funds	2 145 562	1.97%
Fondita Funds	1 219 822	1.12%
Pensionsförsäkringsaktiebolaget Veritas	1 209 866	1.11%
SEB Funds	1 007 814	0.93%
Ramirent Oyj treasury shares	998 631	0.92%
Other shareholders	41 929 673	38.57%
Total	**108 697 328**	**100.00%**

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

23. 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)	2014	2013
Defined benefit pension plan expenses	–1 341	–1 256
Defined contribution pension plan expenses	–8 560	–9 430
	–9 900	–10 686

ELEMENTS OF DEFINED BENEFIT PENSION PLAN EXPENSES

(EUR 1 000)	2014	2013
Current service cost	–773	–748
Interest cost	–568	–508
	–1 341	–1 256

ELEMENTS OF DEFINED BENEFIT PLAN NET OBLIGATION

(EUR 1 000)	2014	2013
Present value of unfunded obligations	17 491	13 923
Net obligation on 31 December	17 491	13 923
Amounts recognised in the balance sheet		
Liabilities	17 491	13 923
Net liability	17 491	13 923

CHANGE OF THE PRESENT VALUE OF THE DEFINED BENEFIT PENSION OBLIGATIONS

(EUR 1,000)	2014	2013
Present value of obligation on 1 January	13 923	13 947
Exchange differences	–887	–418
Current service cost	773	748
Interest cost	568	508
Experience adjustments to plan liabilities	145	895
Actuarial gains (–) and losses (+) arising from changes in financial assumptions	3 146	–1 519
Benefits paid	–177	–235
Present value of obligation on 31 December	17 491	13 923

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

PRINCIPAL ACTUARIAL ASSUMPTIONS

(EUR 1 000)	2014	2013
Discount rate		
Sweden	2.75%	3.50%
Norway	3.00%	3.90%
Future salary increase expectation		
Sweden	3.00%	3.00%
Norway	3.25%	3.50%
Future benefit increase expectation		
Sweden	1.50%	2.00%
Norway	1.40%	1.40%

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

(EUR 1 000)	2014	2013
Present value of the defined benefit obligation	17 491	13 923
Surplus (–) / deficit (+)	17 491	13 923
Experience adjustments to plan liabilities	145	895

The estimated year 2015 employer contributions amount to EUR 0.2 million (year 2014 estimate was 0.4 million at year end 2013).

Ramirent has in Sweden a pension plan ITP 2, which is an additional pension plan for private sector officials. The pension plan has been arranged by an external insurance company.

SENSITIVITY ANALYSIS

Sensitivity analysis of discount rate +/– 0.5%			
	2.25%	2.75%	3.25%
Present value of obligation 31 December 2014	19 598	17 485	15 660

Sensitivity analysis of discount rate +/– 0.5%			
	3.50%	4.00%	4.50%
Present value of obligation 31 December 2013	15 432	13 839	12 455

This additional pension plan in Sweden does not include any plan assets thus the Group is not exposed to risks related to changes in assets fair values. Risks relate only to increase in defined benefit obligation. Increase in obligation may be due to changes in actuarial assumptions and most significant assumptions are referred earlier in section "Principal actuarial assumptions". Changes in actuarial assumptions effect to the amount of obligation according to amended IAS 19 through other comprehensive income. Therefore the Groups profit or loss does not significantly expose to volatility caused by changes in actuarial assumptions.

24. PROVISIONS

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 provisions include also environmental provisions related sold properties in Sweden.

CARRYING VALUE ON 31 DECEMBER

(EUR 1 000)	2014	2013
Non-current provisions	2 371	1 198
Current provisions	1 455	664
Total	**3 827**	**1 862**

MOVEMENTS IN PROVISIONS PER CATEGORY 2014

(EUR 1 000)	Termination benefits	Leases of premises	Other provisions	Total
Provisions on 1 January	207	796	859	1 862
Provisions made during the period	1 173	2 078	30	3 280
Provisions used during the period	–219	–415	–176	–810
Provisions reversed during the period	–206	–290	–133	–629
Exchange differences	–	110	15	125
Provisions on 31 December	**954**	**2 278**	**595**	**3 827**
Expected timing of outflows:				
During 2015	954	433	68	1 455
During 2016	–	569	35	604
During 2017	–	610	34	644
During 2018	–	232	34	266
Later	–	434	424	858
Total	**954**	**2 278**	**595**	**3 827**

MOVEMENTS IN PROVISIONS PER CATEGORY 2013

(EUR 1 000)	Termination benefits	Leases of premises	Other provisions	Total
Provisions on 1 January	30	1 007	760	1 797
Provisions made during the period	781	637	186	1 604
Provisions used during the period	–604	–807	–46	–1 456
Provisions reversed during the period	–	–11	–	–11
Exchange differences	–	–30	–42	–72
Provisions on 31 December	**207**	**796**	**859**	**1 862**
Expected timing of outflows:				
During 2014	207	333	124	664
During 2015	–	162	135	297
During 2016	–	102	36	139
During 2017	–	92	36	128
Later	–	107	527	634
Total	**207**	**796**	**859**	**1 862**

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

25. INTEREST-BEARING LIABILITIES

INTEREST-BEARING LIABILITIES ON 31 DECEMBER 2014

(EUR 1 000)	Current	Non-current	Total
Loans from financial institutions	514	106 244	106 759
Bond	–	99 300	99 300
Commercial papers	23 000	–	23 000
Other long-term liabilities	–	1 140	1 140
Total	**23 514**	**206 685**	**230 198**

INTEREST-BEARING LIABILITIES ON 31 DECEMBER 2013

(EUR 1 000)	Current	Non-current	Total
Loans from financial institutions	33 762	75 808	109 570
Bond	–	99 151	99 151
Finance lease liabilities	38	22	60
Total	**33 800**	**174 981**	**208 781**

FINANCE LEASE LIABILITIES

(EUR 1 000)	2014	2013
Payable < 1 year from balance sheet date	–	38
Payable 1–5 years from balance sheet date	–	22
Minimum future financial lease payments	–	60
Present value of minimum future finance lease payments	–	60

PRESENT VALUE OF MINIMUM FUTURE FINANCE LEASE PAYMENTS

(EUR 1 000)	2014	2013
Payable < 1 year from balance sheet date	–	38
Payable 1–5 years from balance sheet date	–	22
Present value of minimum future finance lease payments	–	60

26. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities comprise non-current portion of contingent considerations and other liabilities for the purchase prices of acquired subsidiaries and business operations. In 2013 all contingent considerations were reported as current as they were due during 2014. Total amount of contingent consideration liabilities including the short term portion is EUR 25.5 (10.2) million. As the valuation of contingent considerations is not based on observable market data, they are classified as level III liabilities in the fair value hierarchy.

27. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

CARRYING VALUE ON 31 DECEMBER

(EUR 1 000)	2014	2013
Trade payables	27 962	35 964
Other current liabilities	19 024	24 816
Accrued expenses and deferred income	45 563	43 447
Advances received	248	142
Total	**92 798**	**104 369**

ACCRUED EXPENSES AND DEFERRED INCOME CONSIST OF

(EUR 1 000)	2014	2013
Accrued interest expenses	6 460	7 477
Accrued employee-related expenses	15 993	20 113
Deferred income	1 486	4 890
Other items	21 625	10 967
Total	**45 563**	**43 447**

The short-term part of liabilities for the purchase price of acquired subsidiaries and business operations, EUR 5.6 (10.2) million is included in other liabilities in the above table.

28. ACQUISITIONS AND DISPOSALS

ACQUISITIONS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2014

Ramirent acquired on 10 March 2014 the telehandler business of Kurko-Koponen Companies, a leading telehandler equipment rental provider in Finland. In addition, Ramirent signed a co-operation agreement with Kurko-Koponen for telehandler operator services. The annual rental volume of the acquired telehandler business is approximately EUR 6 million and 7 employees working with telehandlers moved to Ramirent. The acquisition was effective from 1 April 2014.

Ramirent acquired on 24 April 2014 a majority stake in Safety Solutions Jonsereds AB, a Sweden-based company specialised in developing and planning fall protection and safety systems for the construction industry. The company's 18 employees are reported in Ramirent.

Ramirent acquired on 6 June 2014 the weather shelter and scaffolding division DCC (Dry Construction Concept) of NSS Group AB. The annual sales volume of the DCC division is approximately EUR 16 million and 120 persons moved to Ramirent.

Ramirent acquired on 9 June 2014 significant parts of equipment fleet from Empower Oy and signed a five-year co-operation agreement with Empower for rental services in Finland. The expected annual sales level of the agreement is approximately EUR 1.0 million.

Ramirent signed on 17 July 2014 a contract with German-based Zeppelin Rental to form a joint venture in preparation for serving the cross-border Fehmarnbelt tunnel construction project between Germany and Denmark. The formation of the joint venture Fehmarnbelt Solution Services A/S was closed on 12 January 2015. The transaction is not reflected in the financial statements for 2014.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

Ramirent acquired on 9 October 2014 the fleet of tower cranes from Hartela Oy and signed a five-tear cooperation agreement with Hartela. In addition to tower cranes the agreement covers the whole assortment of machines and services from Ramirent. As part of the agreement three employees will move to Ramirent.

