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HALF YEAR FINANCIAL REPORT 1-6/2016
CRAMO PLC

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CRAMO'S HALF YEAR FINANCIAL REPORT JANUARY–JUNE 2016

PROFITABLE GROWTH CONTINUED

4–6/2016 highlights (year-on-year comparison in brackets):

- Sales EUR 179.1 (161.3) million, up by 11.0%. In local currencies, sales grew by 11.9%
- EBITA EUR 26.6 (18.4) million and EBITA margin 14.9% (11.4%)
- Earnings per share EUR 0.40 (0.23)

1–6/2016 highlights (year-on-year comparison in brackets):

- Sales EUR 334.5 (308.4) million, up by 8.5%. In local currencies, sales grew by 9.3%
- EBITA EUR 39.6 (28.5) million and EBITA margin 11.8% (9.2%)
- Earnings per share EUR 0.56 (0.32)
- Return on equity 12.9%
- Cash flow from operating activities EUR 62.9 (48.4) million and cash flow after investments EUR -9.5 (-12.4) million
- Gearing 84.9% (91.2%)

Guidance for 2016 unchanged: In 2016, Cramo Group's sales will grow in local currencies and the EBITA margin will improve compared to 2015.

KEY FIGURES AND RATIOS (MEUR)	4-6/16	4-6/15	Change %	1-6/16	1-6/15	Change %	1-12/15
Income statement							
Sales	179.1	161.3	11.0 %	334.5	308.4	8.5 %	667.9
EBITDA	53.3	43.7	21.9 %	92.0	78.0	17.9 %	185.7
EBITA 1)	26.6	18.4	45.0 %	39.6	28.5	38.9 %	84.8
% of sales	14.9%	11.4%		11.8%	9.2%		12.7%
Operating profit (EBIT)	25.4	16.2	56.5 %	37.1	24.2	53.1 %	76.7
Profit before taxes (EBT)	22.7	13.0	74.1 %	31.5	17.9	76.0 %	63.8
Profit for the period	17.9	10.3	74.1 %	24.9	14.2	76.0 %	49.7
Share related information							
Earnings per share (EPS), EUR 2)	0.40	0.23	72.0 %	0.56	0.32	73.7 %	1.13
Earnings per share (EPS), diluted, EUR	0.40	0.23	72.0 %	0.56	0.32	74.0 %	1.12
Shareholders' equity per share, EUR				10.73	10.42	3.0 %	11.05
Other information							
Return on investment, %				10.1 %	5.5 %		9.0 %
Return on equity, %				12.9 %	5.7 %		10.5 %
Equity ratio, %				43.1 %	42.5 %		45.7 %
Gearing, %				84.9 %	91.2 %		75.1 %
Net interest-bearing liabilities				404.9	420.3	-3.7 %	368.4
Net debt / EBITDA				2.03	2.32		1.98
Gross capital expenditure (incl. acquisitions)	69.2	46.1	50.0 %	99.8	87.6	13.9 %	175.0
of which acquisitions/business combinations	4.4	0.0		4.4	8.6	-48.5 %	9.8
Cash flow from operating activities 3)	39.3	44.9	-12.5 %	62.9	48.4	29.9 %	174.9
Cash flow after investments	-5.2	15.5		-9.5	-12.4		35.6
Average number of personnel (FTE)				2,521	2,484	1.5 %	2,486
Number of personnel at period end (FTE)				2,565	2,491	3.0 %	2,473

1) The second half of 2015 included EUR 2.0 million costs relating to the change of the President and CEO and to restructuring in Central Europe.
2) The full-year 2015 comparable earnings per share before the above-mentioned costs and their tax impact were EUR 1.17.
3) Starting from 2016, the reporting line of unpaid investments in the cash flow statement has been changed. As a result, the operating cash flow for period 4-6/2015 decreased by EUR 10.6 million, for period 1–6/2015 decreased by EUR 9.5 million and for period 1–12/2015 decreased by EUR 8.0 million.

Calculation of key figures is presented on page 22.

CEO'S COMMENT

Good result improvement

"The demand for equipment rental and modular space has developed favourably this year, and we have succeeded in capitalising on the improved market situation.

Our sales grew in local currencies by 9.3% in January–June and by 11.9% in the second quarter. Sales grew in all markets, with the exception of Norway and Eastern Europe.

Our profitability continued to improve. The January–June EBITA margin increased from 9.2% to 11.8%. The second-quarter EBITA margin grew from 11.4% to 14.9%. Profitability improved in Finland, Sweden, Denmark and Central Europe. It is encouraging that the result for Central Europe turned positive in the second quarter. It is also worth noting the strong year-on-year profit improvement in Sweden and of the whole equipment rental product area.

We are continuing the implementation of our focused strategy this year. At the same time, we have started the preparation of Vision 2020.

On the basis of the current outlook, I expect the demand for equipment rental and modular space to stay on a good level during the remainder of the year. Over the long term, the demand for rental services is supported by several megatrends, such as urbanisation and efforts to achieve sustainable development. Cramo is in a good position in most of its markets to capitalise on the opportunities created by the market," says Leif Gustafsson, Cramo Group's President and CEO.

SUMMARY OF FINANCIAL PERFORMANCE IN JANUARY–JUNE

Sales

Cramo Group's consolidated sales for January–June were EUR 334.5 (308.4) million, showing an increase of 8.5%. In local currencies, sales grew by 9.3%.

During the first half of the year, sales grew by 16.3% in Finland, by 12.9% in Sweden (12.4% in local currencies), by 20.8% in Denmark and by 2.8% in Central Europe. Sales decreased by 12.5% in Norway (-4.7% in local currencies) and by 4.0% in Eastern Europe (-2.7% in local currencies).

As for product areas, sales growth during the first half of the year was 5.7% (6.5% in local currencies) for equipment rental and 25.7% (26.0% in local currencies) for modular space. Plenty of new modular space deliveries took place during the period, which increased the sales of assembly services in particular. Rental sales of modular space increased by 10.3% year-on-year.

In the second quarter, the Group's consolidated sales were EUR 179.1 (161.3) million, growing by 11.0%. In local currencies, sales grew by 11.9%. In the second quarter, sales grew by 14.0% in Finland, by 17.2% in Sweden (16.9% in local currencies), by 23.1% in Denmark and by 7.4% in Central Europe. Sales decreased by 10.8% in Norway (-3.0% in local currencies) and by 3.6% in Eastern Europe (-2.1 % in local currencies).

As for product areas, sales growth during the second quarter was 8.8% (9.7% in local currencies) for equipment rental and 25.4% (25.7% in local currencies) for modular space. In the second quarter, rental sales of modular space increased by 11.5% year-on-year.

Costs

The Group costs as a share of sales decreased both in the second quarter and during the entire first half of the year, which had a positive impact on profitability. During the first half of the year, direct costs (materials and services) as a share of sales reduced from 34.9% to 34.1%. Indirect costs (employee benefit expenses and other operating expenses) as a share of sales decreased from 42.1% to 40.5%. Depreciation and impairment on tangible assets in relation to sales decreased from 16.1% to 15.7%.

Result

The January–June result and profitability improved year-on-year. EBITA was EUR 39.6 (28.5) million, showing growth of 38.9%. EBITA margin was 11.8% (9.2%). Profitability improved in Finland, Sweden, Denmark and Central Europe.

The profit increased in both product areas during the first half of the year. EBITA was EUR 29.7 (19.2) million, or 10.6% (7.3%) of sales, for equipment rental and EUR 15.0 (13.6) million, or 27.0% (30.7%) of sales, for modular space. Modular space EBITA margin was affected by the significant proportion of assembly and disassembly services during the period.

In the second quarter, EBITA was EUR 26.6 (18.4) million and the EBITA margin was 14.9% (11.4%) of sales. Profitability improved in the second quarter in Finland, Sweden, Denmark and Central Europe but declined in Norway and Eastern Europe.

