# Q4

FINANCIAL STATEMENTS BULLETIN FOR JANUARY - DECEMBER 2016

# GROWTH AND PROFIT IMPROVEMENT IN THE FOURTH QUARTER, FULL-YEAR RESULT IMPACTED BY ONE-OFFS

RAMIRENT

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## RAMIRENT PLC'S FINANCIAL STATEMENTS BULLETIN FOR JANUARY-DECEMBER 2016

# GROWTH AND PROFIT IMPROVEMENT IN THE FOURTH QUARTER, FULL-YEAR RESULT IMPACTED BY ONE-OFFS

## OCTOBER–DECEMBER 2016 IN BRIEF

- Net sales EUR 180.5 (170.5) million, up by 5.9% or 7.3% at comparable exchange rates
- Comparable EBITA EUR 21.1 (16.8) million or 11.7% (9.9%) of net sales
- Reported EBITA EUR 21.2 (16.8) million or 11.7% (9.9%) of net sales
- Gross capital expenditure EUR 47.0 (42.0) million
- Cash flow after investments EUR 11.1 (5.3) million

## JANUARY–DECEMBER 2016 IN BRIEF

- Net sales EUR 665.2 (635.6) million, up by 4.6% or 6.1% at comparable exchange rates
- Comparable EBITA EUR 68.1 (63.4) million or 10.2% (10.0%) of net sales
- One-offs incl. asset write-downs and reorganization costs EUR -20.6 million
- Reported EBITA EUR 59.2 (66.8) million or 8.9% (10.5%) of net sales
- Gross capital expenditure EUR 190.8 (139.2) million
- Cash flow after investments EUR −20.7 (−6.3) million
- The Board of Directors proposes a dividend of EUR 0.40 (0.40) per share, paid in two installments

## RAMIRENT'S GUIDANCE FOR 2017

In 2017, Ramirent's comparable EBITA is expected to increase from the level in 2016.

| KEY FIGURES (MEUR AND %) | 10–12/16 | 10–12/15 | CHANGE | 1–12/16 | 1–12/15 | CHANGE |
|---|---|---|---|---|---|---|
| Net sales | 180.5 | 170.5 | 5.9% | 665.2 | 635.6 | 4.6% |
| EBITDA | 47.9 | 43.7 | 9.5% | 169.0 | 168.1 | 0.6% |
| % of net sales | 26.5% | 25.7% | | 25.4% | 26.4% | |
| Comparable EBITA | 21.1 | 16.8 | 25.5% | 68.1 | 63.4 | 7.4% |
| % of net sales | 11.7% | 9.9% | | 10.2% | 10.0% | |
| Reported EBITA | 21.2 | 16.8 | 26.1% | 59.2 | 66.8 | −11.3% |
| % of net sales | 11.7% | 9.9% | | 8.9% | 10.5% | |
| Earnings per share (EPS), EUR | 0.12 | 0.11 | 9.4% | 0.20 | 0.36 | −43.4% |
| Gross capital expenditure | 47.0 | 42.0 | 11.9% | 190.8 | 139.2 | 37.1% |
| Cash flow after investments | 11.1 | 5.3 | 108.4% | −20.7 | −6.3 | n/a |
| Capital employed at the end of period | | | | 645.0 | 600.5 | 7.4% |
| Comparable ROCE % | | | | 9.3% | 9.4% | |
| Reported ROCE % | | | | 6.2% | 10.0% | |
| Comparable ROE % | | | | 12.1% | 10.9% | |
| Reported ROE % | | | | 7.2% | 12.1% | |
| Net debt | | | | 345.8 | 280.9 | 23.1% |
| Net debt to EBITDA ratio | | | | 2.0x | 1.7x | 22.4% |
| Personnel (FTE) | | | | 2,686 | 2,654 | 1.2% |

IMPACTS OF NEW ESMA GUIDELINES

The European Securities and Markets Authority (ESMA) has issued new guidelines regarding alternative performance measures which were to be implemented at the latest in the second quarter of 2016. Due to the new guidelines, Ramirent's performance measure "EBITA excluding non-recurring items" was replaced with "comparable EBITA" as of the first quarter of 2016. The content of adjustments equals items previously disclosed as non-recurring items including incomes and expenses arising activities that amend Ramirent's business operations or are incurred outside its normal course of business such as restructuring costs, impairments, significant write-downs of assets and significant gains or losses on sale of assets and businesses. Comparable EBITA is disclosed to improve comparability between reporting periods.