Ramirent acquired 12 November 2014 the business operations of Finland-based Savonlinnan Rakennuskonevuokraamo Oy, the leading machine rental company in the Savonlinna and Joensuu areas, with annual net sales about EUR 2 million. Ten employees will move to Ramirent. The acquisition strengthens Ramirent's local positioning among small and medium-sized customers.

A summary of the above year 2014 acquisitions is set out below. The acquisitions have been converted to euros by using the exchange rates prevailing at the acquisition dates.

CONSIDERATIONS AT 31 DECEMBER 2014

(EUR 1 000)	2014
Considerations	
Cash	31 000
Contingent considerations	15 366
Total consideration	**46 366**

RECOGNISED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

(EUR 1 000)	2014
Intangible non-current assets	7 861
Property, plant and equipment	20 271
Inventories	15
Trade and other receivables	4 454
Cash and cash equivalents	1 128
Deferred tax liabilities	–1 640
Other non-current liabilities	–2 166
Trade payables and other current liabilities	–3 240
Total identifiable net assets	**26 682**
Non-controlling interest	**1 260**
Goodwill	**20 944**
Acquisition related costs	**304**

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

The Group incurred acquisition-related costs of EUR 0.3 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 17.4 million and net profit for the financial year includes profit of acquirees after acquisition date EUR 0.0 million.

ACQUISITIONS OF SUBSIDIARIES AND BUSINESS OPERATIONS EXECUTED IN 2013

Ramirent Finland and Caverion Corporation signed a five-year co-operation agreement for equipment rental services on 1 November 2013. Additionally, Ramirent signed an agreement with YIT Equipment Ltd for the outsourcing of the equipment, operations and personnel related to Caverion operations in Finland to Ramirent. The operations related to Caverion's equipment management activities in Finland have an annual turnover of approximately EUR 5 million. 19 persons previously employed at YIT Equipment Ltd moved to Ramirent as part of the agreement.

A summary of the above year 2013 acquisition is set out in the table below.

CONSIDERATIONS AT 31 DECEMBER 2013

(EUR 1 000)	2013
Considerations	
Cash	2 832
Contingent considerations	–
Total consideration	**2 832**

RECOGNISED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

(EUR 1 000)	2013
Intangible non-current assets	600
Property, plant and equipment	1 720
Inventories	244
Deferred tax liabilities	–120
Total identifiable net assets	**2 444**
Goodwill	**388**
Acquisition related costs	**–**

DISPOSALS OF SUBSIDIARIES EXECUTED IN 2013

Hungary

The divestment of Ramirent's Hungarian operation was completed on 18 September 2013. Ramirent sold its operations in Hungary to the Danube SCA Sicar, a private equity fund. The transaction includes Ramirent's entire Hungarian operation. The total consideration (including contingent consideration) was EUR 6.1 million which corresponded approximately to the net asset value of Hungarian operation. Since the accumulated translation differences were transferred to the income statement the total loss of the divestment was EUR 1.9 million.

Russia And Ukraine

Ramirent and Cramo closed the forming of a joint venture in order to combine their business operations in Russia and Ukraine on 7 March 2013. The parent company of the joint venture was created under a newly established Finnish limited liability company Fortrent Oy (former Eastbound Machinery Oy), to which Ramirent and Cramo contributed their respective Russian and Ukrainian subsidiaries' shares as contributions in kind. The joint venture is owned and controlled jointly by Ramirent (50 percent) and Cramo (50 percent).

In order to reach equal ownership, Cramo paid to Ramirent a cash contribution of approximately EUR 9.2 million in connection with the closing of the transaction in the first quarter of 2013. A capital gain of EUR 10.1 million from the transaction was booked in Europe East segment in the first quarter of 2013.

CHANGE IN FAIR VALUES OF CONTINGENT CONSIDERATIONS

During 2014 and 2013 the Group has derecognised a portion of contingent consideration liability due to the actual consideration being lower than the carrying amount of the liability. In 2014 the amount that was derecognised was EUR 0.8 million and in 2013 EUR 0.4 million. The amounts are recognised in other operating income.

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

(EUR 1,000)	Note	2014	2013
Receivables			
Non-current loan receivables	16	17 666	20 261
Trade receivable	20	106 801	104 542
Allowance for bad debts	2	–12 877	–9 582
Total		**111 590**	**115 221**
Available-for-sale financial assets			
Other shares	17	139	517
Cash and cash equivalents	21	3 129	1 849
Financial liabilities measured at amortised cost			
Committed loans from financial institutions	25,31	102 785	108 761
Bond	25,31	99 300	99 151
Commercial papers	25,31	23 000	808
Committed bank overdrafts	25,31	3 974	–
Finance lease liabilities	25,31	–	60
Other long-term liabilities	25,31	1 140	–
Contingent considerations and deferred payments on acquisitions	26,31	25 524	10 166
Trade payable	27,31	27 962	35 964
Total		**283 685**	**254 910**
Financial assets at fair value through profit or loss			
Interest rate swaps (market value)	31	–1 736	–2 598
Foreign exchange forwards (market value)	31	–8	–227

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

30. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

31 DECEMBER 2014

(EUR 1 000)	Level I	Level II	Level III
Interest rate derivatives	–	–1 736	–
Foreign exchange derivatives	–	–8	–
Contingent consideration non–current	–	–	–19 890
Contingent consideration current	–	–	–5 634

31 DECEMBER 2013

(EUR 1 000)	Level I	Level II	Level III
Interest rate derivatives	–	–2 598	–
Foreign exchange derivatives	–	–277	–
Contingent consideration current	–	–	10 165

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).

RECONCILIATION OF LEVEL 3 FAIR VALUES

(EUR 1 000)	
Carrying value 1 January 2013	**14 303**
Exchange differences	–1 387
Additions	–
Payments	–4 058
Reversal of discount effect	1 703
Recognised in other operating income	–396
Carrying value 31 December 2013	**10 165**
Exchange differences	–773
Additions	25 333
Payments	–10 914
Reversal of discount effect	1 713
Recognised in other operating income	–
Carrying value 31 December 2014	**25 524**

Cost of a business combination includes in certain acquisitions also a contingent consideration, which is recognised at fair value. Subsequent changes in fair value are recognised to profit or loss. The management's assessment of the fair value of contingent consideration liability is based on acquisition specific agreed terms and time value of money. Typically contingent consideration is based on financial performance of the acquired business during the pre–agreed measurement period.

31. 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.

BOND

The fair value of the bond is based on quoted market price at the reporting date (Level 1)

DERIVATIVES

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 value of foreign exchange forwards is based on market quotes.

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 2014	Fair value 2014	Carrying amount 2013	Fair value 2013
Financial assets					
Non–current loan receivables	16	17 666	17 666	20 261	20 261
Available–for–sale investments	17	139	139	517	517
Trade receivables	20	93 924	93 924	94 960	94 960
Cash and cash equivalents	21	3 129	3 129	1 849	1 849
Total		**114 859**	**114 859**	**117 587**	**117 587**
Financial liabilities					
Loans from financial institutions	25	–106 759	–106 759	–109 570	–109 570
Bond	25	–99 300	–105 969	–99 151	–100 757
Commercial papers	25	–23 000	–23 000	–	–
Finance lease liabilities	25	–	–	–60	–60
Other long–term liabilities	25	–1 140	–1 140	–	–
Contingent considerations and deferred payments on acquisitions	26	–25 524	–25 524	–10 166	–10 166
Trade payables	27	–27 962	–27 962	–35 964	–35 964
Interest rate swaps		–1 736	–1 736	–2 598	–2 598
Total		**–285 419**	**–292 090**	**–257 509**	**–259 115**
Interest rate swaps (nominal value and fair value)		52 718	–1 736	88 751	–2 598
Foreign exchange forwards (nominal value and fair value)		32 683	–8	30 886	–227

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

FINANCIAL IMPACT OF NETTING FOR INSTRUMENTS SUBJECT TO AN ENFORCABLE MASTER NETTING AGREEMENT

The Group has entered into master netting agreements with all of its derivative instrument counterparties.

31 DECEMBER 2014

(EUR 1 000)	Offsetting derivative instruments			
	Gross amount of recognized financial instruments	Related liabilities (–) or assets (+) subject to Master Netting Agreements	Collateral received (–) or given (+)	Net Exposure
Derivative assets	27	–27	–	–
Derivative liablitilies	–1 771	27	–	–1 744

31 DECEMBER 2013

(EUR 1 000)	Offsetting derivative instruments			
	Gross amount of recognized financial instruments	Related liabilities (–) or assets (+) subject to Master Netting Agreements	Collateral received (–) or given (+)	Net Exposure
Derivative assets	99	–99	–	–
Derivative liablitilies	–2 924	99	–	–2 825

32. EXCHANGE RATES APPLIED

Currency	Average rates 2014	Average rates 2013	Closing rates 2014	Closing rates 2013
DKK	7.4549	7.4580	7.4453	7.4593
HUF	–	296.3569	–	297.0400
LTL	3.4528	3.4528	3.4528	3.4528
LVL	–	0.7015	–	0.7028
NOK	8.3548	7.8051	9.0420	8.3630
PLN	4.1845	4.1971	4.2732	4.1543
RUB	–	40.2595	–	45.3246
SEK	9.0964	8.6505	9.3930	8.8591
UAH	–	10.8017	–	11.3500
CZK	27.5353	25.9872	27.7350	27.4270

33. DIVIDEND PER SHARE

The parent company's distributable equity on 31 December 2014 amounted to EUR 342,899,079.01 of which the net profit from the financial year 2014 is EUR 9,556,746.93.

