



CRAMO Q4

FINANCIAL STATEMENTS
BULLETIN 1-12/2016
CRAMO PLC

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C R A M O

PROFITABILITY IMPROVEMENT THROUGHOUT THE YEAR

OCTOBER–DECEMBER 2016

- Sales EUR 192.9 (187.2) million, up by 3.1%. In local currencies, sales grew by 5.1%.
- Comparable EBITA EUR 32.6 (27.0) million and comparable EBITA margin 16.9% (14.4%)
- EBITA EUR 28.2 (26.1) million and EBITA margin 14.6% (14.0%)
- Comparable earnings per share EUR 0.51 (0.39); earnings per share EUR 0.35 (0.37)
- Cash flow from operating activities EUR 58.2 (73.5) million and cash flow after investments EUR 16.8 (37.0) million
- Cramo Group will change its financial reporting practices and in 2017, it will publish Business Reviews for the first three and nine months of the year instead of interim reports.

JANUARY–DECEMBER 2016

- Sales EUR 712.3 (667.9) million, up by 6.6%. In local currencies, sales grew by 7.7%.
- Comparable EBITA EUR 111.1 (86.8) million and comparable EBITA margin 15.6% (13.0%)
- EBITA EUR 106.7 (84.8) million and EBITA margin 15.0% (12.7%)
- Comparable earnings per share EUR 1.70 (1.17); earnings per share EUR 1.54 (1.13)
- Comparable return on equity 14.9% (10.9%); return on equity 13.6% (10.5%)
- Cash flow from operating activities EUR 172.2 (174.9) million and cash flow after investments EUR 7.3 (35.6) million
- Gearing 74.5% (75.1%)
- The Board of Directors proposes a dividend of EUR 0.75 (0.65) per share

(Comparable figures excludes items affecting comparability, see page 3)

CHANGES IN ORGANISATION DURING THE FOURTH QUARTER

- Mr Aku Rumpunen was appointed Cramo's CFO as of 21 December 2016.

CHANGE IN GUIDING PRINCIPLES

- As of 2017, and relating to Cramo's new strategy, the company has changed its guidance policy and will discontinue to provide numerical guidance on sales and EBITA profitability on group level. More information will be provided on Capital Markets Day on 16th February 2017.

CEO'S COMMENT

Profitability improvement continued

2016 was a successful year for Cramo Group. The demand for equipment rental and modular space developed favourably, and we succeeded in increasing sales and EBITA result in both product areas. We also achieved all targets set for the strategy period 2014–2016.

Our full-year sales grew in local currencies by 7.7% and fourth-quarter sales by 5.1%. In local currencies, sales grew in all markets, with the exception of Norway and Eastern Europe. As for product areas, modular space sales growth was driven throughout the year by high number of new modular space deliveries.

Our profitability also continued to develop favourably. Our full-year comparable EBITA margin increased from 13.0% to 15.6% and fourth-quarter comparable EBITA margin from 14.4% to 16.9%. Full-year comparable profitability improved in all markets, with the exception of Norway and Eastern Europe. I am particularly satisfied with the fact that the Central European operations turned profitable for the full year. Profit development also continued to be strong in Finland and Sweden as well as in the entire equipment rental product area. In addition to the favourable market situation, factors contributing to the good result included the successful implementation of our strategy and the correct allocation of investments.

I expect the demand for equipment rental and modular space to stay on a good level in 2017. Over the long term, the demand for rental services is supported by several megatrends, such as urbanisation and efforts to achieve sustainable

development. Indeed, one of our most significant development projects has been to clarify our sustainable development strategy so that it is taken into account as thoroughly as possible in all of our operations.

In 2016, we started preparing our new strategy. As part of this process we are reviewing the development and performance of our business operations on all markets to improve profitability. Our target is to turn Cramo into a more efficient operator in the equipment rental and modular space markets. I believe that Cramo's strong position on most of our markets provides good opportunities for this.

Leif Gustafsson, Cramo Group's President and CEO

SUMMARY OF FINANCIAL PERFORMANCE

KEY FIGURES AND RATIOS (MEUR)	10-12/16	10-12/15	Change %	1-12/16	1-12/15	Change %
Income statement						
Sales	192.9	187.2	3.1 %	712.3	667.9	6.6 %
EBITDA	60.8	51.9	17.1 %	218.7	185.7	17.8 %
Comparable EBITA 1)	32.6	27.0	20.7 %	111.1	86.8	27.9 %
% of sales	16.9%	14.4%		15.6%	13.0%	
EBITA 1)	28.2	26.1	8.0 %	106.7	84.8	25.8 %
% of sales	14.6%	14.0%		15.0%	12.7%	
Operating profit (EBIT) 2)	23.9	24.2	-1.4 %	98.7	76.7	28.7 %
Profit before taxes (EBT)	20.4	21.3	-4.2 %	86.9	63.8	36.2 %
Profit for the period 3)	15.4	16.6	-7.3 %	68.6	49.7	37.9 %
Share related information						
Comparable earnings per share (EPS), EUR 3)	0.51	0.39	28.5 %	1.70	1.17	45.5 %
Earnings per share (EPS), EUR	0.35	0.37	-7.5 %	1.54	1.13	36.8 %
Earnings per share (EPS), diluted, EUR	0.34	0.37	-8.0 %	1.53	1.12	36.6 %
Shareholders' equity per share, EUR				11.69	11.05	5.8 %
Other information						
Return on investment, %				11.2 %	9.0 %	
Return on equity, % 4)				13.6 %	10.5 %	
Equity ratio, %				45.6 %	45.7 %	
Gearing, %				74.5 %	75.1 %	
Net interest-bearing liabilities				387.0	368.4	5.1 %
Net debt / EBITDA				1.77	1.98	-10.6 %
Gross capital expenditure (incl. acquisitions)	47.8	40.7	17.5 %	207.3	175.0	18.4 %
of which acquisitions/business combinations	0.0	1.3	-100.0 %	4.4	9.8	-55.0 %
Cash flow from operating activities 5)	58.2	73.5	-20.8 %	172.2	174.9	-1.6 %
Cash flow after investments	16.8	37.0		7.3	35.6	
Average number of personnel (FTE)				2,550	2,486	2.6 %
Number of personnel at period end (FTE)				2,562	2,473	3.6 %
Items affecting comparability (MEUR)	10-12/16	10-12/15	Change-%	1-12/16	1-12/15	Change-%
EBITA 1)	-4.3	-0.8		-4.3	-2.0	
Operating profit (EBIT) 2)	-7.5	-0.8		-7.5	-2.0	
Profit for the period 3)	-7.1	-0.8		-7.1	-1.8	
Cash flow effect	0.0	-0.8		0.0	-1.8	

- 1) Items affecting comparability of EBITA were EUR 4.3 million in the fourth quarter 2016. Items were related to negative impact of impairments EUR 4.8 million from Danish equipment rental operations and Latvian and Lithuanian operations and positive impact of EUR 0.5 million from reclassification of loans in Fortrent group. Third quarter 2015 included EUR 1.2 million in costs relating to the change of President and CEO. The fourth quarter 2015 included EUR 0.8 million in costs relating to restructuring in Central Europe. Items had no cash flow effect.
- 2) In addition to above, items affecting comparability of EBIT were EUR 3.2 million in the fourth quarter 2016. Items were related to negative impact of impairments of intangible assets EUR 3.2 million from Danish equipment rental operations and Latvian and Lithuanian operations. Items had no cash flow effect. Full year comparable EBIT excluding items affecting comparability was EUR 106.2 (78.7) million. The fourth quarter comparable EBIT was EUR 31.4 (25.1) million.
- 3) In addition to above, items affecting comparability of profit for the period were EUR 0.4 million in fourth quarter 2016 related to tax impact of the items. Profit for the period excluding these items was EUR 75.6 (51.5) million. Comparable earnings per share is calculated without the impact of these items.
- 4) Comparable return on equity excluding above items affecting comparability were 14.9% (10.9%)
- 5) 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 the period 1-12/2015 decreased by EUR 8.0 million and for the period 10-12/2015 increased by EUR 2.2 million respectively. Calculation of key figures is presented on page 27.

Sales

January–December 2016

Cramo Group's full-year consolidated sales were EUR 712.3 (667.9) million, showing an increase of 6.6%. In local currencies, sales grew by 7.7%.

Sales grew by 16.5% in Finland, by 7.4% in Sweden (8.7% in the local currency), by 13.2% in Denmark and by 1.6% in Central Europe. Sales decreased by 4.3% in Norway (a change of -0.7% in the local currency) and by 1.1% in Eastern Europe (a change of -0.3% in local currencies).

As for product areas, sales growth was 4.7% (5.9% in local currencies) for equipment rental and 17.6% (18.6% in local currencies) for modular space. Plenty of new modular space deliveries took place during the year, which increased the sales of assembly services in particular.

Rental sales of modular space increased by 10.8%.

October–December 2016

In the fourth quarter, the Group's consolidated sales were EUR 192.9 (187.2) million, growing by 3.1%. In local currencies, sales grew by 5.1%. Sales grew by 17.6% in Finland, by 4.7% in Denmark, by 11.8% in Norway (8.9% in the local currency) and by 3.5% in Eastern Europe (4.1% in local currencies). Sales decreased by 1.7% in Sweden (an increase of 2.7% in the local currency), and by 3.5% in Central Europe.

As for product areas, sales growth during the fourth quarter was 3.0% (5.1% in local currencies) for equipment rental and 3.2% (5.3% in local currencies) for modular space.