In the second quarter, EBITA was EUR 22.8 (13.6) million, or 15.0% (9.8%) of sales, for equipment rental and

EUR 7.1 (6.8) million, or 25.6% (30.9%) of sales, for modular space.

In January–June, earnings per share were EUR 0.56 (0.32). Second-quarter earnings per share were EUR 0.40 (0.23). Return on equity (rolling 12 months) improved and was 12.9% (5.7%).

Cash flow from operating activities improved and was EUR 62.9 (48.4) million in January–June. Cash flow after investments was EUR -9.5 (-12.4) million. Fleet investments were increased and gross capital expenditure was EUR 99.8 (87.6) million.

The Group's gearing was 84.9% (91.2%) at the end of June. Net debt per EBITDA stood at 2.03 (2.32) at the end of the period.

MARKET OUTLOOK

In Cramo countries, the construction market outlook for 2016 is positive. The construction market analysts Euroconstruct and Forecon estimate that construction will increase in all of Cramo's operating countries with the exception of Latvia and Russia.

In equipment rental, changes in demand usually follow those in construction with a delay. In addition to construction volume, the demand for equipment rental services is affected by industrial investments and the increase in the rental penetration rate. Tightening legislation and the requirement to improve the efficiency and quality of construction increase the need for different types of rental-related services.

The demand for modular space is boosted by the increase in the need for and popularity of modifiable and easily implementable space solutions. Demand is also increased by migration flows within countries, demographical changes as well as by completely new applications, such as asylum seeker reception centres. Furthermore, we believe that the long-term demand for both equipment rental and modular space is supported by megatrends, such as urbanisation and the increasing emphasis on sustainability.

According to its June forecast, the European Rental Association (ERA) expects the use of equipment rental services to increase in 2016 in all of Cramo's markets reported by ERA. According to Cramo's estimate, the demand for modular space has increased in the Nordic countries by nearly 6% per year during the past five years. Cramo estimates that in Germany, market growth will be somewhat stronger.

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

GUIDANCE ON GROUP OUTLOOK

The guidance of Cramo Plc's Board of Directors for 2016 remains unchanged: In 2016, Cramo Group's sales will grow in local currencies and the EBITA margin will improve compared to 2015.

THE GROUP'S PROFIT

The profit for the period improved year-on-year. In January–June, EBITDA was EUR 92.0 (78.0) million, or 27.5% (25.3%) of sales. EBITA was EUR 39.6 (28.5) million, or 11.8% (9.2%) of sales. EBIT for January–June was EUR 37.1 (24.2) million, or 11.1% (7.9%) of sales.

The cost effect of the Group's credit losses and credit loss provisions amounted to EUR 1.0 (1.6) million.

The result includes EUR 0.7 (0.7) million in impairment losses on the fleet.

Profit before taxes was EUR 31.5 (17.9) million, and profit for the period was EUR 24.9 (14.2) million.

Expenses associated with share-based incentive schemes totalled EUR 0.6 (0.8) million.

Net financial expenses were EUR 5.5 (6.3) million.

Earnings per share were EUR 0.56 (0.32).

Return on investment (rolling 12 months) was 10.1% (5.5%) and return on equity (rolling 12 months) was 12.9% (5.7%).

CAPITAL EXPENDITURE, DEPRECIATION AND AMORTISATION

In January–June, gross capital expenditure was EUR 99.8 (87.6) million. Of gross capital expenditure, EUR 4.4 (8.6) million was attributable to acquisitions and business combinations. Other capital expenditure was mainly related to fleet procurement.

Gross capital expenditure was increased in the second quarter. Gross capital expenditure during the second quarter totalled EUR 69.2 (46.1) million.

In January–June, reported depreciation and impairment on tangible assets were EUR 52.5 (49.6) million. Amortisation and impairment resulting from acquisitions totalled EUR 2.5 (4.3) million.

At the end of the period, goodwill was EUR 149.7 (152.6) million.

FINANCIAL POSITION AND BALANCE SHEET

In January–June, cash flow from operating activities improved and was EUR 62.9 (48.4) million, which was mainly due to the improved result. Cash flow from investing activities was EUR -72.4 (-60.8) million. Cash flow after investments was EUR -9.5 (-12.4) million.

In the second quarter, cash flow from operating activities decreased and was EUR 39.3 (44.9) million and cash flow after investments EUR -5.2 (15.5) million.

On 30 June 2016, net interest-bearing liabilities totalled EUR 404.9 (420.3) million. At the end of the period, gearing was 84.9% (91.2%). Net debt per EBITDA stood at 2.03 (2.32) at the end of the period. EBITDA used in calculation is rolling 12 months.

Of the Group's variable rate loans, EUR 130.0 (90.0) million were hedged by way of interest rate swaps on 30 June 2016. Hedge accounting is applied to all of these interest rate hedges. On 30 June 2016, Cramo Group had undrawn committed credit facilities (excluding leasing facilities) in the amount of EUR 181.5 (165.0) million, of which non-current facilities represented EUR 160.0 (150.0) million and current facilities EUR 21.5 (15.0) million.

Tangible assets amounted to EUR 720.2 (660.9) million of the balance sheet total at the end of the review period. The balance sheet total on 30 June 2016 was EUR 1,120.7 (1,096.5) million. The equity ratio was 43.1% (42.5%).

Rental liabilities associated with off-balance-sheet operational leasing agreements totalled EUR 22.7 (22.9) million on 30 June 2016. Off-balance-sheet liabilities for office and depot rents stood at EUR 82.8 (94.1) million. The Group's investment commitments amounted to EUR 66.6 (44.5) million.

GROUP STRUCTURE

Cramo is a service company specialising in equipment rental services and the rental of modular space. Its equipment rental services comprise construction machinery and equipment rentals and rental-related services, such as site and assembly services. With its selection of more than 220,000 rental products, Cramo is a leading service provider in its field in the Nordic countries and Central and Eastern Europe.

At the end of the review period, Cramo Group consisted of the parent company Cramo Plc, which provides group-level services, and, as operating companies, its wholly-owned subsidiaries in Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Germany, Austria and Hungary. Cramo Plc also owns a company in Sweden which offers group-level services.

In addition, Cramo owns 50% of Fortrent, a joint venture launched with Ramirent that operates in Russia and Ukraine.

Cramo conducts modular space business under the name Cramo Adapteo.

At the end of the review period, Cramo provided equipment rental services through a network of 329 (329) depots.

STRATEGY AND FINANCIAL TARGETS

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

The core of the Group's strategy is "Cramo People living the Cramo Story". Cramo Story is a wide programme through which Cramo will drive its sales in different countries, differentiate itself from the competition, provide specific customer value and strengthen its corporate culture.

Cramo Group's Must-win battles are Deliver Cramo Story, Drive Cramo Performance Management and Win Central European Market. In addition, key strategic initiatives include the modular space growth strategy, dynamic pricing and acquisitions and outsourcing.

The Group has started to define the Vision 2020 strategy.

CHANGES IN MANAGEMENT

On 23 June Cramo announced that it has appointed two new members to the Group Management Team: Mrs Petra Schedin Stergel (47), SVP Human Resources Development, and Mr Mattias Rådström (45), SVP Communications, Marketing and Investor Relations. Both Mrs Schedin Stergel and Mr Rådström come from similar positions outside the Cramo Group and will assume their position at Cramo no later than 1st October 2016.

BUSINESS DEVELOPMENT

On 1 April 2016, Cramo strengthened its worksite logistics services in Finland by acquiring the business of logistics and telescopic handler company Kurottaja- ja Kuljetuspalvelu Parviainen Oy. Established in 2004, Kurottaja- ja Kuljetuspalvelu Parviainen Oy is the largest private company in Finland providing telehandler services. The sales of the company in 2015 were approximately EUR 3 million.