## RAMIRENT'S CEO TAPIO KOLUNSARKA:

"For the full year of 2016, our sales grew at comparable exchange rates by 6.1% and comparable EBITA improved to EUR 68.1 (63.4) million or 10.2% (10.0%) of net sales. However, our full-year result was impacted by one-off asset write-downs and reorganization costs related to profitability improvement actions announced in October 2016. Full-year reported EBITA therefore decreased to EUR 59.2 (66.8) million or 8.9% (10.5%) of net sales. We are not pleased with our financial performance in 2016 and thus we are focused on achieving sustainable profit improvement in 2017.

In the fourth quarter, thanks to overall good market and weather conditions, net sales grew at comparable exchange rates by 7.3%. This together with an improved sales mix increased comparable EBITA by 25.5% to EUR 21.1 (16.8) million, representing 11.7% (9.9%) of net sales. Our sales grew in all markets except for Denmark and we were pleased to see that we achieved a good sales mix in most of our segments during the quarter. Sales growth was fastest in Finland supported by a strong market, but profitability improved only slightly due to higher costs and a higher share of service sales. In Sweden, profitability improved driven by net sales growth, stabilizing costs and a higher share of General Rental in the sales mix. In Norway, overall market demand for General Rental was fair and we managed to stabilize our Temporary Space business. In Denmark, the improving trend in profitability also continued. In Europe Central, the previously announced reorganization actions started to improve profitability already during the quarter. In Baltics, demand was stable and a good level of profitability was maintained.

In the quarter, we also strengthened our Executive Management Team with the appointment of a new EVP of Human Resources and we launched a new long-term Incentive Plan for company key employees to maximally support the company's short-term key priority of delivering improved EBITA in 2017.

Looking ahead to 2017, we expect our business environment to remain largely favorable and will concentrate on delivering improved profitability. Our focus in 2017 lies on turning around non-performing units, improving the sales mix, increasing cost efficiency, fleet productivity and developing pricing. We have a lot of work ahead of us to improve our performance and I would like to thank the employees of Ramirent for their engagement and contribution during a challenging 2016.

With our strong market positions and financial strength there are plenty of possibilities to develop our business in the long-term. Rental is a future-proof business and we continue to be well positioned to benefit from the trends of outsourcing non-core activities, resource efficiency and increasing demand for productivity in construction. A comprehensive strategy update will be completed during 2017."

## MARKET OUTLOOK FOR 2017

*Ramirent's market outlook is based on the available forecasts disclosed by local construction and industry associations in its operating countries.*

In 2017, Nordic equipment rental market is expected to grow by approximately 2%. In Finland, market conditions are expected to remain favorable supported by growing new residential construction and large non-residential construction projects. In Sweden, high activity in the construction sector is expected to drive demand for rental and related services throughout the country. The Danish and Norwegian equipment rental markets are estimated to remain fairly stable or grow slightly. In the Baltics, the market situation remains mixed, with challenging market conditions in Latvia, while activity is expected to improve in Estonia and Lithuania. In Fortrent markets, in Russia and Ukraine, countries are in the early stages of an economic recovery which is likely to start supporting construction and equipment rental. In Poland and Slovakia, the equipment rental markets are supported by new project start-ups both in the construction and industrial sector. Market outlook is more subdued in the Czech Republic due to low activity in the construction market.

# FINANCIAL REVIEW 10–12/2016

Ramirent Group's net sales grew by 7.3% at comparable exchange rates in the fourth quarter. Net sales increased in all markets except for Denmark. Growth in Finland was particularly strong in service sales. Ramirent Group's fourth–quarter 2016 reported net sales increased by 5.9% to EUR 180.5 (170.5) million.

| NET SALES BY SEGMENT | 10–12/16 MEUR | 10–12/15 MEUR | CHANGE | CHANGE AT COMPARABLE EXCHANGE RATES | SHARE OF GROUP IN 10–12/16 |
|---|---|---|---|---|---|
| **FINLAND** | 49.4 | 43.1 | 14.6% | 14.6% | 27.3% |
| **SWEDEN** | 64.6 | 63.9 | 1.2% | 5.9% | 35.8% |
| **NORWAY** | 31.5 | 29.2 | 7.7% | 4.3% | 17.4% |
| **DENMARK** | 10.3 | 11.1 | −7.3% | −7.6% | 5.7% |
| **EUROPE EAST** | 9.3 | 8.8 | 5.9% | 5.9% | 5.2% |
| **EUROPE CENTRAL** | 15.7 | 15.3 | 2.6% | 4.8% | 8.7% |
| Elimination of sales between segments | −0.3 | −0.9 | | | |
| **NET SALES, TOTAL** | 180.5 | 170.5 | 5.9% | 7.3% | 100.0% |

Fourth–quarter EBITDA increased by 9.5% from the previous year and amounted to EUR 47.9 (43.7) million. EBITDA margin improved to 26.5% (25.7%) of net sales. Depreciation of tangible assets amounted to EUR 26.7 (26.9) million in the fourth quarter.