Costs

The Group costs as a share of sales decreased both in the fourth quarter and during the entire financial year, which had a positive impact on profitability. During the financial year, direct costs (materials and services) as a share of sales reduced from 35.4% to 33.6%. Indirect costs (employee benefit expenses and other operating expenses) as a share of sales decreased from 38.8% to 38.3%. Indirect costs for 2015 included EUR 2.0 million in costs relating to the change of President and CEO and operational restructuring in Central Europe. Depreciation and impairment on tangible assets in relation to sales increased from 15.1% to 15.7%. In the fourth quarter of 2016, a EUR 4.8 million impairment was recorded on

Latvian and Lithuanian operations and Danish equipment rental operations.

Result

January–December 2016

The result and profitability for 2016 improved year-on-year. Comparable profitability improved on all markets, with the exception of Norway and Eastern Europe. Comparable EBITA was EUR 111.1 (86.8) million and comparable EBITA margin was 15.6% (13.0%).

Comparable EBITA was EUR 90.5 (65.7) million, or 15.2% (11.6%) of sales, for equipment rental and EUR 30.8 (29.5) million, or 26.2% (29.5%) of sales, for modular space. Modular space EBITA margin was negatively affected by the significant proportion of assembly and disassembly services, high repair activity and measures taken to support further growth.

Comparable earnings per share for the financial year were EUR 1.70 (1.17). Comparable return on equity (rolling 12 months) improved and was 14.9% (10.9%).

Full-year cash flow from operating activities decreased and was EUR 172.2 (174.9) million. The following items affected negatively on cash flow in comparison to 2015. The group received tax refund of EUR 8.3 million in 2015. Change in net working capital had a positive effect by EUR 11.4 million on cash flow in 2015 compared to negative impact of EUR 1.5 million in 2016. Also cash flow of net financial items were lower by EUR 8.0 million compared to 2015 due to timing difference in realisation of foreign exchange differences arising from the hedged exposure and the hedging instruments. Cash flow after investments was EUR 7.3 (35.6) million. Fleet investments were increased and gross capital expenditure was EUR 207.3 (175.0) million.

The Group's gearing was 74.5% (75.1%) at the end of 2016. Net debt per EBITDA stood at 1.77 (1.98) at the end of the year.

October–December 2016

In the fourth quarter, comparable EBITA was EUR 32.6 (27.0) million and comparable EBITA margin was 16.9% (14.4%) of sales. Comparable profitability improved on all markets, with the exception of Norway.

In the fourth quarter, comparable EBITA was EUR 27.6 (20.8) million, or 17.1% (13.2%) of sales, for equipment rental. For modular space, EBITA was EUR 8.2 (7.9) million, or 26.0% (25.8%) of sales. For modular space, EBITA and EBITA margin were negatively affected

by the significant proportion of assembly services during the period, periodically high repair activity and measures taken to support further growth.

In the fourth quarter, cash flow from operating activities decreased and was EUR 58.2 (73.5) million. Cash flow after investments was EUR 16.8 (37.0) million. Fleet investments were increased and gross capital expenditure was EUR 47.8 (40.7) million.

Proposal for profit distribution

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.75 (0.65) be paid for the financial year 2016.

MARKET OUTLOOK

Construction market is estimated to have increased in 2016 in all Nordic countries as well as in Germany and Austria. According to Euroconstruct's estimate, growth was nearly 7% in Finland, Sweden and Norway. In Denmark, Germany and Austria, construction increased by approximately 1.6–2.5%. In Poland, the Czech Republic, Slovakia, the Baltic countries and Russia, construction decreased.

The demand for equipment rental services usually follows the development of construction with a delay. In addition to construction volume, the demand 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 increased by migration flows within countries and changes in demographics. Cramo believes that the long-term demand for both equipment rental and modular space is also supported by megatrends, such as urbanisation, the sharing economy and the increasing emphasis on sustainability.

According to its June forecast, the European Rental Association (ERA) expected the use of equipment rental services to increase in 2016 in all of Cramo's markets reported by ERA.

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

In Cramo countries, the construction market outlook for 2017 is mainly positive. The construction market analysts Euroconstruct and Forecon estimate that construction will increase in all of Cramo's operating countries with the exception of the Czech Republic, Lithuania and Russia. Construction market is estimated to grow approximately 1 – 3 % in Finland, Sweden, Norway and Denmark and Germany. However, Swedish Construction Federation (Sverige's Bygginstitutier) estimates 5% growth for Sweden. ERA forecasts that the equipment rental market will grow in all of Cramo's operating countries that are within the scope of ERA's forecast.

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

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 230,000 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 324 (328) depots.

THE GROUP'S SALES AND PROFIT

Cramo Group's full-year consolidated sales were EUR 712.3 (667.9) million, showing an increase of 6.6%. In local currencies, sales grew by 7.7%.

Sales grew by 16.5% in Finland, by 7.4% in Sweden (8.7% in the local currency), by 13.2% in Denmark and by 1.6% in Central Europe. Sales decreased by 4.3% in Norway (a change of -0.7% in the local currency) and by 1.1% in Eastern Europe (a change of -0.3% in local currencies).

As for product areas, sales grew by 4.7% (5.9% in local currencies) to EUR 595.3 (568.5) million in equipment rental and by 17.6% (18.6% in local currencies) to EUR 117.6 (100.0) million in modular space. Plenty of new modular space deliveries took place during the year, which increased the sales of assembly services in particular.

The profit for the financial year improved year-on-year. Full-year comparable EBITA was EUR 111.1 (86.8) million, or 15.6% (13.0%) of sales.

Full-year EBITA was EUR 106.7 (84.8) million, or 15.0% (12.7%) of sales.

As for product areas, full-year EBITA was EUR 86.2 (64.9) million or 14.5 (11.4) percent of sales in equipment rental and EUR 30.8 (29.5) million or 26.2 (29.5) percent of sales in modular space.

Fourth-quarter comparable EBITA was EUR 32.6 (27.0) million, or 16.9% (14.4%) of sales. Fourth-quarter EBITA was EUR 28.2 (26.1) million, or 14.6% (14.0%) of sales.

The cost effect of the Group's credit losses and credit loss provisions amounted to EUR 2.3 (3.5) million.

The result includes EUR 6.1 (1.4) million in impairment losses on tangible assets.

Expenses associated with share-based incentive schemes totalled EUR 2.5 (2.2) million.

During 2016 amortisations and impairments related to acquisitions amounted to EUR 8.0 (8.1) million and included items affecting comparability EUR 3.2 (0.0) million related to impairments in Latvian and Lithuanian operations and Danish equipment rental operations.

Net financial expenses for 2016 were EUR 11.8 (12.9) million. Comparable profit before taxes was EUR 94.4 (65.8) million, and comparable profit for the period was EUR 75.6 (51.5) million. Profit before taxes was EUR 86.9 (63.8) million, and profit for the period was EUR 68.6 (49.7) million. Tax impact of the impairments was EUR 0.4 million positive.

Comparable earnings per share were EUR 1.70 (1.17) million. Earnings per share were EUR 1.54 (1.13).

Comparable return on investment was 12.0% (9.2%) and comparable return on equity was 14.9% (10.9%). Return on investment (rolling 12 months) was 11.2% (9.0%) and return on equity (rolling 12 months) was 13.6% (10.5%).

CAPITAL EXPENDITURE, DEPRECIATION AND AMORTISATION

Gross capital expenditure for the financial year was EUR 207.3 (175.0) million. Of gross capital expenditure, EUR 4.4 (9.8) million was attributable to acquisitions and business combinations. Other capital expenditure was mainly related to fleet procurement. Gross capital expenditure during the fourth quarter totalled EUR 47.8 (40.7) million.

Reported depreciation and impairment on tangible assets were EUR 112.0 (100.9) million. Amortisation and impairment resulting from acquisitions totalled EUR 8.0 (8.1) million.

In the fourth quarter, Cramo recorded a EUR 3.2 million impairment on goodwill and intangible assets and a EUR 4.8 million impairment on tangible assets. Of these impairments, EUR 3.0 million was related to Latvian and Lithuanian operations and EUR 5.0 million to Danish equipment rental operations. Impairments were recorded based on annual impairment testing. Based on testing the net present value of expected future cash flows were lower than the capital employed, which resulted in impairment losses. The impairments have no impact on cash flow. After the impairment, the operations in question no longer include goodwill or intangible assets resulting from acquisitions.

At the end of the financial year, goodwill totalled EUR 148.0 (151.1) million.

FINANCIAL POSITION AND BALANCE SHEET

Cash flow from operating activities decreased and was EUR 172.2 (174.9) million. The following items affected negatively on cash flow in comparison to 2015. The group received tax refund of EUR 8.3 million in 2015. Change in net working capital had a positive effect by EUR 11.4 million on cash flow in 2015 compared to negative impact of EUR 1.5 million in 2016. Also cash flow of net financial items were lower by EUR 8.0 million compared to 2015 due to timing difference in realisation of foreign exchange differences arising from the hedged exposure and the hedging instruments. Cash flow from investing activities was EUR -164.9 (-139.3) million. Cash flow after investments was EUR 7.3 (35.6) million.

In the fourth quarter, cash flow from operating activities decreased and was EUR 58.2 (73.5) million and cash flow after investments was EUR 16.8 (37.0) million. Change in net working capital had a negative effect on cash flow. Also last year's cash flow was positively affected by EUR 8.3 million tax refund. On 31 December 2016, net interest-bearing liabilities totalled EUR 387.0 (368.4) million. At the end of the period, gearing was 74.5% (75.1%). Net debt per EBITDA stood at 1.77 (1.98) at the end of the period. EBITDA used in calculation is rolling 12 months.