The Board of Directors proposes to the Annual General Meeting 2015 that an ordinary dividend of EUR 0.40 (0.37) per share be paid for the financial year 2014. The proposed dividend will be paid to shareholders registered in Ramirent's shareholder register maintained by Euroclear Finland Ltd on the record date for dividend payment 27 March 2015. The Board of Directors proposes that the dividend be paid on 10 April 2015.

The Board of Directors proposes further that the Annual General Meeting resolves that the Board of Directors be authorised to decide at its discretion on the payment of an additional dividend based on the adopted balance sheet for the financial year ended on 31 December 2014. The authorisation is proposed to be valid until the Annual General Meeting 2016 and the amount of the additional dividend may not exceed EUR 0.60 per share.

The proposed dividend is not reflected in the year 2014 financial statements.

The dividends paid in 2013 were EUR 0.37 per share totalling EUR 39,848,517.89. The Annual General Meeting 2014 also authorised the Board of Directors to decide at its discretion on the payment of additional dividend and/or distribution of funds from the reserve for invested unrestricted equity up to the aggregate amount of EUR 0.63 per share. The authorisation was not used in 2014.

34. RELATED PARTY TRANSACTIONS

Ramirent's related parties are the key management, the associated company Rogaland Montasje Bygg As, the joint venture Fortrent Oy and one major shareholder, Nordstjernan Group. Key management consists of the members of the Board of Directors, the CEO and the members of the Executive Management Team and the Group Management Team. The list of subsidiaries is presented in note 37.

EMPLOYEE BENEFITS FOR KEY MANAGEMENT, ACCRUAL BASIS

(EUR 1 000)	2014	2013
Short-term employee benefits	–2 797	–2 728
Termination benefits	–228	–
Post-employment benefits	–157	–157
Share-based payments	234	–676
Total	**–2 947**	**–3 561**

BENEFITS PAID TO THE BOARD MEMBERS AND THE CEO

(EUR 1 000)	2014	2013
Appleton, Kevin	–33	–40
Bergh, Kaj-Gustaf	–35	–37
Ek, Johan	–11	–35
Hofvenstam, Peter	–51	–54
Norvio, Erkki	–34	–35
Lundahl, Ulf	–27	–
Paulsson, Mats O.	–43	–28
Renlund, Susanna	–42	–46
Sølsnes, Gry Hege	–34	–35
Rosén, Magnus	–671	–857
Total	**–980**	**–1 166**

The benefit paid to the CEO in 2014, EUR 671 thousand, comprises of annual base salary and fringe benefits of EUR 439 thousand and a separate pension insurance of EUR 157 thousand. It includes also a compensation for Long-Term incentive program 2011, EUR 75 thousand.

In 2013 the paid amount included also a bonus related to the previous year of EUR 180 thousand and a compensation for Long-Term incentive program 2010, EUR 71 thousand.

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.

POST-EMPLOYMENT BENEFITS FOR THE CEO, ACCRUAL BASIS

(EUR 1 000)	2014	2013
Voluntary pension plan in Sweden	–157	–157
Total pension plans	**–157**	**–157**

Ramirent did not have any other transactions than the above employee benefits with Key Management during years 2014 and 2013.

There were no outstanding loan receivables from Key Management either on 31 December 2014 or 31 December 2013.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

TRANSACTIONS WITH AND RECEIVABLES FROM OTHER RELATED PARTIES

(EUR 1 000)	2014	2013
Nordstjernan Group		
Sales of rental services	62 396	61 607
Current receivables	9 416	8 508
Fortrent Oy		
Interest income	560	475
Non-current loan receivables	17 656	20 250

35. COMMITMENTS AND CONTINGENT LIABILITIES

COMMITMENTS (OFF-BALANCE SHEET) ON 31 DECEMBER 2014

(EUR 1 000)	To secure own borrowings	To secure other own obligations	To secure third party obligations	Total
Suretyships	–	938	200	1 138

COMMITMENTS (OFF-BALANCE SHEET) ON 31 DECEMBER 2013

(EUR 1 000)	To secure own borrowings	To secure other own obligations	To secure third party obligations	Total
Suretyships	–	519	192	711

NON-CANCELLABLE MINIMUM FUTURE OPERATING LEASE PAYMENTS

(EUR 1 000)	2014	2013
Payable < 1 year from balance sheet date	24 659	26 511
Payable 1–5 years from balance sheet date	43 910	51 127
Payable > 5 years from balance sheet date	8 079	11 071
Future gross operating lease payments	**76 648**	**88 708**

OPERATING LEASE EXPENSES IN THE INCOME STATEMENT

(EUR 1 000)	2014	2013
Lease payments expensed in the income statement	33 220	34 564
Received sublease payments credited to lease expenses in the income statement	–12	–28
Net lease expenses in the income statement	**33 208**	**34 536**
Group Share of commitments in joint ventures	120	175

Committed investments in rental equipment at the end of 2014 totalled EUR 7.4 million (EUR 4.8 million in 2013).

36. DISPUTES AND LITIGATION

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.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

37. SUBSIDIARIES 31 DECEMBER 2014

(EUR 1 000)	Country	Nature of activity	Plc's direct holding	Group holding
Ramirent Internal Services AB	Sweden	Operating	100%	100%
Safety Solutions Jonsereds AB	Sweden	Operating	50.1%	50.1%
Ramirent Finland Oy	Finland	Operating	100%	100%
Teollisuuden Eristysveljet Oy	Finland	Operating	0%	100%
Ramirent AB	Sweden	Operating	100%	100%
Ställab Jonsereds AB	Sweden	Operating	0%	100%
Luleå Bergnäset AB	Sweden	Real estate company	0%	100%
Ramirent AS	Norway	Operating	100%	100%
Ramirent Module Systems AS	Norway	Operating	0%	100%
Bautas AS	Norway	Dormant	0%	100%
Ramirent A/S	Denmark	Operating	100%	100%
Ramirent Baltic AS	Estonia	Operating	100%	100%
Ramirent AS Rigas filiale	Latvia	Operating	0%	100%
Ramirent AS Vilniaus filialas	Lithuania	Operating	0%	100%
Ramirent S.A.	Poland	Operating	100%	100%
Ramirent S.A Šoštanj filiale	Slovenia	Operating	0%	100%
Ramirent s.r.o.	Czech Republic	Operating	100%	100%
Ramirent spol. s.r.o.	Slovakia	Operating	100%	100%
Disposed or merged in 2014				
Göterborg Kärra AB	Sweden	Real estate company	0%	100%
Altima AS	Norway	Dormant	0%	100%
Stavdal Liftutleie AS	Norway	Dormant	0%	100%

38. EVENTS AFTER THE REPORTING DATE

The formation of the joint venture Fehmarnbelt Solution Services A/S was closed on 12 January 2015. The transaction is not reflected in the financial statements for 2014.

Ramirent announced on 23 January 2015 a renewed management structure where operating segments are organised under two new market areas, Scandinavia and North Central Europe. President and CEO Magnus Rosén will head the Scandinavia market area which covers the operating segments Sweden, Denmark and Norway. Anna Hyvönen was appointed Executive Vice President, North Central Europe which covers the operating segments Finland, Europe East and Europe Central. The changes do not affect Ramirent's financial reporting structure. Ramirent will continue to report financial results by operating segments Finland, Sweden, Norway, Denmark, Europe East and Europe Central.

On 11 February 2015, the Board of Directors of Ramirent Plc approved a new Long-term incentive program for the executives of the company. The aim of the new program is to combine the objectives of the shareholders and the executives in order to increase the value of the company, to commit the executives to the company and to offer the executives a competitive reward program based on holding the Company's shares. The new program includes matching shares and performance shares, and the program is targeted at approximately 60 executives for the earning period 2015—2017. The potential reward from the program for the earning period 2015—2017 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 will correspond to the value up to 450,000 Ramirent Plc shares (including also the proportion to be paid in cash).

On 11 February 2015, the Board decided, based on the share issue authorisation granted by the AGM, to convey 13,308 of the company's own shares, currently held by the company, without cash payment to the key persons of the Group as a settlement of the Long-term incentive program 2012. As the program was set forth to combine the objectives of the shareholders and the key persons of the Group in order to increase the value of the company, there was an especially weighty financial reason for the directed share conveyance.