PERSONNEL

During the review period, the Group had an average of 2,521 (2,484) employees. In addition, the Group employed an average of approximately 149 (125) people hired from a staffing service. At the end of the period, Group personnel numbered 2,565 (2,491) as full time equivalent (FTE) employees.

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

The geographical distribution of personnel at the end of the period was as follows: 516 (482) employees in Finland, 897 (857) in Sweden, 229 (226) in Norway, 96 (98) in Denmark, 343 (356) in Central Europe and 484 (472) in Eastern Europe.

PERFORMANCE BY BUSINESS SEGMENT

Cramo Group's business segments are Finland, Sweden, Norway, Denmark, Central Europe (Germany, Austria and Hungary) and Eastern Europe (Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and the Kaliningrad region in Russia as well as a 50% share of the profit of the joint venture Fortrent (in Ukraine and Russia, excluding the Kaliningrad region) in accordance with the equity method of accounting). In addition to segment information, Cramo also publishes financial information by product area and the order book value for modular space.

Finland generated 17.6% (16.4%) of the total consolidated sales for January–June (before elimination of inter-segment sales), Sweden 51.5% (49.5%), Norway 9.6% (11.9%), Denmark 4.6% (4.1%), Central Europe 10.3% (10.9%) and Eastern Europe 6.3% (7.2%).

Finland

Finland (EUR 1,000)	4-6/16	4-6/15	Change %	1-6/16	1-6/15	Change %	1-12/15
Sales	30,281	26,567	14.0 %	58,865	50,601	16.3 %	110,909
EBITA	6,785	5,415	25.3 %	10,676	8,317	28.4 %	22,423
EBITA-%	22.4 %	20.4 %		18.1 %	16.4 %		20.2 %
No of employees (FTE)				492	458	7.4 %	448
No of depots				59	54	9.3 %	54

In January–June, Cramo's sales in Finland grew by 16.3% and were EUR 58.9 (50.6) million. Second-quarter sales were EUR 30.3 (26.6) million, showing growth of 14.0%.

New construction activity has finally picked up in Finland, and Cramo has succeeded in capitalising on the improved market situation. Sales increased as a result of growth in renovation and the increase in the number of new construction projects started, in particular in residential construction. In industry, demand has continued to gradually strengthen. The demand for modular space continued to be strong, particularly in the public sector. Significant modular space installation deliveries took place during the first half of the year.

In January–June, EBITA was EUR 10.7 (8.3) million. Relative profitability also improved and was 18.1% (16.4%) of sales. Profitability improved also in the second quarter. EBITA was EUR 6.8 (5.4) million, or 22.4% (20.4%) of sales. Profitability was improved by sales growth and cost control.

In order to strengthen its logistics services business, Cramo acquired Kurottaja- ja Kuljetuspalvelu Parviainen Oy's business on 1 April 2016. Kurottaja- ja Kuljetuspalvelu Parviainen Oy is the largest private company in Finland providing telehandler services. In the second quarter, Cramo signed a significant contract in the modular space product area, regarding the delivery of 215 modular space units for school use in Lahti.

At the end of the review period, Cramo had 59 (54) depots in Finland.

Sweden

Sweden (EUR 1,000)	4-6/16	4-6/15	Change %	1-6/16	1-6/15	Change %	1-12/15
Sales	92,449	78,893	17.2 %	172,634	152,946	12.9 %	331,190
EBITA	18,202	12,427	46.5 %	31,429	24,653	27.5 %	61,662
EBITA-%	19.7 %	15.8 %		18.2 %	16.1 %		18.6 %
No of employees (FTE)				851	813	4.7 %	825
No of depots				100	101	-1.0 %	100

In January–June, Cramo's sales in Sweden grew by 12.9% and were EUR 172.6 (152.9) million. In the local currency, sales increased by 12.4%. Second-quarter sales grew by 17.2% and were EUR 92.4 (78.9) million. In the local currency, sales increased by 16.9%. Cramo has succeeded in capitalising on the good market situation both in the equipment rental and modular space product areas. In both of these product areas, the market situation is good throughout the country.

In January–June, EBITA grew by 27.5% and was EUR 31.4 (24.7) million. EBITA margin was 18.2% (16.1%) of sales. Second-quarter EBITA improved by 46.5% and was EUR 18.2 (12.4) million, or 19.7% (15.8%) of sales. Profitability was improved by higher utilisation rates and cost control. Also the development of customer-oriented operational models has had a positive impact on the business.

The equipment rental utilisation rates are at a good level and investments have been increased. The demand for modular space also remained good. Modular space solutions have been delivered especially to schools and for use as accommodation facilities for asylum seekers.

At the end of the review period, Cramo had 100 (101) depots in Sweden.

Norway

Norway (EUR 1,000)	4-6/16	4-6/15	Change %	1-6/16	1-6/15	Change %	1-12/15
Sales	16,203	18,166	-10.8 %	32,173	36,768	-12.5 %	70,394
EBITA	1,129	1,425	-20.7 %	2,358	3,005	-21.5 %	5,386
EBITA-%	7.0 %	7.8 %		7.3 %	8.2 %		7.7 %
No of employees (FTE)				229	226	1.3 %	219
No of depots				28	28	0.0 %	28

Cramo's January–June sales in Norway decreased by 12.5%, totalling EUR 32.2 (36.8) million. In local currencies, the change was -4.7%. Second-quarter sales decreased by 10.8% and were EUR 16.2 (18.2) million. In the local currency, the change in the second quarter was -3.0%. The decrease in sales continued to be caused by weaker market development, tighter price competition and the restructuring measures carried out in 2015.

In January–June, EBITA was EUR 2.4 (3.0) million, or 7.3% (8.2%) of sales. Second-quarter EBITA was EUR 1.1 (1.4) million, or 7.0% (7.8%) of sales. During the first half of the year, profitability was impaired by the decrease in sales and the tighter competition in equipment rental and modular space in Southern Norway.

During the review period, Cramo signed a contract with Veidekke ASA, Norway's largest construction company, on equipment rental for a major project in Oslo. The project includes the construction of a hotel, residential properties, offices and cinema facilities. The contract is in force for three years. Another contract was signed with the Norwegian State Railways, encompassing both equipment rental services and modular space.

Developing sales operations and customer service is still a key target for 2016. Operations are focused on growing equipment rental and modular space market segments and those geographic regions where demand is expected to increase.

At the end of the review period, Cramo had 28 (28) depots in Norway.

Denmark

Denmark (EUR 1,000)	4-6/16	4-6/15	Change %	1-6/16	1-6/15	Change %	1-12/15
Sales	7,750	6,298	23.1 %	15,423	12,772	20.8 %	28,254
EBITA	872	65	1231.3 %	1,587	499	218.0 %	1,857
EBITA-%	11.3 %	1.0 %		10.3 %	3.9 %		6.6 %
No of employees (FTE)				96	98	-2.0 %	97
No of depots				9	8	12.5 %	8

Cramo's January–June sales in Denmark grew by 20.8% and were EUR 15.4 (12.8) million. Second-quarter sales were EUR 7.7 (6.3) million. The positive development of profitability continued. In January–June, EBITA was EUR 1.6 (0.5) million, or 10.3% (3.9%) of sales. Second-quarter EBITA was EUR 0.9 (0.1) million, or 11.3% (1.0%) of sales.

Profitability was improved by the strong demand for modular space, the improved market situation in equipment rental and successful cost control. The reforms carried out in the Danish operations have also supported good business development. In equipment rental, Cramo continued to focus its operations on the best-performing markets and product areas. Targeted growth investments have been increased. The demand for modular space is at a good level especially in urban areas. The construction market situation is stable.

At the end of the review period, Cramo had 9 (8) depots in Denmark.