The Group's fourth-quarter profitability improvement was mainly based on sales growth and a higher share of General Rental in the sales mix. The Group's comparable EBITA was EUR 21.1 (16.8) million, representing 11.7% (9.9%) of net sales and reported EBITA EUR 21.2 (16.8) million or 11.7% (9.9%) of net sales. The Group's reported EBITA was negatively affected by EUR 0.5 million of reorganization costs in Europe Central segment and positively by EUR 0.5 million due to the reclassification of loans in Fortrent Group. In the comparison period, items affecting comparability amounted to EUR -0.0 million

| COMPARABLE EBITA BY SEGMENT | 10–12/16 MEUR | 10–12/16 % OF NET SALES | 10–12/15 MEUR | 10–12/15 % OF NET SALES |
|---|---|---|---|---|
| **FINLAND** | 5.8 | 11.8% | 5.7[3] | 13.3% |
| **SWEDEN** | 9.7 | 15.1% | 8.3[4] | 13.1% |
| **NORWAY** | 2.1 | 6.8% | 0.7[5] | 2.3% |
| **DENMARK** | 0.6 | 6.3% | 0.5 | 4.4% |
| **EUROPE EAST** | 2.1[1] | 23.0% | 2.1 | 23.5% |
| **EUROPE CENTRAL** | 2.3[2] | 14.8% | 0.8 | 5.3% |
| Unallocated items | −1.7 | | −1.3 | |
| **GROUP** | 21.1 | 11.7% | 16.8 | 9.9% |

*1 Excluding items affecting comparability (IACs) of EUR 0.5 million in Q4 2016*
*2 Excluding IACs of EUR -0.5 million in Q4 2016*
*3 Excluding IACs of EUR 0.8 million in Q4 2015*
*4 Excluding IACs of EUR -0.3 million in Q4 2015*
*5 Excluding IACs of EUR -0.5 million in Q4 2015*

## ITEMS AFFECTING COMPARABILITY (IACS) IN EBITA

IACs consist of EUR 0.5 million of reorganization costs in Europe Central related to personnel reductions as well as a EUR 0.5 million positive item due to reclassification of loans in Fortrent Group.

The comparison period included EUR 0.8 million of restructuring costs in Sweden and Norway as well as the EUR 0.8 million derecognition of a contingent consideration liability in Finland.

| ITEMS AFFECTING COMPARABILITY (IACS) IN EBITA (MEUR) | 10–12/16 | 10–12/15 |
|---|---|---|
| **FINLAND** | – | 0.8 |
| **SWEDEN** | – | −0.3 |
| **NORWAY** | – | −0.5 |
| **DENMARK** | – | – |
| **EUROPE EAST** | 0.5 | – |
| **EUROPE CENTRAL** | −0.5 | – |
| Unallocated items | – | – |
| **TOTAL** | 0.0 | −0.0 |

| REPORTED EBITA BY SEGMENT | 10–12/16 MEUR | 10–12/16 % OF NET SALES | 10–12/15 MEUR | 10–12/15 % OF NET SALES |
|---|---|---|---|---|
| **FINLAND** | 5.8 | 11.8% | 6.5 | 15.0% |
| **SWEDEN** | 9.7 | 15.1% | 8.0 | 12.5% |
| **NORWAY** | 2.1 | 6.8% | 0.2 | 0.8% |
| **DENMARK** | 0.6 | 6.3% | 0.5 | 4.4% |
| **EUROPE EAST** | 2.7 | 28.6% | 2.1 | 23.5% |
| **EUROPE CENTRAL** | 1.8 | 11.7% | 0.8 | 5.3% |
| Unallocated items | −1.7 | | −1.3 | |
| **GROUP** | 21.2 | 11.7% | 16.8 | 9.9% |

Amortization and impairment charges amounted to EUR 2.0 (2.2) million. Group EBIT improved to EUR 19.2 (14.6) million, representing 10.6% (8.5%) of net sales.

Net financial items were EUR −3.0 (−1.9) million, including EUR −0.1 (0.8) million net effect of exchange rate gains and losses. Income taxes amounted to EUR −3.8 (−1.4) million. Profit for the period attributable to the owners of the parent company increased to EUR 12.5 (11.5) million and earnings per share (EPS) improved to 0.12 (0.11).