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38

FINANCIAL AND SHARE-RELATED KEY FIGURES

KEY FIGURES

		2014	2013	Restated* 2012	2011	2010
Net sales	MEUR	613.5	647.3	714.1	649.9	531.3
Change in net sales	%	–5.2	–9.4	9.9	22.3	5.7
Operating profit before depreciation and amortisation (EBITDA)	MEUR	167.9	195.1	210.5	181.8	127.4
	% of net sales	27.4	30.1	29.5	28.0	24.0
Operating profit before amortisation of intangible assets (EBITA)	MEUR	65.8	92.1	100.6	79.4	33.0
	% of net sales	10.7	14.2	14.1	12.2	6.2
Operating profit (EBIT)	MEUR	58.1	82.3	92.5	74.1	29.7
	% of net sales	9.5	12.7	13.0	11.4	5.6
Profit before taxes (EBT)	MEUR	42.5	63.9	83.0	60.8	20.9
	% of net sales	6.9	9.9	11.6	9.3	3.9
Profit for the period	MEUR	32.6	54.0	63.7	44.7	14.6
	% of net sales	5.3	8.3	8.9	6.9	2.8
Return on invested capital (ROI)	%	12.2	16.5	18.5	15.7	8.6
Return on equity (ROE)	%	9.4	14.7	18.5	13.9	4.7
Interest-bearing debt	MEUR	230.2	208.8	240.7	265.2	177.9
Net debt	MEUR	227.1	206.9	239.4	262.8	176.6
Net debt to EBITDA ratio		1.4x	1.1x	1.1x	1.4x	1.4x
Gearing	%	69.9	55.8	65.8	80.6	55.6
Equity ratio	%	43.7	48.9	44.2	40.7	48.0
Personnel, average during financial year		2 566	2 725	3 077	3 150	3 043
Personnel, at end of financial year		2 576	2 589	3 005	3 184	3 048
Gross capital expenditure	MEUR	144.6	125.8	124.0	242.2	62.0
	% of net sales	23.6	19.4	17.4	37.3	11.7

*) Retrospective application of amendment to IAS19 affecting Sweden and Norway segments.

KEY FIGURES

	2014	2013	Restated* 2012	2011	2010
Earnings per share (EPS), weighted average					
Diluted, EUR	0.30	0.50	0.59	0.41	0.13
Non-diluted, EUR	0.30	0.50	0.59	0.41	0.13
Equity per share, at end of financial year					
Diluted, EUR	3.01	3.44	3.38	3.02	2.93
Basic, EUR	3.01	3.44	3.38	3.02	2.93
Dividend per share, EUR **	0.40	0.37	0.34	0.28	0.25
Pay-out ratio, %	132.0%	73.7%	57.6%	67.6%	185.4%
Effective dividend yield, % **	6.2%	4.0%	5.4%	5.1%	2.5%
Price/earnings ratio (P/E)	21.3	18.2	10.56	13.29	73.13
Highest share price, EUR	10.25	9.86	8.39	12.37	10.10
Lowest share price, EUR	5.61	6.31	5.40	4.12	6.17
Average share price, EUR	7.71	7.96	6.61	7.57	7.85
Share price at end of financial year, EUR	6.45	9.15	6.25	5.50	9.85
Market capitalisation at end of financial year, MEUR	694.8	985.4	672.9	594.1	1 066.8
Number of shares traded, thousand	40 519.4	28 117.2	29 743.5	47 165.6	48 832.0
Shares traded, % of total number of shares	37.6%	26.1%	27.6%	43.9%	44.9%
Number of shares, weighted average, diluted	107 717 557	107 691 347	107 731 692	108 064 377	108 575 291
Number of shares, weighted average, non-diluted	107 717 557	107 691 347	107 731 692	108 064 377	108 575 291
Number of shares, at end of financial year, diluted	107 723 371	107 698 697	107 667 136	108 017 136	108 304 136
Number of shares, at end of financial year, non-diluted	107 723 371	107 698 697	107 667 136	108 017 136	108 304 136

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

* Retrospective application of amendment to IAS19 affecting Sweden and Norway segments.
** The Annual General Meeting will make the decision on the year 2014 dividend on 25 March 2015.

DEFINITIONS OF KEY FINANCIAL FIGURES

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

PROFITABILITY DEVELOPMENT BY QUARTER

(Quarterly information presented in this table is unaudited)

		Full year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Full year 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net sales	MEUR	613.5	160.7	163.6	151.8	137.5	647.3	167.5	166.2	160.8	152.8
Operating profit before depreciation (EBITDA)	MEUR	167.9	40.0	53.9	42.2	31.7	195.1	46.2	52.0	48.8	48.1
	% of net sales	27.4%	24.9%	33.0%	27.8%	23.0%	30.1%	27.6%	31.3%	30.3%	31.5%
Operating profit before amortisation (EBITA)	MEUR	65.8	14.5	28.0	16.2	7.1	92.1	20.9	25.9	22.7	22.6
	% of net sales	10.7%	9.0%	17.1%	10.7%	5.2%	14.2%	12.5%	15.6%	14.1%	14.8%
Operating profit (EBIT)	MEUR	58.1	12.5	26.0	14.2	5.4	82.3	19.0	24.3	21.0	18.0
	% of net sales	9.5%	7.8%	15.9%	9.4%	3.9%	12.7%	11.3%	14.6%	13.0%	11.8%
Profit before taxes (EBT)	MEUR	42.5	6.4	23.7	9.1	3.2	63.9	12.8	20.6	15.2	15.2
	% of net sales	6.9%	4.0%	14.5%	6.0%	2.3%	9.9%	7.7%	12.4%	9.5%	9.9%

KEY FINANCIAL FIGURES BY SEGMENT

(Quarterly information presented in this table is unaudited)

Net sales, MEUR	Full year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Full year 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Finland	152.8	38.7	43.5	39.0	31.6	151.9	38.6	41.8	36.4	35.1
Sweden	201.0	55.0	52.0	48.7	45.4	207.3	52.8	51.1	53.1	50.3
Norway	135.7	33.9	34.0	33.8	34.0	153.6	40.8	35.9	38.8	38.1
Denmark	39.4	10.6	10.1	9.1	9.6	44.0	11.8	11.9	11.2	9.1
Europe East	33.9	9.2	10.3	8.2	6.2	35.5	8.4	9.8	7.6	9.7
Europe Central	53.2	13.8	14.2	13.3	11.8	57.3	15.3	16.9	14.1	11.0
Sales between segments	-2.4	-0.5	-0.5	-0.4	-1.1	-2.3	-0.4	-1.2	-0.4	-0.4
Total	**613.5**	**160.7**	**163.6**	**151.8**	**137.5**	**647.3**	**167.5**	**166.2**	**160.8**	**152.8**

EBITA, MEUR and % of net sales	Full year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Full year 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Finland	20.8	3.6	8.3	6.0	2.9	25.7	6.1	10.2	6.0	3.4
	13.6%	9.2%	19.0%	15.4%	9.3%	16.9%	15.7%	24.5%	16.6%	9.7%
Sweden	29.4	9.5	8.9	6.7	4.2	36.6	11.1	8.6	9.6	7.4
	14.6%	17.3%	17.2%	13.8%	9.3%	17.6%	21.0%	16.8%	18.0%	14.6%
Norway	14.0	3.2	4.0	4.2	2.6	22.0	2.8	6.3	7.9	5.0
	10.3%	9.4%	11.8%	12.5%	7.6%	14.3%	6.9%	17.6%	20.4%	13.0%
Denmark	–3.9	–0.9	–0.1	–1.7	–1.1	–4.3	–0.7	–2.0	–0.0	–1.4
	–10.0%	–8.9%	–1.2%	–19.1%	–11.7%	–9.7%	–6.2%	–17.3%	–0.4%	–15.9%
East Europe	6.7	2.1	3.7	1.0	–0.1	17.3	2.7	3.5	0.1	11.0
	19.6%	22.7%	35.8%	12.1%	–1.8%	48.8%	32.6%	35.6%	0.8%	113.5%
Central Europe	1.7	0.5	1.6	0.8	–1.2	–0.7	0.1	1.2	0.4	–2.3
	3.2%	3.9%	11.3%	5.8%	–10.2%	–1.2%	0.4%	7.0%	2.7%	–21.2%
Costs not allocated to segments	–2.8	–3.4	1.6	–0.8	–0.2	–4.6	–1.1	–1.8	–1.2	–0.4
Group EBITA	65.8	14.5	28.0	16.2	7.1	92.1	20.9	25.9	22.7	22.6
	10.7%	9.0%	17.1%	10.7%	5.2%	14.2%	12.5%	15.6%	14.1%	14.8%

Operating profit (EBIT), MEUR and % of net sales	Full year 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Full year 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Finland	19.3	3.2	7.9	5.6	2.6	24.6	5.8	9.9	5.8	3.1
	12.6%	8.2%	18.1%	14.4%	8.3%	16.2%	14.9%	23.8%	15.8%	8.8%
Sweden	26.3	8.7	8.0	6.0	3.6	34.0	10.4	7.9	8.9	6.7
	13.1%	15.8%	15.5%	12.4%	7.9%	16.4%	19.8%	15.5%	16.8%	13.3%
Norway	12.2	2.8	3.6	3.7	2.0	19.7	2.3	5.7	7.3	4.3
	9.0%	8.3%	10.6%	10.9%	6.0%	12.8%	5.6%	16.0%	18.9%	11.4%
Denmark	–3.9	-0.9	–0.1	–1.7	–1.1	–4.4	–0.9	–2.1	–0.1	–1.5
	–10.0%	-8.9%	–1.2%	–19.1%	–11.7%	–10.1%	–7.2%	–17.4%	–0.5%	–16.0%
Europe East	6.5	2.1	3.7	1.0	–0.1	17.2	2.7	3.5	0.0	11.0
	19.3%	22.5%	35.5%	11.7%	–2.3%	48.4%	32.3%	35.3%	0.3%	113.1%
Europe Central	1.6	0.5	1.6	0.7	–1.2	–3.7	–0.0	1.2	0.3	–5.2
	3.0%	3.7%	11.1%	5.6%	–10.5%	–6.5%	–0.1%	7.1%	2.1%	–47.5%
Costs not allocated to segments	-3.9	–3.8	1.4	–1.1	–0.4	–5.0	–1.3	–1.9	–1.3	–0.4
Group operating profit (EBIT)	58.1	12.5	26.0	14.2	5.4	82.3	19.0	24.3	21.0	18.0
	9.5%	7.8%	15.9%	9.4%	3.9%	12.7%	11.3%	14.6%	13.0%	11.8%