Of the Group's variable rate loans, EUR 130.0 (130.0) million were hedged by way of interest rate swaps on 31 December 2016. Hedge accounting is applied to all of these interest rate hedges. On 31 December 2016, Cramo Group had undrawn committed credit facilities (excluding leasing facilities) in the amount of EUR 206.1 (201.2) million, of which non-current facilities represented EUR 190.0 (185.0) million and current facilities EUR 16.1 (16.2) million.

Tangible assets amounted to EUR 750.5 (686.9) million of the balance sheet total at the end of the financial year. The balance sheet total on 31 December 2016 was EUR 1,155.8 (1,085.9) million. The equity ratio was 45.5% (45.7%).

Rental liabilities associated with off-balance-sheet operational leasing agreements totalled EUR 20.7 (23.1) million on 31 December 2016. Off-balance-sheet liabilities for office and depot rents stood at EUR 98.7 (90.1) million. The Group's investment commitments amounted to EUR 53.9 (25.0) million.

On 14 November 2016, Cramo Plc announced a Tender Offer, in which the holders of the EUR 100 million 4.50% notes due February 2018, issued by Cramo, were invited to tender the Notes for cash to Nordea Bank Danske A/S acting on behalf of Cramo. Tender instructions of EUR 83,730,000 in aggregate principal amount of Notes were received pursuant to the Offer. The purchase price of the Notes was 105.261%. In addition, accrued and unpaid interest was paid in respect of Notes. The Tender Offer results were announced on 24 November and the transaction settlement date was 29 November 2016.

On 23 November 2016, Cramo Plc announced that it will issue a senior unsecured bond of EUR 150 million. The bond matures on 28 February 2022, it carries a fixed annual interest at the rate of 2.375% and has an issue price of 99.948%. The proceeds from the bond offering will be used to refinance some of Cramo's existing indebtedness, including the partial redemption of the EUR 100 million bond maturing in 2018, and for general

corporate purposes. The bond has been traded on Nasdaq Helsinki Ltd since 5 December 2016.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Changes in management

As of 21 December 2016, Mr Aku Rumpunen was appointed Cramo Plc's CFO. Mr Rumpunen worked as Senior Vice President, Group Business Control and member of the Group Management Team since 2013 and, as of 11 August 2016, as interim CFO. CFO Martti Ala-Härkönen left Cramo on 10 August 2016.

On 16 August 2016, Mr Peter Bäckström was appointed Managing Director of Cramo AB in Sweden and member of Cramo Group Management Team. Mr Bäckström came from Global Workplace Solutions (GWS) and assumed his position as Mr Göran Carlson's successor, under the title of Executive Vice President, on 1 January 2017.

In June, Cramo appointed two new members to the Group Management Team: Ms Petra Schedin Stergel, SVP Human Resources Development, and Mr Mattias Rådström, SVP Communications, Marketing and Investor Relations. Both Ms Schedin Stergel and Mr Rådström came from outside Cramo Group and assumed their positions at Cramo in September 2016.

In August Per Lundquist, Senior Vice President, Operations and member of the Cramo Group management team left the company.

On 1 January 2016 Leif Gustafsson took up the position of President and CEO following the retirement of Vesa Koivula.

Business development

In December, Cramo launched a new online rental service called Cramo eCRent to business customers in Finland, Sweden and Germany. The service can be used with both mobile devices and desktops and will be introduced to most of Cramo's other markets during 2017.

In April, Cramo's worksite logistics services were strengthened in Finland as Cramo acquired Kurottaja- ja Kuljetuspalvelu Parviainen Oy's business. The sales of the acquired company in 2015 were approximately EUR 3 million.

PERSONNEL

During the review period, the Group had an average of 2,550 (2,486) employees. In addition, the Group employed an average of 178 (141) people hired from a staffing service. At the end of the period, Group personnel numbered 2,562 (2,473) 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: 506 (472) employees in Finland, 923 (869) in Sweden, 225 (219) in Norway, 98 (97) in Denmark, 336 (350) in Central Europe and 474 (466) in Eastern Europe.

STRATEGIC 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.

All strategic and financial targets were achieved in the financial year 2016. Comparable EBITA margin was 15.6% of sales, gearing was 74.5%, comparable return on equity was 14.9% and sales growth was 6.6%.

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 modular space business growth, dynamic pricing and acquisitions and outsourcing.

The Group has continued to define the Vision 2020 strategy which will be published at the Capital Markets Day on 16 February 2017.

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 18.1% (16.6%) of the total consolidated sales for 2016 (before elimination of inter-segment sales), Sweden 49.9% (49.5%), Norway 9.4% (10.5%), Denmark 4.5% (4.2%), Central Europe 11.0% (11.5%) and Eastern Europe 7.1% (7.6%).

Finland

Finland (EUR 1,000)	10-12/16	10-12/15	Change %	1-12/16	1-12/15	Change %
Sales	34,729	29,543	17.6 %	129,221	110,909	16.5 %
EBITA	7,500	5,602	33.9 %	28,366	22,423	26.5 %
EBITA-%	21.6 %	19.0 %		22.0 %	20.2 %	
No of employees (FTE)				480	448	7.1 %
No of depots				58	54	7.4 %

Cramo's sales in Finland grew strongly. Full-year sales grew by 16.5% and were EUR 129.2 (110.9) million. Fourth-quarter sales increased by 17.6% to EUR 34.7 (29.5) million.

Sales increased as a result of growth in renovation and the strong increase in new residential construction. Office and commercial construction also increased. In industry, demand has continued to gradually strengthen. The demand for modular space developed favourably, especially for school facilities.

Full-year EBITA was EUR 28.4 (22.4) million or 22.0% (20.2%) of sales. The result improved also in the fourth quarter. Fourth-quarter EBITA was EUR 7.5 (5.6) million, or 21.6% (19.0%) of sales.

In order to strengthen its logistics services business, Cramo acquired Kurottaja- ja Kuljetuspalvelu Parviainen Oy's business on 1 April 2016.

One of the most significant customer agreements of 2016 was the extension agreement signed in December with Lemminkäinen Corporation on equipment rental and the provision of related services. The agreement covers all of Lemminkäinen Corporation's functions. In the modular space product area one of the significant contracts during the year was the delivery of 215 modular space units for school use in Lahti.

At the end of the review period, Cramo had 58 (54) depots in Finland. In the Finnish equipment rental market, there are two strong players and several small, local businesses. In terms of the market position, Cramo is the second largest equipment rental company in the country and the largest modular space provider.

Sweden

Sweden (EUR 1,000)	10-12/16	10-12/15	Change %	1-12/16	1-12/15	Change %
Sales	96,113	97,806	-1.7 %	355,614	331,190	7.4 %
EBITA	21,229	18,950	12.0 %	73,713	61,662	19.5 %
EBITA-%	22.1 %	19.4 %		20.7 %	18.6 %	
No of employees (FTE)				877	825	6.3 %
No of depots				99	100	-1.0 %

Cramo's full-year sales in Sweden grew by 7.4% and were EUR 355.6 (331.2) million. In the local currency, sales increased by 8.7%. Fourth-quarter sales decreased by 1.7% and were EUR 96.1 (97.8) million. In the local currency, sales increased by 2.7%.

Full-year EBITA grew by 19.5% and was EUR 73.7 (61.7) million. EBITA margin was 20.7% (18.6%) of sales. Fourth-quarter EBITA was EUR 21.2 (18.9) million, or 22.1% (19.4%) of sales.

Cramo has succeeded in capitalising on the good market situation both in the equipment rental and modular space product areas. The equipment rental market situation has remained strong especially in the Stockholm and Gothenburg regions and in other major urban areas. In Northern Sweden, the slowing down in the mining industry is being compensated for by paper industry investments. Utilisation rates are high throughout the country and investments have been increased. The demand for

modular space is still good throughout the country both in the public sector and in industry.

The most significant customer projects included the expansion of SCA's Östrand pulp mill in Sundsvall. Östrand is one of the largest investments in Swedish industry and it is expected to support the region's construction market for several years. Cramo's deliveries for the project include both modular space and equipment rental services. Another significant paper industry investment and Cramo's equipment rental customer is the construction project of a new Billerud-Korsnäs board mill in Grums in Western Sweden.

At the end of the review period, Cramo had 99 (100) depots in Sweden and it is the clear market leader in the Swedish equipment rental and modular space businesses. In Sweden, Cramo has four significant competitors, in addition to which there are numerous small players in the industry.

Norway

Norway (EUR 1,000)	10-12/16	10-12/15	Change %	1-12/16	1-12/15	Change %
Sales	18,992	16,987	11.8 %	67,350	70,394	-4.3 %
EBITA	1,534	1,371	11.8 %	5,163	5,386	-4.1 %
EBITA-%	8.1 %	8.1 %		7.7 %	7.7 %	
No of employees (FTE)				225	219	2.7 %
No of depots				28	28	0.0 %

Cramo's sales in Norway decreased by 4.3%, totalling EUR 67.4 (70.4) million. In local currencies, the change was -0.7%. However, fourth-quarter sales grew by 11.8% and were EUR 19.0 (17.0) million. In the local currency, sales increased by 8.9%.

Full-year EBITA was EUR 5.2 (5.4) million, or 7.7% (7.7%) of sales. Fourth-quarter EBITA improved to EUR 1.5 (1.4) million, or 8.1% (8.1%) of sales. During the last months of the year, Cramo developed operational processes in modular space in particular. The development

of sales operations and customer service continued as well.