## CAPITAL EXPENDITURE AND CASH FLOW

Ramirent Group’s fourth–quarter 2016 gross capital expenditure on non-current assets increased to EUR 47.0 (42.0) million or 26.0% (24.6%) of net sales. Group’s investments in machinery and equipment decreased to EUR 33.9 (35.0) million. There were no acquisitions made in the fourth quarter of 2016.

The Group’s fourth–quarter cash flow from operating activities increased to EUR 57.1 (45.0) million, of which the change in working capital was EUR −0.3 (3.9) million. Cash flow from investing activities was EUR −46.0 (−39.7) million. Cash flow after investments increased to EUR 11.1 (5.3) million.

RAMIRENT

# FINANCIAL REVIEW 1-12/2016

Ramirent Group's net sales grew by 6.1% at comparable exchange rates in January–December. Sales growth was strongest in Finland and Sweden supported by favorable market conditions throughout 2016. Sales increased also in Norway, the Baltics and Europe Central but declined in Denmark. The Group's January-December reported net sales increased by 4.6% to EUR 665.2 (635.6) million.

| NET SALES BY SEGMENT | 1-12/16 MEUR | 1-12/15 MEUR | CHANGE | CHANGE AT COMPARABLE EXCHANGE RATES | OF GROUP IN 1-12/16 |
|---|---|---|---|---|---|
| **FINLAND** | 180.4 | 160.2 | 12.6% | 12.6% | 26.9% |
| **SWEDEN** | 237.0 | 225.4 | 5.2% | 6.5% | 35.4% |
| **NORWAY** | 120.2 | 120.7 | −0.4% | 3.5% | 18.0% |
| **DENMARK** | 41.7 | 42.3 | −1.3% | −1.5% | 6.2% |
| **EUROPE EAST** | 34.4 | 34.1 | 1.0% | 1.0% | 5.1% |
| **EUROPE CENTRAL** | 55.8 | 55.4 | 0.6% | 3.7% | 8.3% |
| Elimination of sales between segments | −4.4 | −2.5 | | | |
| **NET SALES, TOTAL** | 665.2 | 635.6 | 4.6% | 6.1% | 100.0% |

January–December EBITDA increased slightly to EUR 169.0 (168.1) million. EBITDA margin was 25.4% (26.4%) of net sales. Depreciation and impairment charges of tangible assets increased to EUR 109.8 (101.3) million mainly due to higher capital expenditure and asset write-downs.

The Group's comparable EBITA improved as a result of sales growth. Comparable EBITA increased to EUR 68.1 (63.4) million, representing 10.2% (10.0%) of net sales, while reported EBITA decreased to EUR 59.2 (66.8) million or 8.9% (10.5%) of net sales. Reported EBITA was affected by one-off items including asset write-downs, reorganization costs and other items in total of EUR -8.9 (3.3) million.

| COMPARABLE EBITA BY SEGMENT | 1-12/16 MEUR | 1-12/16 % OF NET SALES | 1-12/15 MEUR | 1-12/15 % OF NET SALES |
|---|---|---|---|---|
| **FINLAND** | 23.0[1] | 12.7% | 20.3[1] | 12.7% |
| **SWEDEN** | 28.8[2] | 12.1% | 29.4[2] | 13.1% |
| **NORWAY** | 7.6[3] | 6.3% | 7.0[3] | 5.8% |
| **DENMARK** | 2.3 | 5.5% | 0.8[7] | 1.8% |
| **EUROPE EAST** | 6.6[4] | 19.2% | 7.2 | 21.2% |
| **EUROPE CENTRAL** | 4.4[5] | 7.9% | 3.3 | 5.9% |
| Unallocated items | −4.5[6] | | −4.6 | |
| **GROUP** | 68.1 | 10.2% | 63.4 | 10.0% |

*1 Excluding IACs of EUR 1.0 million in 1-12/2016 and EUR 0.8 million in 1-12/2015*
*2 Excluding IACs of EUR -2.4 million in 1-12/2016 and EUR 3.5 million in 1-12/2015*
*3 Excluding IACs of EUR -5.9 million in 1-12/2016 and EUR -0.5 million in 1-12/2015*
*4 Excluding IACs of EUR 0.5 million in 1-12/2016*
*5 Excluding IACs of EUR -0.5 million in 1-12/2016*
*6 Excluding IACs of EUR -1.7 million in 1-12/2016*
*7 Excluding IACs of EUR -0.5 million in 1-12/2015*

## ITEMS AFFECTING COMPARABILITY (IACS) IN EBITA

In January–December, items affecting comparability in EBITA included the derecognition of a contingent consideration liability of EUR 1.0 million in Finland and a EUR 0.5 million positive item due to the reclassification of loans in Fortrent Group. One-off costs included reorganization costs and negative impact from project reassessments in Swedish scaffolding solutions business of EUR 2.4 million, EUR 1.7 million reorganization costs at Group level and EUR 5.9 million of asset write-downs in Norway. In Europe Central, reorganization costs of EUR 0.5 million were recorded in the fourth quarter of 2016.