PARENT COMPANY FINANCIAL STATEMENTS – FAS (Finnish Accounting Standards)

PARENT COMPANY INCOME STATEMENT

(EUR)	Note	Jan–Dec 2014	Jan–Dec 2013
Net sales	2	**12 771 516.83**	**12 025 394.85**
Other operating income	3	18 868.50	18 934.58
Personnel expenses	4	–2 459 280.38	–2 614 428.89
Depreciation, amortisation and impairment	5	–1 140 653.33	–449 448.99
Other operating expenses	6	–13 289 168.72	–14 816 191.05
Operating result		**–4 098 717.10**	**–5 835 739.50**
Financial income	7	40 274 824.37	22 705 831.63
Financial expenses	7	–40 982 213.73	–43 666 448.80
Total financial income and expenses	7	**–707 389.36**	**–20 960 617.17**
Result before extraordinary items		**–4 806 106.46**	**–26 796 356.67**
Extraordinary items	8	15 000 000.00	34 079 976.57
Result before appropriations and taxes		**10 193 893.54**	**7 283 619.90**
Income taxes	9	–637 146.61	–2 232 703.62
Profit for the year		**9 556 746.93**	**5 050 916.28**

PARENT COMPANY BALANCE SHEET

(EUR)	Note	2014	2013
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	10	25 537 728.48	17 799 167.90
Tangible assets	11	35 573.85	62 061.58
Investments			
Investments in group companies	12	449 831 387.92	454 831 387.92
Investments in joint ventures		4 232 676.12	21 434 812.12
Non-current receivables	13	126 239 421.28	128 524 752.03
Total non-current assets		**605 876 787.65**	**622 652 181.55**
CURRENT ASSETS			
Trade and other receivables	14	22 295 754.67	25 900 965.49
Cash and cash equivalents	15	185 206.15	543 853.18
Total current assets		**22 480 960.82**	**26 444 818.67**
TOTAL ASSETS		**628 357 748.47**	**649 097 000.22**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	25 000 000.00	25 000 000.00
Invested unrestricted equity fund	16	113 767 147.18	113 567 746.72
Retained earnings	16	219 575 184.90	254 381 915.89
Profit for the financial year	16	9 556 746.93	5 050 916.28
Total equity		**367 899 079.01**	**398 000 578.89**
Liabilities			
Non-current liabilities			
Non-current interest-bearing liabilities	17	174 299 839.97	181 973 117.59
Current liabilities			
Trade payables and other liabilities	18	10 276 850.38	10 646 899.01
Current tax liabilities	18	–	449 045.45
Current interest-bearing liabilities	18	75 881 979.11	58 027 359.28
Total liabilities		**260 458 669.46**	**251 096 421.33**
TOTAL EQUITY AND LIABILITIES		**628 357 748.47**	**649 097 000.22**

PARENT COMPANY CASH FLOW STATEMENT

(EUR)	2014	2013
Cash flow from operating activities		
Profit before taxes	10 193 893.54	7 283 619.90
Adjustments:		
Depreciation, amortisation and impairment	1 140 653.33	449 448.99
Group contribution	–15 000 000.00	–20 000 000.00
Gain on merger	–	–14 106 856.96
Loss on merger	–	26 880.39
Financial income and expenses	707 389.36	20 960 617.17
Cash flow from operating activities before change in working capital	**–2 958 063.77**	**–5 386 290.51**
Change in working capital		
Change in trade and other receivables	–234 585.53	33 947 174.10
Change in non–interest–bearing current liabilities	–170 648.17	–5 321 640.30
Cash flow from operating activities before interests and taxes	**–3 363 297.47**	**23 239 243.29**
Interest paid	–9 909 021.11	–5 497 539.23
Interest received	5 926 761.40	1 022 117.66
Income tax paid	–2 246 395.71	–3 929 429.17
Net cash from operating activities	**–9 591 952.89**	**14 834 392.55**
Cash flow from investing activities		
Acquisition of subsidiaries	–2 000 000.00	–
Repayments of contributed capital from the subsidiaries	7 000 000.00	–
Proceeds from sale of shares and holdings	–	5 557 577.00
Investment in tangible and intangible non–current assets	–8 852 726.18	–6 387 215.31
Proceeds from sale of tangible and intangible non–current assets		–
Change in loans receivable	2 285 330.75	32 766 942.05
Dividends received	24 149 976.20	1 250 983.04
Net cash flow from investing activities	**22 582 580.77**	**33 188 286.78**
Cash flow from financing activities		
Borrowings and repayments of current liabilities (net)	16 918 079.05	–16 410 864.85
Borrowings/repayments of non–current liabilities (net)	–10 409 709.69	–6 508 412.42
Dividends paid	–39 857 647.27	–36 617 556.98
Group contributions paid and received (net)	20 000 000.00	12 000 000.00
Net cash flow from financing activities	**–13 349 274.91**	**–47 536 834.25**
Net change in cash and cash equivalents during the financial year	**–358 647.03**	**485 845.08**
Cash at the beginning of the period	543 853.18	58 008.10
Change in cash	–358 647.03	485 845.08
Cash at the end of the period	**185 205.01**	**543 853.18**

1. BUSINESS ACTIVITIES AND ACCOUNTING PRINCIPLES FOR THE PARENT COMPANY FINANCIAL STATEMENTS

GENERAL

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 other operative services to the subsidiaries.

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

REVENUE RECOGNITION

Services rendered to subsidiaries are accounted for as revenues. The services include for example general management, HR, fleet management, IT–services and treasury. The revenues are reported at 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 the 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 statutory pension system is a defined contribution pension plan.

FINANCIAL INCOME AND EXPENSES

Interest income, interest expenses and other costs related to interest–bearing liabilities are expensed in the income statement on 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.

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.

INTANGIBLE ASSETS

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

Software licenses and IT–systems 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 that are leased by means of finance or operating leases are not recognised in the balance sheet.

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

The estimated useful lives per asset category are as follows:

Machinery and equipment for own use
3–10 years

SHARES IN SUBSIDIARIES

Shares in subsidiaries are originally measured at cost. This cost includes potential acquisition related costs e.g. expert fees and transfer taxes. An impairment loss is recognised if value of subsidiary shares is decreased substantially and permanently.

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 and 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 2014	Average rates 2013	Closing rates 2014	Closing rates 2013
DKK	7.4549	7.4580	7.4453	7.4593
HUF	–	296.3569	–	297.0400
LTL	3.4528	3.4528	3.4528	3.4528
LVL	–	0.7015	–	0.7028
NOK	8.3548	7.8051	9.0420	8.3630
PLN	4.1845	4.1971	4.2732	4.1543
RUB	–	40.2595	–	45.3246
SEK	9.0964	8.6505	9.3930	8.8591
UAH	–	10.8017	–	11.3500
CZK	27.5353	25.9872	27.7350	27.4270

DERIVATIVE INSTRUMENTS

The main derivative instruments used by the company for the financial years 2014 and 2013 were interest rate swaps.

Derivative instruments have been used as hedging instruments in accordance with Ramirent's finance policy. Hedge accounting is applied for interest rate swaps in the consolidated financial statements. The hedged object comprises the future cash flow on interest expenses payable on interest–bearing debt.

In addition to interest rate swaps some short–term currency forwards have also been used to a minor scale.

2. NET SALES BY GEOGRAPHICAL AREA

(EUR)	2014	2013
Finland	2 348 077.46	2 479 415.59
Sweden	3 871 249.19	3 780 686.94
Norway	3 320 949.42	2 988 776.46
Denmark	1 189 107.86	793 091.30
Europe East	775 260.99	728 517.28
Europe Central	1 266 871.91	1 254 907.28
Total	**12 771 516.83**	**12 025 394.85**

3. OTHER OPERATING INCOME

(EUR)	2014	2013
VAT refunds from abroad	18 868.50	18 934.58
Other operating income	–	–
Total	**18 868.50**	**18 934.58**

4. PERSONNEL EXPENSES AND NUMBER OF PERSONNEL

(EUR)	2014	2013
Wages and salaries	–1 876 514.22	–2 115 399.79
Pension costs	–387 605.81	–314 588.86
Other personnel expenses	–195 160.35	–184 440.24
Total	**–2 459 280.38**	**–2 614 428.89**

PAID BENEFITS TO KEY MANAGEMENT

(EUR)	2014	2013
CEO	–241 303.33	–316 701.43
Board members	–309 490.30	–309 141.40
Total	**–550 793.63**	**–625 842.83**

The above employee benefits paid to CEO do not include any social costs.