The most significant customer agreements of 2016 included the delivery of modular space for Veidekke's project in Arendal in Southern Norway and the extension agreements with JM Norge AS and Mesta.

At the end of the review period, Cramo had 28 (28) depots in Norway. In Norway, equipment rental services are provided by three major companies. In addition, there are several small players in the industry. Cramo is the third largest equipment rental service provider in Norway.

Denmark

Denmark (EUR 1,000)	10-12/16	10-12/15	Change %	1-12/16	1-12/15	Change %
Sales	8,644	8,259	4.7 %	31,975	28,254	13.2 %
EBITA	-2,148	637		356	1,857	-80.8 %
EBITA-%	-24.8 %	7.7 %		1.1 %	6.6 %	
No of employees (FTE)				98	97	1.0 %
No of depots				8	8	0.0 %

1) Full-year 2016 comparable EBITA was EUR 4.0 (1.9) million or 12.6% (6.6%) of sales. Fourth quarter 2016 comparable EBITA was EUR 1.5 (0.6) million or 17.7% (7.7%) of sales. Items affecting comparability amounted to EUR 3.7 million in fourth quarter 2016 related to impairments in equipment rental operations.

Cramo's sales in Denmark grew by 13.2% and were EUR 32.0 (28.3) million. Sales increased also in the fourth quarter. Fourth-quarter sales were EUR 8.6 (8.3) million. Sales increased as a result of the demand for modular space that continued to be strong. Despite the stable demand for equipment rental especially in major urban areas, price competition is still fierce.

Full-year comparable EBITA increased significantly and was EUR 4.0 (1.9) million, or 12.6% (6.6%) of sales. Fourth-quarter comparable EBITA was EUR 1.5 (0.6) million, or 17.7% (7.7%) of sales. Full-year EBITA was EUR 0.4 (1.9) million, or 1.1% (6.6%) of sales. Fourth-

quarter EBITA was EUR -2.1 (0.6) million, or -24.8 % (7.7%) of sales. The fourth quarter EBITA result was negatively affected by EUR 3.7 million impairment related to equipment rental operations.

At the end of the review period, Cramo had 8 (8) depots in Denmark. In Denmark, there are several mid-size businesses operating in the equipment rental market. Cramo estimates that it is the sixth largest operator in equipment rental and the largest operator in modular space.

Central Europe

Central Europe (EUR 1,000)	10-12/16	10-12/15	Change %	1-12/16	1-12/15	Change %
Sales	20,757	21,508	-3.5 %	78,510	77,241	1.6 %
EBITA	1,662	-351		3,895	-3,312	
EBITA-%	8.0 %	-1.6 %		5.0 %	-4.3 %	
No of employees (FTE)				336	350	-4.0 %
No of depots				63	71	-11.3 %

1) The fourth-quarter comparable EBITA excluding items affecting comparability was EUR 1.7 (0.5) million, or 8.0% (2.3%) of sales. The full-year 2015 comparable EBITA was EUR -2.5 million, or -3.2% of sales. The fourth quarter 2015 included items affecting comparability EUR 0.8 million related to restructuring costs.

Cramo's full-year sales in Central Europe were EUR 78.5 (77.2) million, showing an increase of 1.6%. In the fourth quarter, sales decreased to EUR 20.8 (21.5) million. Fourth-quarter sales were decreased by declining equipment trading sales. Equipment rental business operations continued to increase. Demand for modular space also remained at a high level.

Full-year comparable EBITA improved and was EUR 3.9 (-2.5) million, or 5.0% (-3.2%) of sales. Fourth-quarter comparable EBITA was EUR 1.7 (0.5) million, or 8.0% (2.3%) of sales. Full-year EBITA was EUR 3.9 (-3.3) million, or 5.0% (-4.3%) of sales, and fourth-quarter EBITA was EUR 1.7 (-0.4) million, or 8.0% (-1.6%) of sales. Comparability was affected by EUR 0.8 million in restructuring costs in the fourth quarter of 2015. Profitability has also been improved by the determined renewal of operations and operating methods in recent years.

The most significant customer deliveries in Germany in 2016 were the delivery of modular space for office use to TWL and the delivery of more than 230 modules for kindergarten and school use to Merienschule in Frankfurt. In equipment rental product area one of the most significant customer project is the Bavaria Towers-office project in Munich, where Cramo provides a variety of equipment for Bilfinger Hochbau.

The German equipment rental has four major operators and a high number of small, local companies. Cramo estimates that it is the fourth largest operator in the field. In Austria, Cramo is the second largest operator. At the end of the review period, Cramo had 63 (71) depots in Central Europe, of which 55 (63) were in Germany, 7 (7) in Austria and 1 (1) in Hungary.

Eastern Europe

Eastern Europe (EUR 1,000)	10-12/16	10-12/15	Change %	1-12/16	1-12/15	Change %
Sales	13,819	13,347	3.5 %	50,288	50,866	-1.1 %
EBITA	1,641	1,615	1.6 %	5,509	6,254	-11.9 %
EBITA-%	11.9 %	12.1 %		11.0 %	12.3 %	
No of employees (FTE)				474	466	1.7 %
No of depots				68	67	1.5 %

1) Full-year 2016 comparable EBITA was EUR 6.2 (6.3) million or 12.2% (12.3%) of sales. Fourth quarter 2016 comparable EBITA was EUR 2.3 (1.6) million or 16.5% (12.1%) of sales. In the fourth quarter 2016, items affecting comparability amounted to EUR 1.2 million related to impairments in Latvian and Lithuanian operations and EUR 0.5 million positive from reclassification of loans in Fortrent Group.

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.

Cramo's sales in Eastern Europe were EUR 50.3 (50.9) million. Sales decreased by 1.1%. In local currencies, the change was -0.3%. However, in the fourth quarter, sales grew by 3.5% and were EUR 13.8 (13.3) million. In local currencies, the change in sales during the fourth quarter was 4.1%.

Comparable EBITA for 2016 was EUR 6.2 (6.3) million, or 12.2% (12.3%) of sales. Fourth-quarter comparable EBITA was EUR 2.3 (1.6) million, or 16.5% (12.1%) of sales. EBITA for 2016 was EUR 5.5 (6.3) million, or 11.0% (12.3%) of sales. Fourth-quarter EBITA was EUR 1.6 (1.6) million, or 11.9% (12.1%) of sales. The fourth quarter EBITA result was negatively affected by EUR 1.2 million impairment related to Latvian and Lithuanian operations and reclassification of loans in Fortrent Group, which had EUR 0.5 million positive effect.

Sales and profitability developed favourably in Estonia, the Czech Republic and Slovakia. In Poland, sales decreased but full-year profitability improved. In Latvia and Lithuania, the demand for equipment rental has continued to be weak and price competition is still fierce. Fortrent's result improved.

In Eastern Europe, most equipment rental operators are small, local companies. In addition, Cramo has a few competitors from Western Europe in the market. Cramo estimates that it is the second largest operator in the Baltic countries, Poland, the Czech Republic and Slovakia. In Eastern Europe, Cramo has a particularly strong position as an access equipment provider.

At the end of the review period, Cramo had 68 (67) depots in Eastern Europe, of which 39 (39) were in the Baltic countries, 21 (20) in Poland and 8 (8) in the Czech Republic and Slovakia.

FORTRENT JOINT VENTURE IN RUSSIA AND UKRAINE

Fortrent Group's sales in 2016 decreased by 4.2% to EUR 29.2 (30.5) million. However, in local currencies, sales increased by 4.6%. Fortrent Group's fourth-quarter sales were EUR 7.8 (7.8) million, showing an increase of 0.7% year-on-year. In local currencies, sales decreased 4.2%. The demand for equipment rental was strong in Moscow, while in the St. Petersburg area activity was relatively low. By the end of the year the market started to recover in Ukraine. Full year sales increased in the other regions of Russia supported by the delivery of modular space to a large industrial project in the Volga region.

Full-year EBITA was EUR 3.2 (2.2) million, or 11.1% (7.2%) of sales, and the net result was EUR 2.8 (0.8) million. In the fourth quarter, items affecting comparability amounted to EUR 1.0 million due to reclassification of loans in Fortrent Group. Excluding items affecting comparability, Fortrent's full year net result increased to 1.7 (0.8) million. Fourth-quarter EBITA was EUR 1.2 (0.9) million, or 14.9% (11.0%) of sales, and the net result was EUR 1.9 (0.3) million. Excluding items affecting comparability, Fortrent's net result in the fourth quarter was EUR 0.8 (0.3) million. Profitability was positively affected by good development in Moscow and expansion to new regions as well as cost adjustments in St. Petersburg area.

Market conditions in Russia and Ukraine stabilised somewhat towards the year and, however regional differences remain high.

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 2016 was EUR 1.3 (0.4) million. Cramo's share of net result included items affecting comparability EUR 0.5 (0.0) million.

MODULAR SPACE (CRAMO ADAPTEO)

As for product areas, Cramo's business operations are divided into equipment rental and modular space, marketed under the Cramo Adapteo brand. Cramo Adapteo is a leading player in its field in Northern Europe. 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.

When temporary facilities are needed, the modular space business provides the public sector and companies with solutions the user experience of which is comparable to that of facilities built for permanent use. When compared to permanent buildings, modular space is more flexible and can be implemented much more quickly. Typical applications include schools, kindergartens, offices and accommodation facilities, such as student apartments. Demand is increased especially by migration flows within countries and changes in demographics.