Central Europe

Central Europe (EUR 1,000)	4-6/16	4-6/15	Change %	1-6/16	1-6/15	Change %	1-12/15
Sales	20,658	19,233	7.4 %	34,547	33,595	2.8 %	77,241
EBITA [1)]	2,011	-286		-1,159	-4,415		-3,312
EBITA-%	9.7 %	-1.5 %		-3.4 %	-13.1 %		-4.3 %
No of employees (FTE)				343	356	-3.7 %	350
No of depots				64	75	-14.7 %	71

1) Full-year 2015 comparable EBITA before restructuring costs recorded in the fourth quarter was EUR -2.5 million.

Cramo's January–June sales in Central Europe were EUR 34.5 (33.6) million, showing growth of 2.8%. In the second quarter, sales increased by 7.4% and were EUR 20.7 (19.2) million. Sales grew both in equipment rental and in the modular space product area. Trading sales decreased year-on-year.

In January–June, EBITA was EUR -1.2 (-4.4) million, or -3.4% (-13.1%) of sales. In the second quarter, EBITA turned positive and was EUR 2.0 (-0.3) million, or 9.7% (-1.5%) of sales.

The improvement in profitability in Central Europe continued in the second quarter. In equipment rental, operations were focused on the best-performing geographic regions in late 2015 and early 2016, which, combined with the development of sales operations, shows in improved profitability. Profitability is also improved by the alignment of the management system with Cramo's shared model.

The modular space product area is growing and demand is expected to remain good.

At the end of the review period, Cramo had 64 (75) depots in Central Europe, of which 56 (67) were in Germany, 7 (7) in Austria and 1 (1) in Hungary.

Eastern Europe

Eastern Europe (EUR 1,000)	4-6/16	4-6/15	Change %	1-6/16	1-6/15	Change %	1-12/15
Sales	11,920	12,365	-3.6 %	21,257	22,133	-4.0 %	50,866
EBITA	998	1,358	-26.6 %	-53	599		6,254
EBITA-%	8.4 %	11.0 %		-0.2 %	2.7 %		12.3 %
No of employees (FTE)				484	472	2.6 %	466
No of depots				69	63	9.5 %	67

Cramo Group's equipment rental sales in Eastern Europe come from Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and the Kaliningrad region in Russia. Fortrent's – the joint venture of Cramo and Ramirent in Russia and Ukraine – sales are not included in Cramo's sales. However, Cramo's share (50%) of Fortrent's profit for the review period is included in the EBITA of the Eastern Europe business segment.

During the first half of the year, the development of the rental market was inconsistent in Eastern Europe. In January–June, Cramo's sales in Eastern Europe were EUR 21.3 (22.1) million. Sales decreased by 4.0% (in local currencies by -2.7%). Second-quarter sales were EUR 11.9 (12.4) million. In the second quarter, the euro-denominated sales decreased by 3.6% (in local currencies by -2.1%).

In January–June, EBITA was EUR -0.1 (0.6) million, or -0.2% (2.7%) of sales. Second-quarter EBITA was EUR 1.0 (1.4) million, or 8.4% (11.0%) of sales.

In Poland and Estonia, sales and profitability improved during the first half of the year, whereas in Latvia and Lithuania, the development of the demand for equipment rental was clearly weaker than expected and price competition is fierce. In the Czech Republic, Cramo is growing its business, and after a weak first quarter, profitability improved in the second quarter. Fortrent's result improved.

The construction market forecasts for Eastern Europe show relatively significant differences between countries.

At the end of the review period, Cramo had 69 (63) depots in Eastern Europe, of which 39 (39) were in the Baltic countries, 22 (17) in Poland and 8 (7) in the Czech Republic and Slovakia.

FORTRENT JOINT VENTURE IN RUSSIA AND UKRAINE

In January–June, Fortrent Group's sales decreased by 15.4% to EUR 12.9 (15.3) million. However, in local currencies, sales increased by 2.5%. Fortrent Group's second-quarter sales were EUR 7.4 (8.1) million, declining by 8.1% year-on-year. In local currencies, sales increased by 17.4%. The demand for equipment rental services is at a good level in Moscow, where construction market is fairly active. Sales increased in new regions of Russia in the second quarter. However, demand remained weak in the St. Petersburg area and Ukraine.

In January–June, EBITA was EUR 0.7 (0.2) million, or 5.6% (1.3%) of sales, and the net result was EUR 0.1 (-0.1) million. Second-quarter EBITA was EUR 0.6 (0.3) million, or 8.0% (3.0%) of sales, and the net result was EUR 0.3 (0.2) million. The year-on-year sales increase, price increases and decrease in the cost base had a positive impact on profitability.

The decline in the oil price has a negative impact on the economy and construction activity in Russia. EU and US economic sanctions against Russia due to the Ukrainian crisis remain in place, creating further uncertainty over the development of the Russian economy. The volatility of the ruble and the Russian financial market also hinder economic growth. The weakened situation in the construction market, in turn, affects the demand for equipment rental and related services in Russia in 2016.

Fortrent has successfully adjusted its costs in a challenging market situation. The expansion of operations into new regions in Russia, as especially the St. Petersburg construction market has suffered from the recession, has also had a positive impact on profitability. Additional contingency plans were activated in St. Petersburg to mitigate the impact of lower sales.

According to an estimate published in June, the 2016 construction market forecast for Russia is -5.0%. In Ukraine, too, the outlook remains challenging.

Fortrent is owned and controlled 50/50 by Cramo and Ramirent, and its parent company Fortrent Ltd is a Finnish limited liability company. Cramo'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 Cramo for January–June was EUR 0.1 (-0.0) million.

At the end of the review period, Fortrent had 20 (21) depots.

MODULAR SPACE (CRAMO ADAPTEO)

As for product areas, Cramo's business operations are divided into equipment rental and modular space (Cramo Adapteo). Cramo conducts its modular space business in Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania and Germany. The modular space business is included in the sales and result of the geographical segments. Cramo Adapteo is a leading player in modular space in Northern Europe.

The modular space business provides the public sector and companies with flexible space solutions when temporary facilities are needed. Typical applications include schools, kindergartens, offices and accommodation facilities. The modular space user experience is comparable with that of facilities built for permanent use.

When compared to permanent buildings, modular space is more flexible and efficient and can be implemented much more quickly. Demand is increased by migration flows within countries, demographical changes as well as by completely new applications, such as asylum seeker reception centers.

Modular space rental agreements are usually signed for a long term. The most common rental periods range from 2 to 5 years. Thanks to long rental periods, the business is less sensitive to economic cycles, which, combined with the steady growth of the business, balances Cramo Group's sensitivity to economic cycles.

Approximately two-thirds of the modular space business consists of rental of modular space that has grown steadily for years. About one-third of sales comes from rental-related services, in particular from space assembly and disassembly services. Sales recognition of assembly and disassembly services varies by quarter.

In January–June, Cramo Adapteo's sales were EUR 55.7 (44.3) million. Sales increased by 25.7%; in local currencies, by 26.0%. Rental sales of modular space increased by 10.3% year-on-year. Rental-related services, such as assembly services for new deliveries, grew exceptionally strongly during the first months of the year.

Second-quarter sales were EUR 27.7 (22.1) million. Sales increased by 25.4%; in local currencies, by 25.7%.

In the second quarter, rental sales of modular space increased by 11.5% year-on-year.

In January–June, EBITA was EUR 15.0 (13.6) million, or 27.0% (30.7%) of sales. Second-quarter EBITA was EUR 7.1 (6.8) million, or 25.6% (30.9%) of sales. The higher share of assembly and disassembly services affected on the relative profitability.

During the first six months of the year, the modular space business grew in local currencies in all of Cramo's main markets, and organic growth opportunities seem promising. Cramo also seeks growth through acquisitions if suitable companies are available.

According to Cramo's estimates, the demand for modular space has increased in the Nordic countries by approximately 6% per year during the past few years.

SHARES AND SHARE CAPITAL

On 30 June 2016, Cramo Plc's share capital as registered in the Finnish Trade Register was EUR 24,834,753.09, and the number of shares was 44,690,554. At the end of the review period, Cramo Plc holds 239,471 of these shares. On 16 May 2016, the number of shares held by the company decreased by a total of 12,517 shares due to the directed share issue for Cramo Group's personnel that is based on the One Cramo Share Plan 2012.