NUMBER OF PERSONNEL

(EUR)	2014	2013
Average number of personnel during the financial year.	19	19

5. DEPRECIATION, AMORTISATION AND IMPAIRMENT CHARGES

(EUR)	2014	2013
Amortisation of intangible assets		
Other intangible rights	–26 563.89	–57 102.17
Other capitalised long-term expenditure	–1 087 601.71	–363 039.08
Depreciation of tangible assets		
Machinery and equipment	–26 487.73	–29 307.74
Total	**–1 140 653.33**	**–449 448.99**

6. OTHER OPERATING EXPENSES

(EUR)	2014	2013
Property operating leases	–187 100.69	–211 358.93
Other property expenses	–14 139.90	–24 457.51
IT and office expenses	–5 546 669.63	–2 510 104.75
Other operating leases	–52 641.77	–56 788.31
External services	–7 033 246.67	–9 867 575.82
Other	–455 370.06	–2 145 905.73
Total	**–13 289 168.72**	**–14 816 191.05**
Audit	–61 080.00	–60 000.00
Tax consulting fees	–	–10 896.31
Other fees	–85 551.00	–96 567.51
Total	**–146 631.00**	**–167 463.82**

7. FINANCIAL INCOME AND EXPENSES

FINANCIAL INCOME

(EUR)	2014	2013
Dividend income from subsidiaries	24 149 976.20	1 250 983.04
Interest income from subsidiaries	5 306 419.59	6 878 191.37
Other interest income	620 341.81	554 653.28
Exchange rate gains	10 198 086.77	14 022 003.94
Total	**40 274 824.37**	**22 705 831.63**

FINANCIAL EXPENSES

(EUR)	2014	2013
Interest and other financial expenses to subsidiaries	–316 939.70	–203 759.63
Interest and other financial expenses to external parties	–9 592 081.41	–8 580 185.78
Write–down of subsidiary shares	–	–12 448 000.00
Write–down of joint venture shares	–17 202 136.00	–
Loss on disposal of subsidiary shares	–	–4 312 457.54
Exchange rate losses	–13 871 056.62	–18 122 045.85
Total	**–40 982 213.73**	**–43 666 448.80**

Due to the continuing uncertainty in Fortrent's markets in Russia and Ukraine, weakening of the Russian rouble and considerable slow down of the construction market in Russia and Ukraine Ramirent revised the value of the Fortrent investment in the parent company balance sheet and recognised an impairment of EUR 17.2 million to the value of Fortrent's shares.

In the comparative period the carrying amounts of shares of subsidiaries in Czech Republic and Slovakia were written down by EUR 12.4 million. The Group management estimated that the present value of the cash flows of these businesses is permanently less than the carrying amount of the shares before write–down.

8. EXTRAORDINARY ITEMS

(EUR)	2014	2013
Extraordinary income		
Group contribution received/given (+/–)	15 000 000.00	20 000 000.00
Gain on merger	–	14 106 856.96
Extraordinary expenses		
Loss on merger	–	–26 880.39
Total	**15 000 000.00**	**34 079 976.57**

9. INCOME TAXES

(EUR)	2014	2013
Income tax on profit from operations	2 362 853.39	2 667 296.38
Income tax on extraordinary items	–3 000 000.00	–4 900 000.00
Total	**–637 146.61**	**–2 232 703.62**

10. INTANGIBLE ASSETS

MOVEMENT IN INTANGIBLE ASSETS 2014

(EUR)	Other intangible rights	Other capitalised long-term expenditure	Total
Historical cost on 1 January	376 024.86	18 507 580.30	18 883 605.16
Additions	–	8 852 726.18	8 852 726.18
Historical cost on 31 December	376 024.86	27 360 306.48	27 736 331.34
Accumulated depreciation on 1 January	–300 349.61	–784 087.65	–1 084 437.26
Depreciation	–26 563.89	–1 087 601.71	–1 114 165.60
Accumulated depreciation on 31 December	–326 913.50	–1 871 689.36	–2 198 602.86
Carrying value on 1 January	75 675.25	17 723 492.65	17 799 167.90
Carrying value on 31 December	49 111.36	25 488 617.12	25 537 728.48

MOVEMENT IN INTANGIBLE ASSETS 2013

(EUR)	Other intangible rights	Other capitalised long-term expenditure	Total
Historical cost on 1 January	348 765.00	12 159 236.95	12 508 001.95
Additions	27 259.86	6 348 343.35	6 375 603.21
Historical cost on 31 December	376 024.86	18 507 580.30	18 883 605.16
Accumulated depreciation on 1 January	–242 325.57	–421 970.44	–664 296.01
Depreciation	–58 024.04	–362 117.21	–420 141.25
Accumulated depreciation on 31 December	–300 349.61	–784 087.65	–1 084 437.26
Carrying value on 1 January	106 439.43	11 737 266.51	11 843 705.94
Carrying value on 31 December	75 675.25	17 723 492.65	17 799 167.90

11. TANGIBLE ASSETS

MOVEMENT IN TANGIBLE ASSETS 2014

(EUR)	Machinery and equipment	Total
Historical cost on 1 January	242 789.34	242 789.34
Additions	–	–
Historical cost on 31 December	242 789.34	242 789.34
Accumulated depreciation on 1 January	–180 727.76	–180 727.76
Depreciation	–26 487.73	–26 487.73
Accumulated depreciation on 31 December	–207 215.49	–207 215.49
Carrying value on 1 January	62 061.58	62 061.58
Carrying value on 31 December	35 573.85	35 573.85

MOVEMENT IN TANGIBLE ASSETS 2013

(EUR)	Machinery and equipment	Total
Historical cost on 1 January	231 177.24	231 177.24
Additions	11 612.10	11 612.10
Historical cost on 31 December	242 789.34	242 789.34
Accumulated depreciation on 1 January	–151 420.02	–151 420.02
Depreciation	–29 307.74	–29 307.74
Accumulated depreciation on 31 December	–180 727.76	–180 727.76
Carrying value on 1 January	79 757.22	79 757.22
Carrying value on 31 December	62 061.58	62 061.58

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19

12. INVESTMENTS

MOVEMENT IN INVESTMENTS 2014

(EUR)	Investments in group companies	Investments in joint ventures	Total
Historical cost on 1 January	454 831 387.92	21 434 812.12	476 266 200.04
Additions	2 000 000.00	–	2 000 000.00
Write-down	–	–17 202 136.00	–17 202 136.00
Repayment of capital	–7 000 000.00	–	–7 000 000.00
Historical cost on 31 December	449 831 387.92	4 232 676.12	454 064 064.04
Carrying value on 1 January	454 831 387.92	21 434 812.12	476 266 200.04
Carrying value on 31 December	449 831 387.92	4 232 676.12	454 064 064.04

Due to the continuing uncertainty in Fortrent's markets in Russia and Ukraine, weakening of the Russian rouble and considerable slow down of the construction market in Russia and Ukraine Ramirent revised the value of the Fortrent investment in the parent company balance sheet and recognised an impairment of EUR 17.2 million to the value of Fortrent's shares.

MOVEMENT IN INVESTMENTS 2013

(EUR)	Investments in group companies	Investments in joint ventures	Total
Historical cost on 1 January	491 943 710.85	–	491 943 710.85
Additions	–	21 434 812.12	21 434 812.12
Disposals, sales	–10 522 668.54	–	–10 522 668.54
Disposals, mergers	–14 141 654.39	–	–14 141 654.39
Write-down	–12 448 000.00	–	–12 448 000.00
Historical cost on 31 December	454 831 387.92	21 434 812.12	476 266 200.04
Carrying value on 1 January	491 943 710.85	–	491 943 710.85
Carrying value on 31 December	454 831 387.92	21 434 812.12	476 266 200.04

In the comparative period the carrying amounts of shares of subsidiaries in Czech Republic and Slovakia were written down by EUR 12.4 million. The Group management estimated that the present value of the cash flows of these businesses is permanently less than the carrying amount of the shares before write-down.

Ramirent Plc's subsidiaries and its ownership share are specified in note no. 37 of the consolidated financial statements.

13. NON-CURRENT RECEIVABLES

(EUR)	2014	2013
Loan receivables from Ramirent Plc's subsidiaries	108 573 186.16	108 264 252.03
Loan receivables from joint ventures	17 655 735.12	20 250 000.00
Loan receivables from others	10 500.00	10 500.00
Total	**126 239 421.28**	**128 524 752.03**

14. CURRENT RECEIVABLES

(EUR)	2014	2013
Current receivables from Ramirent Plc's subsidiaries		
Trade receivables	2 948 458.35	3 428 943.14
Prepayments and accrued income	16 032 387.57	20 172 478.31
Other receivables	149 726.57	–
Current receivables on external parties		
Trade receivables	45 986.13	37 080.71
Prepayments and accrued income	913 999.38	1 046 469.60
Other receivables	1 044 993.02	1 215 993.73
Current tax assets	1 160 203.65	–
Total	**22 295 754.67**	**25 900 965.49**

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

15. CASH AND CASH EQUIVALENTS

(EUR)	2014	2013
Cash at banks and in hand	185 206.15	543 853.18

16. EQUITY

CHANGES IN EQUITY 2014

(EUR)	Share capital	Invested unrestricted equity fund	Retained earnings	Total Equity
On 1 January 2014	25 000 000.00	113 567 746.72	259 432 832.17	398 000 578.89
Dividend distribution	–	–	–39 857 647.27	–39 857 647.27
Disposal of own shares	–	199 400.46	–	199 400.46
Profit for the year	–	–	9 556 746.93	9 556 746.93
On 31 December 2014	25 000 000.00	113 767 147.18	229 131 931.83	367 899 079.01