The most common modular space rental periods range from 2 to 5 years. Long rental periods, combined with the steady growth of the business, balance Cramo Group's sensitivity to economic cycles.

Approximately two-thirds of the modular space business consists of rental of modular space, and about one third comes from rental-related services, in particular from space assembly and disassembly services. Sales recognition of assembly and disassembly services varies by quarter.

In 2016, Cramo Adapteo's sales were EUR 117.6 (100.0) million. Sales grew by 17.6%; in local currencies, by 18.6%. Rental sales of modular space increased by 10.8%. Rental-related services, such as assembly services for new deliveries, grew strongly. Fourth-quarter sales were EUR 31.6 (30.6) million. Sales grew by 3.2%; in local currencies, by 5.3%. Rental sales of modular space increased by 12.9% in the fourth quarter.

Full-year EBITA was EUR 31.6 (29.5) million, or 26.2% (29.5%) of sales. Fourth-quarter EBITA was EUR 8.2 (7.9) million, or 26.0% (25.8%) of sales. EBITA and EBITA margin were negatively affected by the significant

proportion of assembly and disassembly services, high repair activity and measures taken to support further growth.

During the financial 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.

SHARES AND SHARE CAPITAL

On 31 December 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 financial year, Cramo Plc holds 239,423 of these shares. After the review period, on 16 January 2017, the number of shares held by the company decreased to 218,212 due to the directed share issue based on Cramo Group's Performance Share Plan 2014.

As a result of the option programme 2011, the number of Cramo Plc shares increased during the financial year 2016. In the fourth quarter of 2015, a total of 69,260 shares were subscribed for. These shares were registered in the Finnish Trade Register on 18 January 2016, and trading in them began on 19 January 2016.

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 fifth savings period of the incentive scheme began on 1 October 2016 and will end on 30 September 2017. 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 were paid after the financial period, on 16 January 2017. A total of 21,211 shares were given in a directed share issue, in addition to

which rewards were paid in cash in the amount of EUR 428,482.

The share-based incentive scheme for the Cramo Group Management Team members and its key employees for 2015–2017 offers an opportunity to earn Cramo shares as a reward for achieving established performance targets. Each discretionary period will immediately be followed by a two year vesting period before rewards are paid out. 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 163,000 shares and will be paid in January 2018.

TRADING ON NASDAQ HELSINKI

Cramo Plc has been listed on the Helsinki Stock Exchange since 1988. The share code is CRA1V. On the Nordic list, Cramo Plc is classified as a Mid Cap company in the industrials sector.

In the financial year from 1 January to 31 December 2016, the lowest trading price for Cramo Plc stock was EUR 15.59 and the highest was EUR 25.13.

During the financial year 2016, the trading-weighted average share price for Cramo Plc stock was EUR 20.27. The closing price for the share on 31 December 2016 was EUR 23.79 and the company's market value was EUR 1,057.5 million.

ANNUAL GENERAL MEETING 2016 AND THE BOARD'S AUTHORISATIONS

Cramo Plc's Annual General Meeting of Shareholders held on 31 March 2016 adopted the consolidated financial statements and the parent company's financial statements for the financial year 2015 and discharged the members of the Board of Directors and the CEO from liability. The Annual General Meeting decided, as proposed by the Board of Directors, that a dividend of EUR 0.65 per share be paid from the distributable funds for the financial year 1 January–31 December 2015.

Ms Helene Biström, Mr Peter Nilsson, Mr Joakim Rubin, Mr Erkki Stenberg, Ms Caroline Sundewall and Mr Raimo Seppänen were re-elected as Board members and Mr Perttu Louhiluoto as new Board member.

The Annual General Meeting confirmed the remuneration payable to the chairman of the Board of Directors as EUR 70,000, to the deputy chairman as EUR

40,000 and to the other members of the Board as EUR 35,000 per year. It was decided that 50% of the annual remuneration will be paid in Cramo Plc shares purchased on the market on behalf of the Board members. In addition, it was decided that all Board members are entitled to a compensation of EUR 1,000 per each attended committee meeting. The Chairman of the Audit Committee receives an additional compensation of EUR 5,000 per year.

KPMG Oy Ab, Authorised Public Accountants, was appointed as Cramo Plc's auditor, with Mr Toni Aaltonen, APA, as the responsible auditor.

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of a maximum of 4,400,000 of the company's own shares and/or their acceptance as pledge. These shares may only be acquired using the company's unrestricted equity, at a price formed in the market. Own shares can be acquired otherwise than in proportion to the shareholdings of the shareholders, and no more than 400,000 of these shares may be used in the company's incentive schemes.

The Annual General Meeting authorised the Board of Directors to decide on a share issue, including the right to decide on the transfer of the company's own shares and on the granting of option rights and other special rights entitling to shares, pursuant to Chapter 10 of the Finnish Limited Liability Companies Act. The shares issued will be new shares of the company, and a maximum of 4,400,000 shares may be issued. These shares cannot be used for incentive schemes.

The Annual General Meeting decided that the charter of the Shareholder's Nomination Committee remains unchanged. The Shareholders' Nomination Committee shall review the charter annually and propose possible changes to the next Annual General Meeting for adoption.

The Annual General Meeting authorised the Board of Directors to decide on donations to the total maximum amount of EUR 20,000 for charitable or corresponding purposes.

All authorisations are effective until the close of the next Annual General Meeting.

CHANGES IN SHAREHOLDINGS

During the financial year, Cramo Plc received the following notification about changes in shareholdings as defined in Section 5 of Chapter 9 of the Finnish Securities Markets Act:

Massachusetts Mutual Life Insurance Company's, MassMutual Holding LLC's and MM Asset Management

Holding LLC's total holding of share capital and voting rights in Cramo Plc decreased below five per cent on 3 October 2016. At that time, the companies' proportion of voting rights and share capital in Cramo Plc was 4.89% and they owned 2,185,577 shares.

CORPORATE GOVERNANCE AND AUDITORS

At the end of the financial year, Cramo Plc's Board of Directors was composed of Ms Helene Biström (Chairman), Mr Perttu Louhiluoto, Mr Peter Nilsson, Mr Joakim Rubin, Mr Erkki Stenberg, Ms Caroline Sundewall and Mr Raimo Seppänen.

Ms Helene Biström (Chairman), Mr Leif Boström, Mr Eino Halonen, Mr Peter Nilsson, Mr Joakim Rubin, Mr Raimo Seppänen, Mr Erkki Stenberg and Ms Caroline Sundewall comprised the Board of Directors until the Annual General Meeting of 31 March 2016.

Mr Joakim Rubin (Chairman), Mr Erkki Stenberg and Ms Caroline Sundewall comprised the Audit Committee. Ms Helene Biström (Chairman), Mr Peter Nilsson and Mr Raimo Seppänen comprised the Remuneration Committee.

The members of the Shareholders' Nomination Committee established by the Annual General Meeting were nominated in November 2016 and they are Ms Helene Biström; Mr Mikael Moll, Partner, Zeres Capital; Mr Ari Autio, Member of the Board of Directors of foundation, Rakennusmestarien Säätiö; and Mr Esko Torsti, Head of Non-listed Investments, Ilmarinen Mutual Pension Insurance Company. The chairman of the Nomination Committee is Mr Mikael Moll.

On 31 December 2016, the Board members and the President and CEO held, either directly or through companies in which they exercise control, a total of 37,169 Cramo Plc shares.

The company's auditors were KPMG Oy Ab, Authorised Public Accountants, with Mr Toni Aaltonen, APA, as the responsible auditor.

Operationally, Cramo has three market areas: Scandinavia (Sweden, Norway, Denmark), Eastern Europe (Finland, Estonia, Latvia, Lithuania, Poland) and Central Europe (Germany, Austria, Hungary, the Czech Republic, Slovakia).

In addition to the President and CEO, Cramo Plc's Group Management Team comprised the following people at the end of the financial period: Göran Carlson, Senior Executive Vice President, Scandinavia, and Managing Director, Cramo Sweden; Tatu Hauhio, Executive Vice President, Eastern Europe, and Managing Director, Cramo Finland; Dirk Schlitzkus, Executive Vice President,

Central Europe, and Managing Director (Germany, Austria, Hungary); Martin Holmgren, Senior Vice President, Fleet Management; Aku Rumpunen, CFO; Petri Moksén, Senior Vice President, Modular Space; Petra Schedin Stergel, Senior Vice President, Human Resources Development; and Mattias Rådström, Senior Vice President, Communications, Marketing and Investor Relations.

Cramo Plc observes the Finnish Corporate Governance Code which entered into force on 1 January 2016. Cramo manages inside information in accordance with the requirements of the Market Abuse Regulation (MAR), the Insider Guidelines of Nasdaq Helsinki Ltd. and Cramo's Insider Guidelines approved by the Board of Directors.

The Corporate Governance statement for 2016 issued by Cramo Plc's Board of Directors and the Remuneration Statement for 2016 are available on the Cramo Plc website.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The Shareholders' Nomination Committee of Cramo Plc proposed 2 February 2017 to the next Annual General Meeting of Shareholders, which is planned to be held on 30 March 2017, that the number of members of the Board of Directors be confirmed as seven (7) ordinary members. The Nomination Committee proposed that, in accordance with their consents, the following current members of the Board be re-elected: Perttu Louhiluoto, Peter Nilsson, Joakim Rubin, Raimo Seppänen, Erkki Stenberg and Caroline Sundewall, and that Veli-Matti Reinikkala be elected as new Board member, all to serve for a term ending at the end of the Annual General Meeting 2018.