CURRENT INCENTIVE SCHEMES

In the One Cramo Share Plan incentive scheme for the Group's permanent employees, employees are offered an opportunity to save a maximum of 5% of their salary, and the accumulated savings are used for share purchases. The fourth savings period of the incentive scheme began on 1 October 2015 and will end on 30 September 2016. The first savings period ended on 30 September 2013 and related additional shares were conveyed in May 2016. In the One Cramo Share Plan, the participants get the opportunity to acquire one additional share for each two shares purchased.

The discretionary periods of the share-based incentive scheme for Cramo Plc's key employees are the calendar years starting from 2012. The rewards for the discretionary periods 2012–2014 were based on the earnings per share (EPS) key indicator. The rewards for 2013 were paid on 15 January 2016. A total of 43,562 shares were given in a directed share issue, in addition to which rewards were paid in cash in the amount of EUR 674,282. The rewards for 2014 equal the approximate worth of 43,000 shares and will be paid in January 2017.

In February 2015, Cramo Plc's Board of Directors resolved on a share-based incentive scheme for the Cramo Group Management Team members and its key employees for 2015–2017. The scheme offers an opportunity to earn Cramo shares as a reward for achieving established performance targets during the discretionary periods. Each discretionary period will immediately be followed by a two year vesting period, after which any earned reward will be paid out to participants. The target group of the scheme consists of approximately 65 Cramo key employees. Should the performance targets be attained in full for all three discretionary periods, the earned reward will correspond to a maximum total of 1,000,000 Cramo Plc shares, including the proportion to be paid in cash. The rewards for 2015 equal the approximate worth of 190,000 shares and will be paid in January 2018.

CHANGES IN SHAREHOLDINGS

During the review period, Cramo Plc did not receive any notifications about changes in shareholdings as defined in Section 5 of Chapter 9 of the Finnish Securities Markets Act.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred after the balance sheet date.

ESSENTIAL RISKS AND UNCERTAINTIES

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

Economic uncertainty may be reflected in Cramo's operations as decreased demand in one or several market areas, fiercer competition, lower rental prices, higher financial expenses or customers experiencing financial difficulties and increasing credit losses. In addition, economic uncertainty increases the impairment risks to the balance sheet values.

Of geopolitical risks, especially the prolongation of the Ukrainian crisis and difficulties in the Russian economy have increased economic uncertainty in Cramo's operations. Also the political risks in Europe, such as "Brexit" or sovereign debt challenges, may have an impact on Cramo. These uncertainties may have an effect on construction and the demand for rental services in Cramo's operating countries.

Cramo estimates that the decline in the oil price has a positive impact on economic development with the exception of Norway and Russia.

ACCOUNTING PRINCIPLES

This half year financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. In the preparation of this half year financial report, Cramo has applied the same accounting principles as in its financial statements for 2015. The figures in this half year financial report are unaudited.

European Securities and Markets Authority (ESMA) has issued new guidelines regarding Alternative Performance Measures ("APM") to be implemented at the latest in the second quarter 2016.

Cramo presents APMs to improve the business analysis and comparability from period to period. APMs presented in this report should not be considered as a substitute for measures of performance in accordance with the IFRS. Calculation of key figures is presented on page 22.

CONSOLIDATED BALANCE SHEET (EUR 1,000)	30 Jun 2016	30 Jun 2015	31 Dec 2015
ASSETS			
Non-current assets			
Tangible assets	720,224	660,860	686,909
Goodwill	149,694	152,642	151,142
Other intangible assets	64,804	72,591	68,179
Deferred tax assets	14,534	15,069	13,463
Investments in joint ventures	4,584	7,178	2,608
Loan receivables	13,884	16,406	15,267
Trade and other receivables	1,375	950	1,436
Total non-current assets	**969,097**	**925,884**	**939,003**
Current assets			
Inventories	9,519	10,355	8,963
Trade and other receivables	133,774	140,079	130,482
Income tax receivables	3,666	11,698	3,031
Derivative financial instruments	74	1,503	889
Cash and cash equivalents	4,619	6,964	3,511
Total current assets	**151,651**	**170,612**	**146,875**
TOTAL ASSETS	**1,120,747**	**1,096,496**	**1,085,878**
EQUITY AND LIABILITIES			
Equity			
Share capital	24,835	24,835	24,835
Other reserves	326,297	325,288	326,297
Hedging fund	-10,097	-6,494	-7,074
Translation differences 1)	-33,584	-19,796	-26,395
Retained earnings 1)	169,504	136,863	173,081
Equity attributable to owners of the parent company	**476,953**	**460,696**	**490,743**
Total equity	**476,953**	**460,696**	**490,743**
Non-current liabilities			
Interest-bearing liabilities	318,272	333,960	293,811
Derivative financial instruments	12,253	7,399	8,322
Deferred tax liabilities	69,003	67,241	70,636
Retirement benefit liabilities	1,543	1,838	1,707
Other non-current liabilities	2,300	3,104	2,832
Total non-current liabilities	**403,372**	**413,541**	**377,308**
Current liabilities			
Interest-bearing liabilities	91,230	93,336	78,097
Derivative financial instruments	672	391	233
Trade and other payables	146,050	125,147	136,070
Income tax liabilities	2,192	2,970	2,817
Provisions	279	414	611
Total current liabilities	**240,423**	**222,258**	**217,827**
Total liabilities	**643,794**	**635,800**	**595,135**
TOTAL EQUITY AND LIABILITIES	**1,120,747**	**1,096,496**	**1,085,878**

1) The presentation of translation differences in equity was changed 12/2015. The comparative period 6/2015 has also been changed accordingly. As a result, retained earnings for the comparison period 6/2015 have increased by EUR 3.0 million and translation differences have decreased by EUR 3.0 million.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1,000)	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Sales	**179,104**	**161,290**	**334,539**	**308,350**	**667,877**
Other operating income	3,844	2,792	7,128	6,974	13,462
Materials and services	-59,330	-55,544	-114,136	-107,525	-236,619
Employee benefit expenses	-40,534	-36,136	-77,135	-72,135	-143,899
Other operating expenses	-29,911	-28,767	-58,401	-57,587	-115,510
Depreciation and impairment on tangible assets	-26,709	-25,381	-52,472	-49,555	-100,878
Share of profit / loss of joint ventures	148	97	47	-43	395
EBITA	**26,612**	**18,351**	**39,570**	**28,481**	**84,827**
% of sales	**14.9 %**	**11.4 %**	**11.8 %**	**9.2 %**	**12.7 %**
Amortisation and impairment resulting from acquisitions	-1,227	-2,131	-2,511	-4,268	-8,114
Operating profit (EBIT)	**25,385**	**16,220**	**37,059**	**24,213**	**76,714**
% of sales	**14.2 %**	**10.1 %**	**11.1 %**	**7.9 %**	**11.5 %**
Finance costs (net)	-2,707	-3,196	-5,520	-6,293	-12,923
Profit before taxes	**22,678**	**13,024**	**31,539**	**17,920**	**63,791**
% of sales	**12.7 %**	**8.1 %**	**9.4 %**	**5.8 %**	**9.6 %**
Income taxes	-4,763	-2,736	-6,623	-3,764	-14,075
Profit for the period	**17,915**	**10,289**	**24,916**	**14,157**	**49,715**
% of sales	**10.0 %**	**6.4 %**	**7.4 %**	**4.6 %**	**7.4 %**
Attributable to:					
Owners of the parent	17,915	10,289	24,916	14,157	49,715
Profit attributable to owners of the parent					
Earnings per share, undiluted, EUR	0.40	0.23	0.56	0.32	1.13
Earnings per share, diluted, EUR	0.40	0.23	0.56	0.32	1.12