CHANGES IN EQUITY 2013

(EUR)	Share capital	Invested unrestricted equity fund	Retained earnings	Total Equity
On 1 January 2013	25 000 000.00	113 328 910.72	290 999 472.87	429 328 383.59
Dividend distribution	–	–	–36 617 556.98	–36 617 556.98
Disposal of own shares	–	238 836.00	–	238 836.00
Profit for the year	–	–	5 050 916.28	5 050 916.28
On 31 December 2013	25 000 000.00	113 567 746.72	259 432 832.17	398 000 578.89

The company's share capital on 31 December 2014 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)	2014	2013
Retained earnings	219 575 184.90	254 381 915.89
Profit for the year	9 556 746.93	5 050 916.28
Invested unrestricted equity fund	113 767 147.18	113 567 746.72
Total distributable funds	342 899 079.01	373 000 578.89

01
02
03
04
05
06
07
08
09
10
11
12
13
14
15
16
17
18
19

DIRECTED SHARE CONVEYANCE FOR KEY PERSONS

On 26 March, 2014 the Board decided, based on the share issue authorisation granted by the AGM, to convey 24 674 of the company's own shares, held by the company, without cash payment to the key persons of the Group as a settlement of the Performance Share Program 2011. As the program was set to combine the objectives of the shareholders and the key persons of the Group in order to increase the value of the company, there was an especially weighty financial reason for the directed share conveyance. The value of the issued shares, EUR 199,400 was recognised in the invested unrestricted equity fund.

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. 22 of the consolidated financial statements.

17. NON-CURRENT LIABILITIES

(EUR)	2014	2013
Non-current liabilities to Ramirent Plc's subsidiaries		
Non-current liabilities to subsidiaries	–	7 014 066.35
Non-current liabilities to external parties		
Loans from financial institutions	174 299 839.97	174 959 051.24
Total	**174 299 839.97**	**181 973 117.59**

(EUR)	2014	2013
Non-current loan that is payable more than 5 years from balance sheet date	–	99 150 684.36

18. CURRENT LIABILITIES

(EUR)	2014	2013
Current liabilities to Ramirent Plc's subsidiaries		
Current interest-bearing liabilities	21 124 125.53	24 037 744.75
Trade payables	24 542.22	537 462.98
Accrued expenses	564 972.68	23.81
Current liabilities to external parties		
Loans from financial institutions	54 757 853.57	33 989 614.53
Trade payables	1 564 779.16	877 851.61
Accrued expenses	8 122 556.33	9 224 082.01
Current tax liability	–	449 045.45
Other liabilities	–	7 478.60
Total	86 158 829.49	69 123 303.74

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

19. COMMITMENTS AND CONTINGENT LIABILITIES

COMMITMENTS (OFF–BALANCE SHEET) ON 31 DECEMBER 2014

(EUR)	To secure other own obligations	Total
Suretyships	168 187.93	168 187.93

COMMITMENTS (OFF-BALANCE SHEET) ON 31 DECEMBER 2013

(EUR)	To secure other own obligations	Total
Suretyships	168 187.93	168 187.93

Ramirent has covenants in in its major borrowing facility agreements. As at 31 December 2014 Ramirent was in compliance with all covenants and other terms of its debt instruments.

FUTURE LEASE PAYMENTS

(EUR)	2014	2013
Due within one year from balance sheet date	185 042.00	23 173.00
Due later than one year from balance sheet date	195 504.00	–
	380 546.00	23 173.00

DERIVATIVE INSTRUMENTS

(EUR)	2014	2013
Fair value of interest rate SWAP's	–1 735 703.91	–2 598 102.03
Par value of underlying object	52 718 425.13	88 751 046.28

FOREIGN CURRENCY DERIVATIVES

(EUR)	2014	2013
Par value of underlying object	32 682 571.29	30 886 484.96
Fair value of the derivative instruments	–7 970.00	–226 508.72

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

Helsinki, 11 February 2015

Peter Hofvenstam
Chairman

Kaj–Gustaf Bergh
Board Member

Erkki Norvio
Board Member

Susanna Renlund
Board Member

Ulf Lundahl
Board Member

Gry Hege Sølsnes
Board Member

Kevin Appleton
Board Member

Mats O. Paulsson
Board Member

Magnus Rosén
CEO

Auditors' note
Our auditors' report has been issued today.

Helsinki, 11 February 2015

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 2014. 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 2015

PricewaterhouseCoopers Oy
Authorised Public Accountants

Ylva Eriksson
Authorised Public Accountant

INFORMATION FOR SHAREHOLDERS

The Annual General Meeting of Shareholders to be held on Wednesday 25 March 2015 at 10:00 a.m. at Scandic Marina Congress Center, Fennia I meeting room, at the address of Katajanokanlaituri 6, Helsinki, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 9:00 a.m.

1. SHAREHOLDERS REGISTERED IN THE SHAREHOLDERS REGISTER

Each shareholder, who is registered on Friday, 13 March 2015 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.

A shareholder, who wants to participate in the Annual General Meeting, shall register for the meeting no later than 20 March 2015 by 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 (0)20 770 6880 from Mondays to Fridays between 9:00 a.m. and 4:00 p.m.; or
c. by telefax +358 (0)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 shall notify his/her name, personal identification number/business ID, 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 13 March 2015, 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 temporarily registered into the shareholders' register held by Euroclear Finland Ltd. at the latest by 20 March 2015, by 10:00 a.m. As regards nominee registered shares this constitutes due registration for the Annual General Meeting.

"The Board proposes an ordinary dividend of EUR 0.40 per share and authorisation to decide on the payment of an additional dividend up to EUR 0.60 per share."

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

3. SHAREHOLDERS WITH SHARES REGISTERED IN EUROCLEAR SWEDEN AB'S SECURITIES SYSTEM

Shareholders with shares registered in Euroclear Sweden AB´s Securities System who wish to attend and vote at the General Meeting must:

(i) be registered in the register of shareholders maintained by Euroclear Sweden AB no later than March 13, 2015.

Shareholders whose shares are registered in the name of a nominee must, in order to be eligible to request a temporary registration in Ramirent´s shareholders' register maintained by Euroclear Finland Ltd, request that their shares are re-registered in their own names in the register of shareholders maintained by Euroclear Sweden AB, and procure that the nominee sends the above mentioned request for temporary registration to Euroclear Sweden AB on their behalf. Such re-registration must be made at the latest by March 13, 2015 and the nominee should therefore be notified well in advance before said date.

(ii) request temporary registration in Ramirent's shareholders' register maintained by Euroclear Finland Ltd. Such request shall be submitted in writing to Euroclear Sweden AB by using specific form not later than March 16, 2015 at 10:00 CET. Form for temporary registration is available on Ramirent Plc's website, www.ramirent.com/agm. Alternatively Ramirent Plc will provide the form upon request (please contact Ms. Annika Berg by email annika.berg@ramirent.com or by phone +358 (0) 20 750 2866).

This temporary registration made through written request to Euroclear Sweden AB is considered a notice of attendance at the general meeting.

4. 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 Annual General Meeting. When a shareholder participates in the Annual 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 Annual General Meeting.

Proxy documents should be delivered in originals to Ramirent Plc, P.O. Box 116, FI-01511 Vantaa, Finland no later than 20 March 2015 by 10:00 a.m.

5. 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 0.40 per share be paid based on the adopted balance sheet for the financial year ended on 31 December 2014. 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 27 March 2015. The Board of Directors proposes that the dividend be paid on 10 April 2015.

The Board of Directors proposes further that the Annual General Meeting would resolve that the Board of Directors be authorised to decide at its discretion on the payment of additional dividend based on the adopted balance sheet for the financial year ended on 31 December 2014. The amount of the additional dividend may not exceed EUR 0.60 per share.

The potential additional dividend will be paid to the shareholders registered in the company's shareholders' register maintained by Euroclear Finland Ltd on the record date decided by the Board of Directors. The Board of Directors shall decide the date of payment of the dividend, which can at the earliest be the 5th banking day from the record date.

The authorisation is proposed to include the right of the Board of Directors to resolve on all other terms and conditions relating to the payment of additional dividend. The authorisation is proposed to be valid until the beginning of the next Annual General Meeting.

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

PRIMARY INDEXES

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

SHARE INFORMATION

At the end of the 2014, Ramirent Plc's total number of shares outstanding was 107,723,371. Ramirent Plc held 973,957 of the Company's own shares, representing 0.90% of the total number of Ramirent's shares. No share repurchases were performed in 2014.

At the end of December 2014, the share price closed at EUR 6.45 (9.15). The highest quotation in January-December 2014 was EUR 10.25 (9.86), and the lowest EUR 5.61 (6.31). The volume weighted average trading price was EUR 7.71 (7.96). The share price declined by 30.4% in January–December 2014.

The value of share turnover during January–December was EUR 332.1 (223.3) million, equivalent to 40,519,419 (28,117,229) traded Ramirent shares, i.e. 37.6% (26.1%) of Ramirent's total number of shares outstanding. At the end of December 2014, the number of registered shareholders was 14,242 (12,299).