The current Chairman of the Board of Directors Helene Biström has announced that she will not be available for re-election. While preparing the proposal for the composition of the Board of Directors, the Nomination Committee has specifically sought to identify a new Chairman of the Board of Directors.

Based on the Nomination Committee's survey, discussions with the Chairman of the Board of Directors and the CEO of the Group, reports of an independent recruiting consultancy as well as the Board self-evaluation and evaluation process conducted by an independent consultant, the Nomination Committee has decided to propose Veli-Matti Reinikkala to be elected as a member of the Board of Directors. Further, the Nomination Committee recommends that the Board of Directors elect

Veli-Matti Reinikkala as the Chairman of the Board of Directors.

Veli-Matti Reinikkala (born 1957) has held several senior management positions in ABB, including President of Region Europe in 2015 and member of the Group Executive Committee 2006–2015, Head of Process Automation Division 2006–2014, Business Area Manager for ABB Process Automation in 2005 and Automation Technologies Division Manager in China 2003–2004. Reinikkala is currently a member of the board of directors at UPM-Kymmene Corporation (since 2007) and Fortum Corporation (since 2016). He holds an Executive Master of Business Administration from Helsinki School of Economics.

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 Ukrainian crisis and difficulties in the Russian economy have increased economic uncertainty in Cramo's operations. Also the political changes in Europe, such as "Brexit", numerous elections taking place in 2017 or sovereign debt challenges, may have an effect on general economic development and consequently on construction and the demand for rental services.

BOARD OF DIRECTORS PROPOSAL FOR PROFIT DISTRIBUTION

Cramo Plc's goal is to follow a stable profit distribution policy and to pay approximately 40% of earnings per share (EPS) for a period as a dividend.

On 31 December 2016, Cramo Plc's total distributable funds were EUR 183,616,896, including EUR 41,398,811 of retained earnings. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.75 (0.65) be paid for the financial year 2016. The Annual General Meeting is planned for Thursday, 30 March 2017.

FINANCIAL REPORTING IN 2017

Cramo Plc will change its financial reporting practices as of 1 January 2017. The decision is based on the amended Securities Markets Act, which entered into force on 26 November 2015. Amendments to the Securities Markets Act concern, among other things, giving up the requirement to disclose interim reports for the first three and nine months of the year. Contrary to what was disclosed on 4 October 2016 regarding financial reporting in 2017, Cramo will publish Business Reviews for the first three and nine months of the year instead of interim reports.

ACCOUNTING PRINCIPLES

The annual financial statements 2016 of Cramo Plc are audited and the Auditors' report was issued on 6 February 2017. This Financial Statements Bulletin has been prepared in accordance with IAS 34: Interim Financial Reporting. In the preparation of this Financial Statements Bulletin, Cramo has applied the same accounting principles as in its financial statements for 2015. New IFRS guidelines effective since 1 January 2016 has not had any effect on Group figures. Interim reports and the Financial Statements Bulletin are unaudited.

The European Securities and Markets Authority (ESMA) has issued guidelines regarding Alternative Performance Measures ("APM"). Cramo presents APM's to improve the business analysis and comparability from period to period. APMs presented in this report are not performance measures used in IFRS reporting and should not be considered as a substitute for measures of performance in accordance with the IFRS. Calculation of key figures is presented on page 27.

CONSOLIDATED BALANCE SHEET (EUR 1,000)	31 Dec 2016	31 Dec 2015
ASSETS		
Non-current assets		
Tangible assets	750,509	686,909
Goodwill	147,985	151,142
Other intangible assets	62,851	68,179
Deferred tax assets	13,874	13,463
Investments in joint ventures	7,292	2,608
Loan receivables	12,926	15,267
Trade and other receivables	1,348	1,436
Total non-current assets	996,785	939,003
Current assets		
Inventories	8,721	8,963
Trade and other receivables	136,252	130,482
Income tax receivables	4,018	3,031
Derivative financial instruments	883	889
Cash and cash equivalents	9,099	3,511
Total current assets	158,973	146,875
TOTAL ASSETS	1,155,758	1,085,878
EQUITY AND LIABILITIES		
Equity		
Share capital	24,835	24,835
Other reserves	326,899	326,297
Hedging fund	-8,572	-7,074
Translation differences	-36,661	-26,395
Retained earnings	213,170	173,081
Equity attributable to owners of the parent company	519,671	490,743
Total equity	519,671	490,743
Non-current liabilities		
Interest-bearing liabilities	347,858	293,811
Derivative financial instruments	10,451	8,322
Deferred tax liabilities	75,331	70,636
Retirement benefit liabilities	1,610	1,707
Other non-current liabilities	2,822	2,832
Total non-current liabilities	438,073	377,308
Current liabilities		
Interest-bearing liabilities	48,245	78,097
Derivative financial instruments	250	233
Trade and other payables	148,205	136,070
Income tax liabilities	858	2,817
Provisions	457	611
Total current liabilities	198,015	217,827
Total liabilities	636,087	595,135
TOTAL EQUITY AND LIABILITIES	1,155,758	1,085,878

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1,000)	10-12/16	10-12/15	1-12/16	1-12/15
Sales	192,900	187,169	712,287	667,877
Other operating income	6,237	3,678	17,398	13,462
Materials and services	-65,514	-70,098	-239,402	-236,619
Employee benefit expenses	-41,938	-38,586	-155,831	-143,899
Other operating expenses	-31,836	-30,441	-117,081	-115,510
Depreciation and impairment on tangible assets	-32,515	-25,753	-111,962	-100,878
Share of profit / loss of joint ventures	905	172	1,330	395
EBITA	28,238	26,140	106,739	84,827
% of sales	14.6 %	14.0 %	15.0 %	12.7 %
Amortisation and impairment resulting from acquisitions	-4,340	-1,895	-8,034	-8,114
Operating profit (EBIT)	23,898	24,246	98,705	76,714
% of sales	12.4 %	13.0 %	13.9 %	11.5 %
Finance costs (net)	-3,501	-2,946	-11,849	-12,923
Profit before taxes	20,397	21,299	86,856	63,791
% of sales	10.6 %	11.4 %	12.2 %	9.6 %
Income taxes	-4,995	-4,686	-18,287	-14,075
Profit for the period	15,402	16,614	68,569	49,715
% of sales	8.0 %	8.9 %	9.6 %	7.4 %
Attributable to:				
Owners of the parent	15,402	16,614	68,569	49,715
Profit attributable to owners of the parent				
Earnings per share, undiluted, EUR	0.35	0.37	1.54	1.13
Earnings per share, diluted, EUR	0.34	0.37	1.53	1.12
OTHER COMPREHENSIVE INCOME ITEMS (EUR 1,000)	10-12/16	10-12/15	1-12/16	1-12/15
Profit for the period	15,402	16,614	68,569	49,715
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
-Remeasurements on retirement benefit liabilities, net of tax	-20	96	5	59
Total items that will not be reclassified to profit or loss	-20	96	5	59
Items that may be reclassified subsequently to profit or loss:				
-Change in hedging fund, net of tax	1,783	278	-1,498	1,088
-Available-for-sale financial assets				
-Share of other comprehensive income of joint ventures	1,173	-1,746	3,348	-2,040
-Transferred to income statement through liquidation (indirect translation differences)	-267		-267	
-Change in translation differences	2,588	8,753	-13,347	6,778
Total items that may be reclassified subsequently to profit or loss	5,277	7,285	-11,764	5,826
Total other comprehensive income, net of tax	5,257	7,381	-11,759	5,885
Comprehensive income for the period	20,659	23,995	56,810	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
1.1.2015	24,835	322,837	-8,162	-31,133	146,613	454,990
Profit for the period					49,715	49,715
Total other comprehensive income, net of tax			1,088	4,738	59	5,885
Comprehensive income for the period			1,088	4,738	49,774	55,600
Dividend distribution					-24,132	-24,132
Own shares conveyed		3,459				3,459
Share-based payments					826	826
31.12.2015	24,835	326,297	-7,074	-26,395	173,081	490,743
1.1.2016	24,835	326,297	-7,074	-26,395	173,081	490,743
Profit for the period					68,569	68,569
Total other comprehensive income, net of tax			-1,498	-10,266	5	-11,759
Comprehensive income for the period			-1,498	-10,266	68,574	56,810
Dividend distribution					-28,885	-28,885
Own shares conveyed		602			-602	
Share-based payments					1,002	1,002
31.12.2016	24,835	326,899	-8,572	-36,661	213,170	519,671

SHARE RELATED KEY FIGURES	10-12/16	10-12/15	1-12/16	1-12/15
Earnings per share (EPS), EUR 1) 2)	0.35	0.37	1.54	1.13
Earnings per share (EPS), diluted, EUR 3)	0.34	0.37	1.53	1.12
Shareholders' equity per share, EUR 4)			11.69	11.05
Number of shares, end of period			44,690,554	44,621,294
Adjusted number of shares, average 5)			44,444,804	44,067,946
Adjusted number of shares, end of period 5)			44,451,131	44,395,004
Number of shares, diluted, average 5)			44,675,861	44,261,010

1) Items affecting comparability were EUR 7.1 million in fourth quarter 2016 related to negative impact of impairments EUR 8.0 million from Danish equipment rental operations and from Latvian and Lithuanian operations and positive impact of EUR 0.5 million from reclassification of loans in Fortrent group. Tax impact of these items were EUR 0.4 million positive. Third quarter 2015 included EUR 1.2 million in costs relating to the change of President and CEO. The fourth quarter 2015 included EUR 0.8 million in costs relating to restructuring in Central Europe. The full year comparable earnings per share before the above-mentioned items were 1.70 (1.17). The fourth quarter comparable earnings per share before the above-mentioned items were 0.51 (0.39).