OTHER COMPREHENSIVE INCOME ITEMS (EUR 1,000)	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Profit for the period	**17,915**	**10,289**	**24,916**	**14,157**	**49,715**
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
-Remeasurements on retirement benefit liabilities, net of tax	112	26	77	-25	59
Total items that will not be reclassified to profit or loss	112	26	77	-25	59
Items that may be reclassified subsequently to profit or loss:					
-Change in hedging fund, net of tax	-611	1,987	-3,023	1,668	1,088
-Available-for-sale financial assets					
-Share of other comprehensive income of joint ventures	2,750	61	1,923	2,963	-2,040
-Change in translation differences	-8,366	2,676	-9,112	8,374	6,778
Total items that may be reclassified subsequently to profit or loss	-6,227	4,724	-10,212	13,005	5,826
Total other comprehensive income, net of tax	**-6,115**	**4,750**	**-10,135**	**12,980**	**5,885**
Comprehensive income for the period	**11,800**	**15,039**	**14,781**	**27,137**	**55,600**

CHANGES IN CONSOLIDATED STATEMENT OF EQUITY (EUR 1,000)	Share capital	Share issue and other reserves	Hedging fund	Translation differences	Retained earnings	Total equity
At 1 Jan 2015	**24,835**	**322,837**	**-8,162**	**-31,133**	**146,613**	**454,990**
Profit for the period					14,157	**14,157**
Total other comprehensive income, net of tax			1,668	11,337	-25	**12,980**
Comprehensive income for the period			**1,668**	**11,337**	**14,132**	**27,137**
Dividend distribution					-24,132	**-24,132**
Exercise of share options		2,451				**2,451**
Share-based payments					250	**250**
30 Jun 2015	**24,835**	**325,288**	**-6,494**	**-19,796**	**136,863**	**460,696**
At 1 Jan 2016	**24,835**	**326,297**	**-7,074**	**-26,395**	**173,081**	**490,743**
Profit for the period					24,916	**24,916**
Total other comprehensive income, net of tax			-3,023	-7,189	77	**-10,135**
Comprehensive income for the period			**-3,023**	**-7,189**	**24,993**	**14,781**
Dividend distribution					-28,885	**-28,885**
Share-based payments					316	**316**
30 Jun 2016	**24,835**	**326,297**	**-10,097**	**-33,584**	**169,504**	**476,953**

SHARE RELATED KEY FIGURES	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Earnings per share (EPS), EUR 1) 2)	0.40	0.23	0.56	0.32	1.13
Earnings per share (EPS), diluted, EUR 3)	0.40	0.23	0.56	0.32	1.12
Shareholders' equity per share, EUR 4)			10.73	10.42	11.05
Number of shares, end of period			44,690,554	44,178,482	44,621,294
Adjusted number of shares, average 5)			44,438,447	43,859,408	44,067,946
Adjusted number of shares, end of period 5)			44,451,083	44,209,310	44,395,004
Number of shares, diluted, average 5)			44,577,959	44,080,549	44,261,010

1) The year 2015 included EUR 2.0 million in costs relating to the change of the President and CEO and to restructuring in Central Europe. The full-year 2015 comparable earnings per share before the above-mentioned costs and their tax impact were EUR 1.17.
2) Calculated from the adjusted average number of shares
3) Calculated from the diluted average number of shares
4) Calculated from the adjusted number of shares at the end of the period
5) Number of shares without treasury shares

CONSOLIDATED CASH FLOW STATEMENT (EUR 1,000)	1-6/16	1-6/15	1-12/15
Cash flow from operating activities			
Profit before taxes	31,539	17,920	63,791
Non-cash adjustments	54,929	55,250	112,714
Change working capital 1)	-9,042	-10,485	11,409
Cash flow before financial items and taxes	**77,427**	**62,685**	**187,914**
Net financial items	-5,960	-5,456	-7,212
Income taxes paid	-8,604	-8,819	-5,810
Net cash flow from operating activities 1)	**62,863**	**48,410**	**174,892**
Cash flow from investing activities			
Investments in tangible and intangible assets 1)	-81,811	-69,578	-157,233
Sale of tangible and intangible assets	13,451	14,492	25,070
Acquisition of subsidiaries and business operations, net of cash acquired	-3,999	-5,688	-7,146
Net cash flow from investing activities 1)	**-72,359**	**-60,774**	**-139,309**
Cash flow after investments	**-9,497**	**-12,364**	**35,583**
Cash flow from financing activities			
Change in interest-bearing receivables	1,382	1,250	2,388
Repayment of finance lease liabilities	-3,532	-7,769	-13,295
Change in interest-bearing liabilities	41,228	42,586	-6,721
Proceeds from share options exercised	376	1,644	4,049
Dividends paid	-28,885	-24,132	-24,128
Net cash flow from financing activities	**10,570**	**13,579**	**-37,707**
Change in cash and cash equivalents	**1,073**	**1,215**	**-2,125**
Cash and cash equivalents at period start	3,511	5,689	5,689
Exchange differences	35	60	-53
Cash and cash equivalents at period end	**4,619**	**6,964**	**3,511**

1) Starting from 2016 the reporting line of unpaid investments in the cash flow statement has been changed. Also the comparative periods 1-6/2015 and 1-12/2015 have been changed accordingly. As a result the operating cash flow for 1-6/2015 has decreased by EUR 9.5 million and cash flow from investing capiltal has increased by EUR 9.5 million. For 1-12/15 operating cash flow decreased by EUR 8.0 million and investing cash flow increased by EUR 8.0 million.

CHANGES IN NET BOOK VALUE OF TANGIBLE AND INTANGIBLE ASSETS (MEUR)	1-6/2016	1-6/2015	1-12/2015
Opening balance	**906.2**	**851.4**	**851.4**
Depreciation, amortisation and impairment	-55.0	-53.8	-109.0
Additions			
Rental machinery	96.8	82.9	165.8
Other tangible assets	1.8	2.3	6.3
Intangible assets	1.2	2.4	2.8
Total additions	99.8	87.6	175.0
Reductions and other changes	-7.5	-9.5	-15.6
Exchange differences	-8.7	10.4	4.3
Closing balance	**934.7**	**886.1**	**906.2**

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (EUR 1,000)	Book value 30 Jun 2016	Fair value 30 Jun 2016
Financial assets at fair value through profit and loss		
Current derivative financial instruments	74	74
Loans and receivables		
Loan receivables	13,884	13,884
Non-current trade and other receivables	1,375	1,375
Current trade and other receivables	108,682	108,682
Cash and cash equivalents	4,619	4,619
Financial liabilities at fair value through profit and loss		
Current derivative financial instruments	672	672
Loans and borrowings		
Non-current interest-bearing liabilities	318,272	323,564
Other non-current liabilities	2,103	2,103
Current interest-bearing liabilities	91,230	91,230
Trade and other payables	82,040	82,040
Hedge accounted derivatives		
Non-current derivative financial instruments	12,253	12,253

COMMITMENTS AND CONTINGENT LIABILITIES (EUR 1,000)	30 Jun 2016	30 Jun 2015	31 Dec 2015
Pledges, finance lease	31,972	42,578	34,983
Investment commitments	66,555	44,520	24,995
Commitments to office and depot rents	82,762	94,090	90,106
Operational lease payments	22,688	22,941	23,130
Other commitments	1,343	1,214	1,182
Group's share of commitments in joint ventures	1,592	200	65

MODULAR SPACE ORDER BOOK (EUR 1,000)	30 Jun 2016	30 Jun 2015	31 Dec 2015
Value of outstanding orders for modular space	120,152	100,577	104,583
Value of orders for modular space rental sales	109,058	96,823	96,154
Value of orders for modular space other sales	11,094	3,754	8,429

DERIVATIVE FINANCIAL INSTRUMENTS (EUR 1,000)	30 Jun 2016	30 Jun 2015	31 Dec 2015
Fair value			
Interest rate swaps	-12,253	-7,399	-8,322
Currency forwards	-598	1,112	657
Nominal value			
Interest rate swaps	130,000	90,000	130,000
Currency forwards	109,833	122,244	106,904