In the comparison period, items affecting comparability included the EUR 4.6 million derecognition of contingent consideration liabilities from Sweden and Finland as well as EUR 1.3 million of restructuring costs in Sweden, Norway and Denmark.

| ITEMS AFFECTING COMPARABILITY (IACS) IN EBITA (MEUR) | 1–12/16 | 1–12/15 |
|---|---|---|
| **FINLAND** | 1.0 | 0.8 |
| **SWEDEN** | −2.4 | 3.5 |
| **NORWAY** | −5.9 | −0.5 |
| **DENMARK** | – | −0.5 |
| **EUROPE EAST** | 0.5 | – |
| **EUROPE CENTRAL** | −0.5 | – |
| Unallocated items | −1.7 | – |
| **TOTAL** | −8.9 | 3.3 |

| REPORTED EBITA BY SEGMENT | 1–12/16 MEUR | 1–12/16 % OF NET SALES | 1–12/15 MEUR | 1–12/15 % OF NET SALES |
|---|---|---|---|---|
| **FINLAND** | 24.0 | 13.3% | 21.1 | 13.2% |
| **SWEDEN** | 26.4 | 11.1% | 33.0 | 14.6% |
| **NORWAY** | 1.7 | 1.4% | 6.5 | 5.4% |
| **DENMARK** | 2.3 | 5.5% | 0.3 | 0.7% |
| **EUROPE EAST** | 7.1 | 20.7% | 7.2 | 21.2% |
| **EUROPE CENTRAL** | 3.9 | 7.0% | 3.3 | 5.9% |
| Unallocated items | −6.2 | | −4.6 | |
| **GROUP** | 59.2 | 8.9% | 66.8 | 10.5% |

The Group's amortization and impairment charges of intangible assets increased to EUR 20.9 (8.8) million in January–December. Write-downs of intangible assets from discontinuing the planned roll-out of the common ERP-platform outside of Scandinavia amounted to EUR 10.9 million. In Norway, Ramirent recognized an impairment loss of EUR 0.8 million in associated company shares. Group reported EBIT declined to EUR 38.4 (57.9) million, representing 5.8% (9.1%) of net sales.

Net financial items were EUR −10.2 (−11.1) million, including EUR 0.8 (−0.6) million net effects of exchange rate gains and losses. Income taxes amounted to EUR −6.3 (−8.1) million. Asset write-downs and reorganization costs had an estimated EUR 4.3 million tax benefit on the January–December result. Profit for the period attributable to the owners of the parent company declined to EUR 22.1 (39.0) million and earnings per share (EPS) decreased to 0.20 (0.36). Return on capital employed (ROCE) decreased to 6.2% (10.0%) and return on equity (ROE) to 7.2% (12.1%). Excluding items affecting comparability, earnings per share (EPS) was 0.35 (0.33), return on capital employed (ROCE) 9.3% and return on equity (ROE) 12.1%.

## CAPITAL EXPENDITURE AND CASH FLOW

Ramirent Group's January–December gross capital expenditure on non-current assets increased to EUR 190.8 (139.2) million or 28.7% (21.9%) of net sales. The Group investments in machinery and equipment increased to EUR 165.6 (126.1) million. There were no major acquisitions made during January–December 2016. Committed investments on rental machinery amounted to EUR 30.5 (26.3) million at the end of 2016.

The Group's cash flow from operating activities in January–December increased to EUR 168.0 (136.3) million, of which the change in working capital was EUR 6.6 (−11.0) million. Cash flow from investing activities was EUR −188.6 (−142.7) million. Cash flow after investments amounted to EUR −20.7 (−6.3) million. On April 1, 2016, Ramirent distributed EUR 43.1 (43.1) million in dividends to its shareholders. No own shares were acquired during January–December.

## FINANCIAL POSITION

The Group's net debt increased to EUR 345.8 (280.9) million at the end of the year. The level of net debt corresponds to a gearing ratio of 116.2% (88.0%). Net debt to EBITDA ratio was 2.0x (1.7x) and remained below Ramirent's financial target of a maximum of 2.5x at the end of each fiscal year.