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)	1-12/16	1-12/15
Cash flow from operating activities		
Profit before taxes	86,856	63,791
Non-cash adjustments	116,626	112,714
Change working capital 1)	-1,542	11,409
Cash flow before financial items and taxes	201,941	187,914
Net financial items	-15,156	-7,212
Income taxes paid	-14,596	-5,810
Net cash flow from operating activities 1)	172,189	174,892
Cash flow from investing activities		
Investments in tangible and intangible assets 1)	-195,374	-157,233
Sale of tangible and intangible assets	34,506	25,070
Acquisition of subsidiaries and business operations, net of cash acquired	-3,999	-7,146
Net cash flow from investing activities 1)	-164,867	-139,309
Cash flow after investments	7,322	35,583
Cash flow from financing activities		
Change in interest-bearing receivables	2,352	2,388
Repayment of finance lease liabilities	-7,592	-13,295
Change in interest-bearing liabilities	31,920	-6,721
Proceeds from share options exercised	376	4,049
Dividends paid	-28,880	-24,128
Net cash flow from financing activities	-1,824	-37,707
Change in cash and cash equivalents	5,499	-2,125
Cash and cash equivalents at period start	3,511	5,689
Exchange differences	89	-53
Cash and cash equivalents at period end	9,099	3,511

1) Starting from 2016, the reporting line of unpaid investments in the cash flow statement has been changed. The comparative period 1–12/2015 have also been changed accordingly. As a result, the operating cash flow 1–12/2015 decreased by EUR 8.0 million and cash flow from investing activities improved by EUR 8.0 million.

CHANGES IN NET BOOK VALUE OF TANGIBLE AND INTANGIBLE ASSETS (MEUR)	1-12/2016	1-12/2015
Opening balance	906.2	851.4
Depreciation, amortisation and impairment	-120.0	-109.0
Additions		
Rental machinery	196.9	165.8
Other tangible assets	5.5	6.3
Intangible assets	4.8	2.8
Total additions	207.3	175.0
Reductions and other changes	-19.8	-15.6
Exchange differences	-12.3	4.3
Closing balance	961.4	906.2

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (EUR 1,000)	Book value 31 Dec 2016	Fair value 31 Dec 2016
Financial assets at fair value through profit and loss		
Current derivative financial instruments	883	883
Loans and receivables		
Loan receivables	12,894	12,894
Non-current trade and other receivables	1,380	1,380
Current trade and other receivables	120,346	120,346
Cash and cash equivalents	9,099	9,099
Financial liabilities at fair value through profit and loss		
Current derivative financial instruments	250	250
Loans and borrowings		
Non-current interest-bearing liabilities	347,858	350,718
Other non-current liabilities	2,710	2,710
Current interest-bearing liabilities	48,245	48,245
Trade and other payables	86,335	86,335
Hedge accounted derivatives		
Non-current derivative financial instruments	10,451	10,451

COMMITMENTS AND CONTINGENT LIABILITIES (EUR 1,000)	31 Dec 2016	31 Dec 2015
Pledges, finance lease	15,166	34,983
Investment commitments	53,874	24,995
Commitments to office and depot rents	98,674	90,106
Operational lease payments	20,653	23,130
Other commitments	1,344	1,182
Group's share of commitments in joint ventures	90	65

MODULAR SPACE ORDER BOOK (EUR 1,000)	31 Dec 2016	31 Dec 2015
Value of outstanding orders for modular space	114,694	104,583
Value of orders for modular space rental sales	105,974	96,154
Value of orders for modular space other sales	8,720	8,429

DERIVATIVE FINANCIAL INSTRUMENTS (EUR 1,000)	31 Dec 2016	31 Dec 2015
Fair value		
Interest rate swaps	-10,451	-8,322
Currency forwards	633	657
Nominal value		
Interest rate swaps	130,000	130,000
Currency forwards	116,225	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)	10-12/16	10-12/15	1-12/16	1-12/15
Finland	34,729	29,543	129,221	110,909
Sweden	96,113	97,806	355,614	331,190
Norway	18,992	16,987	67,350	70,394
Denmark	8,644	8,259	31,975	28,254
Central Europe	20,757	21,508	78,510	77,241
Eastern Europe	13,819	13,347	50,288	50,866
Inter-segment sales	-154	-281	-671	-978
Group sales	192,900	187,169	712,287	667,877

EBITA (EUR 1,000)	10-12/16	10-12/15	1-12/16	1-12/15
Finland	7,500	5,602	28,366	22,423
<i>% of sales</i>	21.6 %	19.0 %	22.0 %	20.2 %
Sweden	21,229	18,950	73,713	61,662
<i>% of sales</i>	22.1 %	19.4 %	20.7 %	18.6 %
Norway	1,534	1,371	5,163	5,386
<i>% of sales</i>	8.1 %	8.1 %	7.7 %	7.7 %
Denmark	-2,148	637	356	1,857
<i>% of sales</i>	-24.8 %	7.7 %	1.1 %	6.6 %
Central Europe	1,662	-351	3,895	-3,312
<i>% of sales</i>	8.0 %	-1.6 %	5.0 %	-4.3 %
Eastern Europe	1,641	1,615	5,509	6,254
<i>% of sales</i>	11.9 %	12.1 %	11.0 %	12.3 %
Non-allocated items	-3,269	-1,704	-10,308	-9,713
Eliminations	89	20	46	270
Group EBITA	28,238	26,140	106,739	84,827
<i>% of sales</i>	14.6 %	14.0 %	15.0 %	12.7 %

RECONCILIATION OF GROUP EBITA TO PROFIT BEFORE TAXES (EUR 1,000)	10-12/16	10-12/15	1-12/16	1-12/15
Group EBITA	28,238	26,140	106,739	84,827
Amortisation and impairment resulting from acquisitions and disposals	-4,340	-1,895	-8,034	-8,114
Operating profit	23,898	24,246	98,705	76,714
Net finance items	-3,501	-2,946	-11,849	-12,923
Profit before taxes	20,397	21,299	86,856	63,791

ITEMS AFFECTING COMPARABILITY (1 000 €)	10-12/16	10-12/15	1-12/16	1-12/15
Finland	0	0	0	0
Sweden	0	0	0	0
Norway	0	0	0	0
Denmark 1)	-3,681	0	-3,681	0
Central Europe 2)	0	-839	0	-839
Eastern Europe 3)	-645	0	-645	0
Non-allocated items 4)	0	0	0	-1,180
Group EBITA	-4,326	-839	-4,326	-2,019

1) In Denmark, the fourth quarter EBITA for 2016 included items affecting comparability EUR 3.7 million related to impairments in equipment rental operations

2) In Central Europe, the fourth quarter EBITA for 2015 included items affecting comparability EUR 0.8 million related to restructuring costs.

3) In Eastern Europe, the fourth quarter EBITA for 2016 included items affecting comparability EUR 1.2 million related to impairments in Latvian and Lithuanian operations and EUR 0.5 million positive related to reclassification of loans in Fortrent Group

4) In the third quarter of 2015, non-allocated items included items affecting comparability EUR 1.2 million relating to costs from change of President and CEO.

COMPARABLE EBITA (EUR 1,000)	10-12/16	10-12/15	1-12/16	1-12/15
Finland	7,500	5,602	28,366	22,423
<i>% of sales</i>	<i>21.6 %</i>	<i>19.0 %</i>	<i>22.0 %</i>	<i>20.2 %</i>
Sweden	21,229	18,950	73,713	61,662
<i>% of sales</i>	<i>22.1 %</i>	<i>19.4 %</i>	<i>20.7 %</i>	<i>18.6 %</i>
Norway	1,534	1,371	5,163	5,386
<i>% of sales</i>	<i>8.1 %</i>	<i>8.1 %</i>	<i>7.7 %</i>	<i>7.7 %</i>
Denmark	1,534	637	4,037	1,857
<i>% of sales</i>	<i>17.7 %</i>	<i>7.7 %</i>	<i>12.6 %</i>	<i>6.6 %</i>
Central Europe	1,662	488	3,895	-2,473
<i>% of sales</i>	<i>8.0 %</i>	<i>2.3 %</i>	<i>5.0 %</i>	<i>-3.2 %</i>
Eastern Europe	2,286	1,615	6,154	6,254
<i>% of sales</i>	<i>16.5 %</i>	<i>12.1 %</i>	<i>12.2 %</i>	<i>12.3 %</i>
Non-allocated items	-3,269	-1,704	-10,308	-8,533
Eliminations	89	20	46	270
Group EBITA	32,564	26,979	111,065	86,846
<i>% of sales</i>	<i>16.9 %</i>	<i>14.4 %</i>	<i>15.6 %</i>	<i>13.0 %</i>

DEPRECIATION AND IMPAIRMENT ON TANGIBLE ASSETS (EUR 1,000)	10-12/16	10-12/15	1-12/16	1-12/15
Finland	-5,348	-4,454	-20,081	-18,075
Sweden	-10,758	-10,588	-44,043	-41,055
Norway	-2,292	-2,345	-8,415	-10,035
Denmark	-5,438	-1,443	-10,102	-5,737
Central Europe	-4,125	-3,681	-15,035	-13,836
Eastern Europe	-4,335	-3,158	-13,631	-11,866
Non-allocated items and eliminations	-219	-85	-655	-274
Total	-32,515	-25,753	-111,962	-100,878