SEGMENT-SPECIFIC INFORMATION

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

SALES (EUR 1,000)	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Finland	30,281	26,567	58,865	50,601	110,909
Sweden	92,449	78,893	172,634	152,946	331,190
Norway	16,203	18,166	32,173	36,768	70,394
Denmark	7,750	6,298	15,423	12,772	28,254
Central Europe	20,658	19,233	34,547	33,595	77,241
Eastern Europe	11,920	12,365	21,257	22,133	50,866
Inter-segment sales	-156	-232	-360	-465	-978
Group sales	**179,104**	**161,290**	**334,539**	**308,350**	**667,877**

EBITA (EUR 1,000)	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Finland	6,785	5,415	10,676	8,317	22,423
% of sales	*22.4 %*	*20.4 %*	*18.1 %*	*16.4 %*	*20.2 %*
Sweden	18,202	12,427	31,429	24,653	61,662
% of sales	*19.7 %*	*15.8 %*	*18.2 %*	*16.1 %*	*18.6 %*
Norway	1,129	1,425	2,358	3,005	5,386
% of sales	*7.0 %*	*7.8 %*	*7.3 %*	*8.2 %*	*7.7 %*
Denmark	872	65	1,587	499	1,857
% of sales	11.3 %	*1.0 %*	10.3 %	*3.9 %*	*6.6 %*
Central Europe [1)]	2,011	-286	-1,159	-4,415	-3,312
% of sales	*9.7 %*	*-1.5 %*	*-3.4 %*	*-13.1 %*	*-4.3 %*
Eastern Europe	998	1,358	-53	599	6,254
% of sales	*8.4 %*	*11.0 %*	*-0.2 %*	*2.7 %*	*12.3 %*
Non-allocated items [2)]	-3,329	-2,128	-5,275	-4,370	-9,713
Eliminations	-55	74	7	192	270
Group EBITA [3)]	**26,612**	**18,351**	**39,570**	**28,481**	**84,827**
% of sales	***14.9 %***	***11.4 %***	***11.8 %***	***9.2 %***	***12.7 %***

[1)] In Central Europe, the fourth quarter EBITA for 2015 included EUR 0.8 million restructuring costs. In Central Europe, the full-year 2015 comparable EBITA before restructuring costs was EUR -2.5 million, or -3.2% of sales.
[2)] In the third quarter of 2015, non-allocated items included EUR 1.2 million in costs relating to the change of the President and CEO.
[3)] Cramo Group's comparable EBITA for 2015 before the above mentioned costs was EUR 86.8 million, or 13.0% of sales.

RECONCILIATION OF GROUP EBITA TO PROFIT BEFORE TAXES (EUR 1,000)	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Group EBITA	26,612	18,351	39,570	28,481	84,827
Amortisation and impairment resulting from acquisitions and disposals	-1,227	-2,131	-2,511	-4,268	-8,114
Operating profit	25,385	16,220	37,059	24,213	76,714
Net finance items	-2,707	-3,196	-5,520	-6,293	-12,923
Profit before taxes	**22,678**	**13,024**	**31,539**	**17,920**	**63,791**

DEPRECIATION AND IMPAIRMENT ON TANGIBLE ASSETS (EUR 1,000)	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Finland	-4,901	-4,603	-9,615	-8,993	-18,075
Sweden	-11,370	-10,429	-22,279	-19,956	-41,055
Norway	-2,029	-2,613	-4,089	-5,325	-10,035
Denmark	-1,546	-1,432	-3,019	-2,830	-5,737
Central Europe	-3,648	-3,317	-7,094	-6,627	-13,836
Eastern Europe	-3,074	-2,898	-6,084	-5,721	-11,866
Non-allocated items and eliminations	-140	-89	-292	-103	-274
Total	**-26,709**	**-25,381**	**-52,472**	**-49,555**	**-100,878**

GROSS CAPITAL EXPENDITURE (EUR 1,000)	4-6/16	4-6/15	1-6/16	1-6/15	1-12/15
Finland	18,585	8,018	24,469	19,577	37,277
Sweden	22,672	18,617	35,457	32,557	70,459
Norway	2,373	1,845	2,701	3,439	6,732
Denmark	4,726	3,662	6,668	4,445	14,921
Central Europe	12,195	7,110	18,974	17,765	26,089
Eastern Europe	7,624	6,774	9,604	9,549	17,829
Non-allocated items and eliminations	1,010	90	1,917	287	1,678
Total	**69,185**	**46,115**	**99,790**	**87,619**	**174,987**

SEGMENT ASSETS 1) (EUR 1,000)	30.6.2016	30.6.2015	31.12.2015
Finland	189,781	167,441	173,730
Sweden	494,486	483,483	497,332
Norway	91,824	103,441	90,042
Denmark	67,206	54,908	61,103
Central Europe	105,209	99,541	97,349
Eastern Europe	100,737	101,242	96,439
Segment assets total	**1,049,243**	**1,010,056**	**1,015,995**
Non-allocated items and eliminations	71,504	86,439	69,883
Total assets	**1,120,747**	**1,096,496**	**1,085,878**

SEGMENT LIABILITIES 2) (EUR 1,000)	30.6.2016	30.6.2015	31.12.2015
Finland	22,018	17,095	19,613
Sweden	77,582	68,022	75,208
Norway	12,563	11,836	12,247
Denmark	10,262	8,776	8,166
Central Europe	12,127	9,379	10,054
Eastern Europe	9,035	10,008	7,368
Segment liabilities total	**143,587**	**125,115**	**132,656**
Non-allocated items and eliminations	500,207	510,684	462,479
Total liabilities	**643,794**	**635,800**	**595,135**

1) Segment assets include goodwill, other intangible assets, tangible assets, available-for-sale financial assets, investments in joint ventures, inventories, non-current and current trade and other receivables and assets available for sale.
2) Segment liabilities include provisions, retirement benefit liabilities and non-current and current trade and other liabilities.

QUARTERLY SEGMENT INFORMATION

SALES BY SEGMENTS (EUR 1,000)	4-6/16	1-3/16	10-12/15	7-9/15	4-6/15	1-3/15	10-12/14	7-9/14
Finland	30,281	28,584	29,543	30,765	26,567	24,034	27,335	29,061
Sweden	92,449	80,186	97,806	80,438	78,893	74,054	89,187	76,784
Norway	16,203	15,970	16,987	16,640	18,166	18,602	21,368	21,458
Denmark	7,750	7,673	8,259	7,223	6,298	6,475	7,942	7,532
Central Europe	20,658	13,890	21,508	22,138	19,233	14,361	21,699	22,471
Eastern Europe	11,920	9,337	13,347	15,386	12,365	9,768	14,163	14,880
Inter-segment sales	-156	-203	-281	-232	-232	-233	-1,107	-1,045
Group sales	**179,104**	**155,436**	**187,169**	**172,358**	**161,290**	**147,061**	**180,588**	**171,143**