At the end of 2016, the Group had EUR 153.9 (134.4) million of unused committed back-up credit facilities available. The average interest rate of the loan portfolio was 1.9% (2.2%). The average interest rate including interest rate hedges was 2.0% (2.6%).

The Group's equity attributable to the parent company shareholders amounted to EUR 297.6 (318.9) million and the Group's equity ratio decreased to 35.9% (41.4%). Non-cancellable minimum future off-balance sheet lease payments decreased to EUR 82.1 (89.4) million at the end of 2016, of which EUR 1.6 (1.1) million arose from leased rental equipment and machinery.

# KEY PRIORITIES TO IMPROVE PROFITABILITY FOR 2017

For 2017 Ramirent has set determined actions to improve profitability. Key priorities include:
1. Improving the profitability of non-performing business units and areas, e.g. refocusing the Temporary Space business in Norway, reorganizing parts of the Solutions business in Sweden and Europe Central's business where profitability has been unsatisfactory.
2. Focus on productivity and cost reductions in IT as well as external materials and services spend.
3. Improving sales mix through an increased focus on the core General Rental Business.
4. Improving pricing through simplification and more effective pricing management systems.

Ramirent's Group strategy and financial targets as communicated in the Capital Markets Day 2015 remain in force with an increased focus on General Rental. A comprehensive strategy update will be completed during 2017.

# CHANGES IN GROUP STRUCTURE

During the year 2016, Ramirent Plc increased its ownership stake in Safety Solutions Jonsereds from 72.6% to 82.1%. In Finland, Teollisuuden Eristysveljet Oy was merged to Ramirent Finland Oy. In Norway, Ramirent divested its ownership in the associated assembly company Rogaland Montasje Bygg AS as part of reorganizations in the Temporary Space business.

# REVIEW BY SEGMENT

## FINLAND

*Ramirent is the largest equipment rental company in Finland. Through a network of 56 customer centers, Ramirent provides its products and services nationwide.*

| (MEUR AND %) | 10–12/16 | 10–12/15 | CHANGE | 1–12/16 | 1–12/15 | CHANGE |
|---|---|---|---|---|---|---|
| **Net sales** | 49.4 | 43.1 | 14.6% | 180.4 | 160.2 | 12.6% |
| **Comparable EBITA** | 5.8 | 5.7 | 1.4% | 23.0 | 20.3 | 13.0% |
| % of net sales | 11.8% | 13.3% | | 12.7% | 12.7% | |
| **Reported EBITA** | 5.8 | 6.5 | −10.4% | 24.0 | 21.1 | 13.8% |
| % of net sales | 11.8% | 15.0% | | 13.3% | 13.2% | |
| **Comparable ROCE (%) R12** | | | | 18.0% | 16.8% | |
| **Reported ROCE (%) R12** | | | | 18.8% | 17.5% | |

### 10–12/2016

The Finland segment's strong net sales growth continued, being 14.6% despite a strong comparison period last year. Net sales grew fastest in the Solutions business area during the quarter supported by many scaffolding and weather protection projects as well as good demand in industrial sector. In General Rental net sales grew due to continued good underlying demand in the construction sector and favorable weather conditions. The segment's comparable EBITA increased to EUR 5.8 (5.7) million in the fourth quarter. EBITA increased mainly due to strong sales growth. A higher share of service sales in the sales mix as well as higher costs and depreciation compared to the previous year had a negative impact on profitability in the quarter. The comparison period included the derecognition of a continent consideration liability amounting to EUR 0.8 million. Reported EBITA decreased to EUR 5.8 (6.5) million.

### 1–12/2016

The strong momentum in the Finnish equipment rental market continued throughout the year fueled by growing new residential construction especially in urban growth centers and large non-residential construction projects.

The Finland segment's net sales growth was strong throughout the year, being 12.6% compared to the previous year. Sales grew in all business areas based on improved underlying demand in the construction and industrial sectors.

The segment's comparable EBITA increased to EUR 23.0 (20.3) million. Strong volume growth was the main driver for the profitability improvement. However, increased fixed costs due to strengthening the organization with new recruitments and insourced personnel as well as higher depreciation after a period of increased replacement investments had a negative impact on profitability. The segment's reported EBITA was positively affected by the derecognition of a contingent consideration liability, of EUR 1.0 million. Reported EBITA increased to 24.0 (21.1) million.