GROSS CAPITAL EXPENDITURE (EUR 1,000)	10-12/16	10-12/15	1-12/16	1-12/15
Finland	10,617	8,715	47,281	37,277
Sweden	20,677	18,244	75,632	70,459
Norway	1,697	1,063	7,739	6,732
Denmark	5,032	5,435	16,126	14,921
Central Europe	6,535	3,314	36,168	26,089
Eastern Europe	2,016	2,885	20,002	17,829
Non-allocated items and eliminations	1,224	1,023	4,308	1,678
Total	47,798	40,678	207,256	174,987

SEGMENT ASSETS ¹⁾ (EUR 1,000)	31.12.2016	31.12.2015
Finland	201,001	173,730
Sweden	506,312	497,332
Norway	92,758	90,042
Denmark	66,770	61,103
Central Europe	108,771	97,349
Eastern Europe	104,655	96,439
Segment assets total	1,080,266	1,015,995
Non-allocated items and eliminations	75,492	69,883
Total assets	1,155,758	1,085,878

SEGMENT LIABILITIES ²⁾ (EUR 1,000)	31.12.2016	31.12.2015
Finland	21,668	19,613
Sweden	82,329	75,208
Norway	14,625	12,247
Denmark	9,344	8,166
Central Europe	9,732	10,054
Eastern Europe	7,604	7,368
Segment liabilities total	145,302	132,656
Non-allocated items and eliminations	490,786	462,479
Total liabilities	636,087	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)	10-12/16	7-9/16	4-6/16	1-3/16	10-12/15	7-9/15	4-6/15	1-3/15
Finland	34,729	35,627	30,281	28,584	29,543	30,765	26,567	24,034
Sweden	96,113	86,867	92,449	80,186	97,806	80,438	78,893	74,054
Norway	18,992	16,185	16,203	15,970	16,987	16,640	18,166	18,602
Denmark	8,644	7,908	7,750	7,673	8,259	7,223	6,298	6,475
Central Europe	20,757	23,207	20,658	13,890	21,508	22,138	19,233	14,361
Eastern Europe	13,819	15,212	11,920	9,337	13,347	15,386	12,365	9,768
Inter-segment sales	-154	-158	-156	-203	-281	-232	-232	-233
Group sales	192,900	184,848	179,104	155,436	187,169	172,358	161,290	147,061

EBITA BY SEGMENTS (EUR 1,000)	10-12/16	7-9/16	4-6/16	1-3/16	10-12/15	7-9/15	4-6/15	1-3/15
Finland	7,500	10,190	6,785	3,892	5,602	8,504	5,415	2,902
<i>% of sales</i>	21.6 %	28.6 %	22.4 %	13.6 %	19.0 %	27.6 %	20.4 %	12.1 %
Sweden	21,229	21,055	18,202	13,227	18,950	18,059	12,427	12,226
<i>% of sales</i>	22.1 %	24.2 %	19.7 %	16.5 %	19.4 %	22.5 %	15.8 %	16.5 %
Norway	1,534	1,272	1,129	1,229	1,371	1,010	1,425	1,580
<i>% of sales</i>	8.1 %	7.9 %	7.0 %	7.7 %	8.1 %	6.1 %	7.8 %	8.5 %
Denmark	-2,148	916	872	716	637	720	65	434
<i>% of sales</i>	-24.8 %	11.6 %	11.3 %	9.3 %	7.7 %	10.0 %	1.0 %	6.7 %
Central Europe	1,662	3,392	2,011	-3,170	-351	1,454	-286	-4,129
<i>% of sales</i>	8.0 %	14.6 %	9.7 %	-22.8 %	-1.6 %	6.6 %	-1.5 %	-28.7 %
Eastern Europe	1,641	3,921	998	-1,051	1,615	4,041	1,358	-759
<i>% of sales</i>	11.9 %	25.8 %	8.4 %	-11.3 %	12.1 %	26.3 %	11.0 %	-7.8 %
Non-allocated items	-3,269	-1,764	-3,329	-1,946	-1,704	-3,639	-2,128	-2,241
Eliminations	89	-50	-55	62	20	58	74	118
Group EBITA	28,238	38,931	26,612	12,958	26,140	30,206	18,351	10,130
<i>% of sales</i>	14.6 %	21.1 %	14.9 %	8.3 %	14.0 %	17.5 %	11.4 %	6.9 %

ADDITIONAL FINANCIAL INFORMATION BY PRODUCT AREA

ADDITIONAL INFORMATION BY PRODUCT AREA (EUR 1,000)	EQUIPMENT RENTAL		MODULAR SPACE		UNALLOCATED AMOUNTS AND ELIMINATIONS		GROUP	
	1-12 2016	1-12 2015	1-12 2016	1-12 2015	1-12 2016	1-12 2015	1-12 2016	1-12 2015
Sales	595,329	568,449	117,603	100,001	-646	-574	712,287	667,877
EBITDA	179,071	150,024	48,874	44,617	-9,244	-8,935	218,701	185,705
EBITDA-%	30.1 %	26.4 %	41.6 %	44.6 %			30.7 %	27.8 %
Depreciation and impairment on tangible assets	-92,912	-85,169	-18,120	-15,075	-929	-634	-111,962	-100,878
EBITA	86,159	64,855	30,753	29,541	-10,173	-9,569	106,739	84,827
EBITA-%	14.5 %	11.4 %	26.2 %	29.5 %			15.0 %	12.7 %
Capital employed at 31 Dec ¹⁾	638,441	625,035	295,943	257,813	27,444	25,569	961,828	908,417

ADDITIONAL INFORMATION BY PRODUCT AREA (EUR 1,000)	EQUIPMENT RENTAL		MODULAR SPACE		UNALLOCATED AMOUNTS AND ELIMINATIONS		GROUP	
	Q4 2016	Q4 2015	Q4 2016	Q4 2015	Q4 2016	Q4 2015	Q4 2016	Q4 2015
Sales	161,452	156,723	31,576	30,608	-128	-162	192,900	187,169
EBITDA	50,613	41,410	13,090	11,963	-2,951	-1,480	60,753	51,893
EBITDA-%	31.3 %	26.4 %	41.5 %	39.1 %			31.5 %	27.7 %
Depreciation and impairment on tangible assets	-27,349	-21,497	-4,876	-4,068	-289	-188	-32,515	-25,753
EBITA	23,264	19,913	8,214	7,895	-3,240	-1,668	28,238	26,140
EBITA-%	14.4 %	12.7 %	26.0 %	25.8 %			14.6 %	14.0 %

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:**

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

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

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

$$\text{Net debt} = \text{Interest-bearing liabilities - cash and cash equivalents}$$

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

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

Per-share ratios:

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

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

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

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

$$\text{EBITDA} = \text{EBITA + depreciation}$$

$$\text{Capital employed} = \text{Assets - liabilities allocated to segments}$$

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

$$\text{Comparable EBITA} = \text{EBITA - items affecting comparability}$$

$$\text{Comparable EPS} = \frac{\text{Profit for the period - items affecting comparability (rolling 12 month)}}{\text{Adjusted average number of shares during the period}}$$

$$\text{Comparable return on equity, \%} = \frac{\text{Profit for the period - items affecting comparability (rolling 12 month)}}{\text{Total equity (average)}} \times 100$$

LARGEST SHAREHOLDERS

TEN LARGEST SHAREHOLDERS 31 December 2016	SHARES	%
1 Zeres Capital*	4,696,730	10.51
2 Rakennusmestarien Säätiö (Construction engineers' fund)	2,129,422	4.76
3 Ilmarinen Mutual Pension Insurance Company	1,145,603	2.56
4 ODIN Finland	732,358	1.64
5 Nordea Nordic Fund	723,982	1.62
6 Rakennusmestarit ja -insinöörit AMK RKL (Construction engineers' Polytechnic)	301,220	0.67
7 Säästöpankki Kotimaa Investment Fund	284,648	0.64
8 Fondita Nordic Micro Cap	280,000	0.63
9 Varma Mutual Pension Insurance Company	268,387	0.54
10 OP-Finland Evli Small Firms Fund	241,595	24.18
Ten largest owners, total	10,803,945	24.18
Nominee registered	23,798,354	53.25
Others	10,088,255	22.57
Total	44,690,554	100.00

* According to the notification pursuant to Chapter 9, section 5 of the Securities Markets Act on 30 March 2015

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 6 February 2017

Cramo Plc
Board of Directors

BRIEFING

Cramo will hold a briefing and a live webcast at Kämp Kansallissali, address: Aleksanterinkatu 44 A, 2nd floor, Helsinki, on Tuesday, 7 February 2017 at 11:00 a.m. The briefing will be in English.

It can be viewed live on the Internet at www.cramogroup.com. A replay of the webcast will be available at www.cramogroup.com from 7 February 2017 in the afternoon.

PUBLICATION OF FINANCIAL INFORMATION IN 2017

The Annual Report containing the full financial statements for 2016 will be published in electronic format in week 10/2017.

Cramo Plc's 2017 Annual General Meeting will take place on Thursday, 30 March 2017, in Helsinki.

In 2017, Cramo will publish three financial reviews:

Business Review January–March 2017 on 28 April 2017

Half Year Financial Report January–June 2017 on 26 July 2017

Business Review January–September 2017 on 25 October 2017.

MORE INFORMATION

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FINANCIAL STATEMENTS
BULLETIN Q4/2016
CRAMO PLC

Q4

FOR A GREAT DAY AT WORK

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