EBITA BY SEGMENTS (EUR 1,000)	4-6/16	1-3/16	10-12/15	7-9/15	4-6/15	1-3/15	10-12/14	7-9/14
Finland	6,785	3,892	5,602	8,504	5,415	2,902	5,469	7,472
% of sales	22.4 %	13.6 %	19.0 %	27.6 %	20.4 %	*12.1 %*	*20.0 %*	*25.7 %*
Sweden	18,202	13,227	18,950	18,059	12,427	12,226	17,700	17,187
% of sales	19.7 %	16.5 %	19.4 %	22.5 %	15.8 %	*16.5 %*	*19.8 %*	*22.4 %*
Norway	1,129	1,229	1,371	1,010	1,425	1,580	1,575	1,363
% of sales	7.0 %	7.7 %	8.1 %	6.1 %	7.8 %	*8.5 %*	*7.4 %*	*6.4 %*
Denmark	872	716	637	720	65	434	-2,342	347
% of sales	11.3 %	9.3 %	7.7 %	10.0 %	1.0 %	*6.7 %*	*-29.5 %*	*4.6 %*
Central Europe	2,011	-3,170	-351	1,454	-286	-4,129	-590	426
% of sales	9.7 %	-22.8 %	-1.6 %	6.6 %	-1.5 %	*-28.7 %*	*-2.7 %*	*1.9 %*
Eastern Europe	998	-1,051	1,615	4,041	1,358	-759	2,202	4,271
% of sales	8.4 %	-11.3 %	12.1 %	26.3 %	11.0 %	*-7.8 %*	*15.5 %*	*28.7 %*
Non-allocated items	-3,329	-1,946	-1,704	-3,639	-2,128	-2,241	-1,137	-611
Eliminations	-55	62	20	58	74	118	113	12
Group EBITA	**26,612**	**12,958**	**26,140**	**30,206**	**18,351**	**10,130**	**22,990**	**30,469**
% of sales	***14.9 %***	***8.3 %***	***14.0 %***	***17.5 %***	***11.4 %***	***6.9 %***	***12.7 %***	***17.8 %***

ADDITIONAL FINANCIAL INFORMATION BY PRODUCT AREA

ADDITIONAL INFORMATION BY PRODUCT AREA (EUR 1,000)	EQUIPMENT RENTAL		MODULAR SPACE		UNALLOCATED AMOUNTS AND ELIMINATIONS		GROUP	
	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015	H1 2016	H1 2015
Sales	**279,252**	**264,265**	**55,680**	**44,306**	**-393**	**-221**	**334,539**	**308,350**
EBITDA	**73,103**	**61,057**	**23,729**	**21,001**	**-4,790**	**-4,022**	**92,042**	**78,035**
EBITDA-%	26.2 %	23.1 %	42.6 %	47.4 %			27.5 %	25.3 %
Depreciation and impairment on tangible assets	-43,371	-41,878	-8,686	-7,403	-414	-273	-52,472	-49,555
EBITA	**29,732**	**19,179**	**15,043**	**13,597**	**-5,204**	**-4,296**	**39,570**	**28,481**
EBITA-%	10.6 %	7.3 %	27.0 %	30.7 %			11.8 %	9.2 %
Capital employed at 30 Jun [1)]	**639,560**	**648,494**	**265,541**	**235,948**	**28,617**	**29,867**	**933,718**	**914,309**

ADDITIONAL INFORMATION BY PRODUCT AREA (EUR 1,000)	EQUIPMENT RENTAL		MODULAR SPACE		UNALLOCATED AMOUNTS AND ELIMINATIONS		GROUP	
	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015
Sales	**151,615**	**139,338**	**27,666**	**22,070**	**-177**	**-119**	**179,104**	**161,290**
EBITDA	**44,869**	**35,056**	**11,538**	**10,616**	**-3,086**	**-1,940**	**53,321**	**43,732**
EBITDA-%	29.6 %	25.2 %	41.7 %	48.1 %			29.8 %	27.1 %
Depreciation and impairment on tangible assets	-22,057	-21,437	-4,445	-3,794	-207	-150	-26,709	-25,381
EBITA	**22,811**	**13,619**	**7,093**	**6,822**	**-3,293**	**-2,090**	**26,612**	**18,351**
EBITA-%	15.0 %	9.8 %	25.6 %	30.9 %			14.9 %	11.4 %

ADDITIONAL INFORMATION BY PRODUCT AREA (EUR 1,000) 1-12/15	EQUIPMENT RENTAL	MODULAR SPACE	UNALLOCATED AMOUNTS AND ELIMINATIONS	GROUP
Sales	**568,449**	**100,001**	**-574**	**667,877**
EBITDA	**150,024**	**44,617**	**-8,935**	**185,705**
EBITDA-%	26.4 %	44.6 %		27.8 %
Depreciation and impairment on tangible assets	-85,169	-15,075	-634	-100,878
EBITA	**64,855**	**29,541**	**-9,569**	**84,827**
EBITA-%	11.4 %	29.5 %		12.7 %
Capital employed at 31 Dec 2015 [1)]	**625,035**	**257,813**	**25,569**	**908,417**

1) Capital employed is product area assets less product area liabilities. Product area assets and liabilities are similar to assets and liabilities allocated to reportable segments.

CALCULATION OF KEY FIGURES

Key figures on financial performance:

Return on equity, % = $\frac{\text{Profit for the period (rolling 12 month)}}{\text{Total equity (average)}} \times 100$

Return on investment, % = $\frac{\text{Profit before taxes + interest and other financial expenses (rolling 12 month)}}{\text{Balance sheet total - non-interest-bearing liabilities (average)}} \times 100$

Equity ratio, % = $\frac{\text{Total equity}}{\text{Balance sheet total - advance payments received}} \times 100$

Net debt = Interest-bearing liabilities - cash and cash equivalents

Gearing, % = $\frac{\text{Net interest-bearing liabilities (net debt)}}{\text{Total equity}} \times 100$

Personnel on average = The average number of employees at the end of each calendar month during the accounting period, adjusted with the number of part-time employees

Per-share ratios:

Earnings per share (EPS) = $\frac{\text{Profit for the year attributable to owners of the parent company}}{\text{Adjusted average number of shares during the period}}$

Shareholders' equity per share = $\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares at the end of the period}}$

The alternative Performance Measures (“APM”) used by Cramo are defined below:

EBITA = Operating profit (EBIT) + amortisation and impairment on intangible assets (purchase price allocations) arising from acquisitions

EBITDA = EBITA + depreciation

Capital employed = Assets - liabilities allocated to segments

Net debt / EBITDA = $\frac{\text{Period end net debt}}{\text{Rolling 12 month EBITDA}}$

LARGEST SHAREHOLDERS

	TEN LARGEST SHAREHOLDERS 30 June 2016	SHARES	%
1	Zeres Capital*	4,696,730	10.51
2	Massachusetts Mutual Life Insurance Company, MassMutual Holding LLC and MM Asset Management Holding LLC**	2,261,163	5.06
3	Rakennusmestarien Säätiö (Construction engineers' fund)	2,129,422	4.76
4	Ilmarinen Mutual Pension Insurance Company	1,145,603	2.56
5	ODIN Finland	796,358	1.78
6	Nordea Nordenfund	591,035	1.32
7	Varma Mutual Pension Insurance Company	518,387	1.16
8	Fondita Nordic Micro Cap	450,000	1.01
9	Säästöpankki Kotimaa Investment Fund	354,648	0.79
10	Rakennusmestarit ja -insinöörit AMK RKL (Construction engineers' Polytechnic)	301,220	0.67
	Ten largest owners, total	**13,244,566**	**29.64**
	Nominee registered	20,487,221	45.84
	Others	10,958,767	24.52
	Total	**44,690,554**	**100.00**

* According to the notification pursuant to Section 5 of Chapter 9 of the Finnish Securities Markets Act on 30 March 2015. No further information on current ownership.
** According to the notification pursuant to Section 5 of Chapter 9 of the Finnish Securities Markets Act on 25 August 2015. No further information on current ownership.

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

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

Vantaa 2 August 2016

Cramo Plc
Board of Directors

BRIEFING

Cramo will hold a briefing and a live webcast at Hotel Kämp, address: Kluuvikatu 2, 2nd floor, Helsinki, on Wednesday, 3 August 2016 at 11.00 am. The briefing will be in English.

It can be viewed live on the Internet at www.cramo.com. A replay of the webcast will be available at www.cramo.com from 3 August 2016 in the afternoon.

PUBLICATION OF FINANCIAL INFORMATION IN 2016

Cramo will publish one more Interim Report in 2016:

The interim report for January–September 2016 will be published on 26 October 2016.

MORE INFORMATION

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