## SWEDEN

*Ramirent is the second largest equipment rental company in Sweden. Through a network of 78 customer centers, Ramirent provides its products and services nationwide.*

| (MEUR AND %) | 10-12/16 | 10-12/15 | CHANGE | 1-12/16 | 1-12/15 | CHANGE |
|---|---|---|---|---|---|---|
| **Net sales** | 64.6 | 63.9 | 1.2% | 237.0 | 225.4 | 5.2% |
| **Comparable EBITA** | 9.7 | 8.3 | 16.6% | 28.8 | 29.4 | −2.3% |
| % of net sales | 15.1% | 13.1% | | 12.1% | 13.1% | |
| **Reported EBITA** | 9.7 | 8.0 | 21.6% | 26.4 | 33.0 | −19.8% |
| % of net sales | 15.1% | 12.5% | | 11.1% | 14.6% | |
| **Comparable ROCE (%) R12** | | | | 12.2% | 14.1% | |
| **Reported ROCE (%) R12** | | | | 11.0% | 16.1% | |

### 10–12/2016

The Sweden segment's reported net sales grew by 1.2% and at comparable exchange rates by 5.9%. Supported by favorable weather conditions, sales growth was mainly driven by General Rental and Temporary Space. In General Rental, sales increased strongly driven by improved demand for all main product groups. The segment's reported EBITA improved to EUR 9.7 (8.0) million driven by net sales growth, a higher share of General Rental in the sales mix and cost control. Reorganization of the scaffolding solutions business continued in the quarter.

### 1–12/2016

Overall market conditions in the Swedish equipment rental market remained favorable in 2016 as a result of the continued strong activity in the construction and industrial sector.

The Sweden segment's reported net sales increased by 5.2% and at comparable exchange rates by 6.5% compared to the previous year. Sales grew in all business areas driven by the continued favorable demand in the construction and industrial sector.

The segment's comparable EBITA declined to EUR 28.8 (29.4) million in January-December. In spite of good volume growth for the full-year, EBITA margin was burdened by costs for the reorganization of the hub structure, increased provisions for credit losses and slower than expected realization of price increases. Improved sales mix supported EBITA margin towards the end of the year. Actions to reorganize the Scaffolding solutions business were started in the second half of the year resulting in negative impact of EUR 2.2 million from Scaffolding project reassessments and EUR 0.2 million in reorganization costs. The comparison period included the derecognition of a contingent consideration liability amounting to EUR 3.8 million. Reported EBITA declined to EUR 26.4 (33.0) million.

## NORWAY

*Ramirent is the largest equipment rental company in Norway. Through a network of 42 customer centers, Ramirent provides its products and services nationwide.*

| (MEUR AND %) | 10-12/16 | 10-12/15 | CHANGE | 1-12/16 | 1-12/15 | CHANGE |
|---|---|---|---|---|---|---|
| **Net sales** | 31.5 | 29.2 | 7.7% | 120.2 | 120.7 | −0.4% |
| **Comparable EBITA** | 2.1 | 0.7 | 213.2% | 7.6 | 7.0 | 8.4% |
| % of net sales | 6.8% | 2.3% | | 6.3% | 5.8% | |
| **Reported EBITA** | 2.1 | 0.2 | n/a | 1.7 | 6.5 | −74.4% |
| % of net sales | 6.8% | 0.8% | | 1.4% | 5.4% | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Comparable ROCE (%) R12** | | | | 4.1% | 4.2% | |
| **Reported ROCE (%) R12** | | | | −1.2% | 3.8% | |

## 10–12/2016

The Norway segment's reported net sales increased by 7.7% and at comparable exchange rates by 4.3%. In General Rental, an improved demand in most of the regions and product groups drove sales growth in the fourth quarter. Sales of used equipment increased mainly due to divestments of highly customized non-standard modules as part of the plan to refocus the Temporary Space business in Norway that was announced in October 2016.

The segment's reported EBITA increased to EUR 2.1 (0.2) million. EBITA improved mainly due to net sales growth and improved sales mix. Reorganization of the Norwegian Scaffolding business to improve profitability was started.

## 1–12/2016

In 2016, the market situation varied markedly between geographical regions with slow underlying demand in Western parts of the country and improving or stable activity in other regions.

The Norway segment's reported net sales remained on a par with the previous year's level but increased by 3.5% at comparable exchange rates. Demand in General Rental increased especially in the building construction sector during the second half of the year. In Solutions, demand remained fairly stable throughout the year. In Temporary Space, demand improved slightly in the Public sector but due to continued weak demand in the Oil & Gas sector some excess fleet was sold and some relocated to the Swedish market.