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. Ramirent answers also questions from investors and analysts by phone and e-mail.

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.

Capital Markets Day (CMD) presentations are published in English.

PUBLICATION DATES OF INTERIM REPORTS IN 2015

In 2015, the interim reports will be published on the following dates:

Interim report January–March
7 May 2015 at 9:00 a.m.

Interim report January–June
6 August 2015 at 9:00 a.m.

Interim report January–September
4 November 2015 at 9:00 a.m

ANALYSTS

According to our information the analysts listed below prepare investment analyses on Ramirent Plc. The analysts do so their own initiative. Ramirent does not comment or take any responsibility for the opinions expressed by analysts.

COMPANY	ANALYST	TELEPHONE
Carnegie Investment Bank, Finland Eteläesplanadi 12 00130 Helsinki	Mr. Tommi Ilmoni	+358 9 6187 1235
Danske Markets Equities Hiililaiturinkuja 2 00180 Helsinki	Mr. Ari Järvinen	+358 10 236 4760
Evli Bank Plc Aleksanterinkatu 19 A 00100 Helsinki	Mr. Mika Karppinen	+358 9 4766 9643
Handelsbanken Equity Research Aleksanterinkatu 11 00100 Helsinki	Mr. Robin Santavirta	+358 10 444 2483
Nordea Markets Aleksis Kiven katu 9 00020 Nordea	Mr. Johannes Grasberger	+358 9 1655 9929
Pohjola Bank Plc Teollisuuskatu 1 B PL 362 00101 Helsinki	Mr. Matias Rautionmaa	+358 10 252 4408
SEB Enskilda Unioninkatu 30 00100 Helsinki	Mr. Artem Beletski	+358 9 6162 8729
Inderes Oy Melkonkatu 22 B 00210 Helsinki	Mr. Petri Kajaani	+358 50 527 8680

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 or Stockholm 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), Kiloutou (FR) Speedy Hire (UK), Lavendon (UK), United Rentals (US), H&E Equipment Services (US), Ashtead group (US/UK) and Aggreko (US/UK).

WEBSITE

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

Stay informed with Ramirent's free apps for iPad and iPhone.

INVESTOR CONTACTS

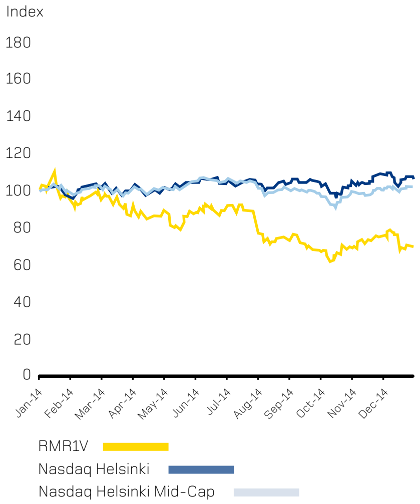
Franciska Janzon,
SVP, Marketing, Communications and IR
Tel. +358 20 750 2859, Fax +358 20 750 2850
Email: franciska. janzon@ramirent.com

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

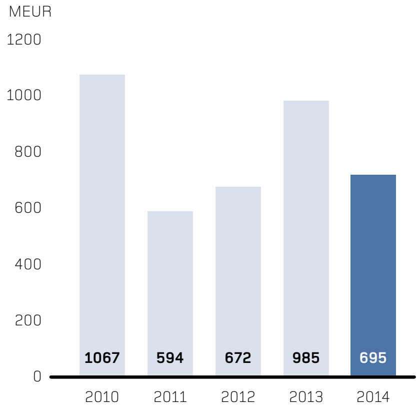
ORDER FINANCIAL PUBLICATIONS

Ramirent Plc
Corporate Communications and IR
P.O. Box 116
FI-01511 Vantaa
Tel. +358 20 750 2866
Fax +358 20 750 2850
Email: communications@ramirent.com

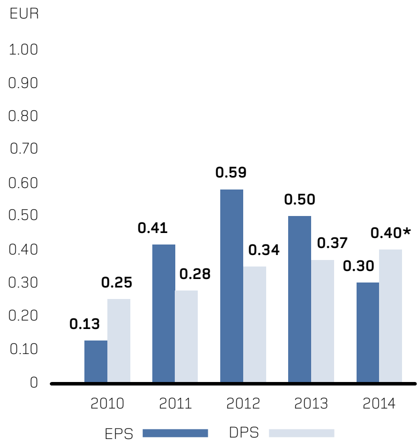
SHARE PRICE DEVELOPMENT



MARKET CAPITALISATION

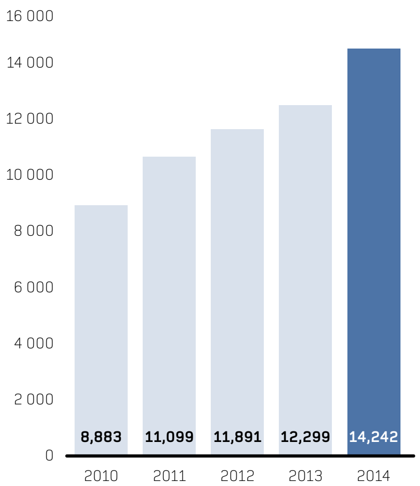


EARNINGS & DIVIDEND PER SHARE



* Board's proposal.
The Board proposes also to the AGM 2015 to be authorised to decide at its discretion on the payment of an additional dividend up to the amount of EUR 0.60 per share.

NUMBER OF SHAREHOLDERS



LARGEST SHAREHOLDERS

December 31, 2014	Number of shares	% of share capital
1. Nordstjernan AB	31,303,716	28.80%
2. Oy Julius Tallberg Ab	12,207,229	11.23%
3. Nordea funds	5,206,687	4.79%
4. Ilmarinen Mutual Pension Insurance Company	3,945,154	3.63%
5. Varma Mutual Pension Insurance Company	3,640,865	3.35%
6. Aktia funds	2,215,562	2.04%
7. Odin funds	1,151,142	1.06%
8. Fondita funds	977,000	0.92%
9. Ramirent Plc	973,957	0.90%
10. Pensionsförsäkringsaktiebolaget Veritas	807,136	0.74%
Other shareholders	46,248,880	42.55%
Total	**108,697,328**	**100.00%**

OWNERSHIP STRUCTURE

OWNERSHIP BY SECTOR AT THE END OF 2014

Sector	Number of shareholders	% of shareholders	Number of shares	% share capital
Non-financial corp. and housing corp.	851	5.98%	17,484,571	16.09%
Financial and insurance corporations	78	0.54%	33,023,133	30.38%
General government	18	0.13%	9,093,277	8.37%
Households	13034	91.52%	11,938,618	10.98%
Non-profit institutions serving households	163	1.14%	2,198,411	2.02%
Finland (total)	**14144**	**99.31%**	**73,738,010**	**67.84%**
Outside Finland (total)	**98**	**0.69%**	**34,959,318**	**32.16%**
Total	**14242**	**100.00%**	**108,697,328**	**100.00%**
-whereof nominee registered	*12*		*20,918,409*	*19.25%*

CONTACT INFORMATION

CORPORATE HEADQUARTERS

Ramirent Plc
POB 116, FI-01511 Vantaa Finland
Äyritie 16, FI-01510 Vantaa Finland
Tel. +358 20 750 200
Email: communications@ramirent.com
www.ramirent.com

SEGMENT HEADQUARTERS

FINLAND

Ramirent Finland Oy
Tapulikaupungintie 37, POB 31,
FI-00751 Helsinki, Finland
Tel. +358 20 750 200
Email: ramirent@ramirent.fi
www.ramirent.fi

SWEDEN

Ramirent AB
Äggelundavägen 4, BOX 121
SE-175 62 Järfälla, Sweden
Tel. +46 31 57 84 00
Email: info@ramirent.se
www.ramirent.se

NORWAY

Ramirent AS
Strandveien 13,
Postboks 427
NO-1366 Lysaker, Norway
Tel. +47 09890
Email: kundservice@ramirent.no
www.ramirent.no

DENMARK

Ramirent A/S
Hundigevej 85
DK-2670 Greve, Denmark
Tel. +45 43 95 88 88
Email: info@ramirent.dk
www.ramirent.dk

EUROPE EAST

Ramirent Baltic AS
Laki 11 D
EE-12915 Tallinn, Estonia
Tel. +372 650 1060
Email: info@ramirent.ee
www.ramirent.ee

EUROPE CENTRAL

Ramirent S.A. Main Office
ul. Gdanska 16 b
PL-70 661 Szczecin, Poland
Tel. +48 91 46 25 130
Email: info@ramirent.pl
www.ramirent.pl

RUSSIA

Fortrent Russia
Salova Str, 56, lit. Sh
RU-192102 St. Petersburg, Russia
Tel. +7 812 449 57 90
www.fortrent.net

UKRAINE

Fortrent Ukraine
Bogatyrskaia Str., 2A
vil. Bielogorodka
Kievo-Sviatoshinsky dstr.
Kiev region,
Ukraine 08140
Tel. +380 44 495 8315
www.fortrent.com.ua

MORE THAN MACHINES

Ramirent PLC | P.O Box 116 (Äyritie 16), FI-01511 Vantaa, Finland
Tel. +358 20 750 200 | Fax +358 20 750 2810 | www.ramirent.com | Business ID 0977135-4