The segment's comparable EBITA increased to EUR 7.6 (7.0) million in January-December. Sales growth supported EBITA but lower volumes in Temporary Space business impacted negatively on profitability. Reported EBITA was affected by asset write-downs of EUR 5.9 million related to the discontinuation of the highly customized non-standard modules business mainly offered to customers in the Oil & Gas sector. The Temporary Space business will be refocused on rental of standardized high-class modules. Reported EBITA decreased to EUR 1.7 (6.5) million. In addition, EBIT was affected by an impairment loss on associated company shares of EUR 0.8 million related to the Temporary Space business area.

# DENMARK

*Ramirent is the third largest equipment rental company in Denmark. Ramirent provides its products and services through a network of 13 customer centers.*

| (MEUR AND %) | 10–12/16 | 10–12/15 | CHANGE | 1–12/16 | 1–12/15 | CHANGE |
|---|---|---|---|---|---|---|
| **Net sales** | 10.3 | 11.1 | −7.3% | 41.7 | 42.3 | −1.3% |
| **Comparable EBITA** | 0.6 | 0.5 | 33.5% | 2.3 | 0.8 | 201.3% |
| % of net sales | 6.3% | 4.4% | | 5.5% | 1.8% | |
| **Reported EBITA** | 0.6 | 0.5 | 33.5% | 2.3 | 0.3 | n/a |
| % of net sales | 6.3% | 4.4% | | 5.5% | 0.7% | |
| **Comparable ROCE (%) R12** | | | | 6.4% | 1.3% | |
| **Reported ROCE (%) R12** | | | | 6.4% | −0.5% | |

## 10–12/2016

The Denmark segment's reported net sales decreased by 7.3% and at comparable exchange rates by 7.6%. In General Rental demand picked up towards the end of the quarter. In Solutions, sales were affected by certain project completions and more careful project selection to improve profitability. The segment's reported EBITA improved to EUR 0.6 (0.5) million in the fourth quarter. In the quarter, strict control of material and services costs as well as lower repair costs supported profitability.

## 1–12/2016

In Denmark, the overall market conditions in the equipment rental market were fairly good in 2016.

The Denmark segment's reported net sales decreased by 1.3% and at comparable exchange rates by 1.5%. In General Rental, demand was supported by good activity in residential construction and growing renovation especially in the first half of the year. Good demand for temporary space rental continued throughout the year. In addition, higher sales of used equipment had a positive impact on sales and profits.

The segment's comparable EBITA increased to EUR 2.3 (0.8) million. Despite lower volumes, EBITA improved mainly due to lower fixed costs and better control of material and services costs. Systematic cost reduction measures throughout the year have resulted in a lower cost base in the operations.

# EUROPE EAST

*The Europe East segment includes operations in Estonia, Latvia and Lithuania as well as operations of the joint venture company Fortrent Group in Russia and Ukraine. Ramirent is the largest equipment rental company in the Baltics. Through a network of 43 customer centers, Ramirent provides its products and services nationwide in all three countries.*

| (MEUR AND %) | 10–12/16 | 10–12/15 | CHANGE | 1–12/16 | 1–12/15 | CHANGE |
|---|---|---|---|---|---|---|
| **Net sales** | 9.3 | 8.8 | 5.9% | 34.4 | 34.1 | 1.0% |
| **Comparable EBITA** | 2.1 | 2.1 | 3.8% | 6.6 | 7.2 | −8.6% |
| % of net sales | 23.0% | 23.5% | | 19.2% | 21.2% | |
| **Reported EBITA** | 2.7 | 2.1 | 28.9% | 7.1 | 7.2 | −1.4% |
| % of net sales | 28.6% | 23.5% | | 20.7% | 21.2% | |
| **Comparable ROCE (%) R12** | | | | 11.6% | 15.0% | |
| **Reported ROCE (%) R12** | | | | 12.6% | 15.0% | |

## 10–12/2016

The Europe East segment's net sales grew by 5.9% compared to the previous year driven by increased rental and service sales in the quarter. Effective sales efforts by Estonian and Lithuanian organizations supported the growth in the quarter. In Latvia, sales declined reflecting low underlying demand in the construction sector. The segment's comparable EBITA remained on a par with the previous year at EUR 2.1 (2.1) million in the fourth quarter. Sales growth, lower repair and maintenance costs as well as a good customer and product mix supported profitability. Weaker development in Latvia impacted negatively on EBITA. The share of the consolidated net result from Fortrent Group to Ramirent for the fourth quarter increased to EUR 1.0 (0.2) million. Ramirent's share of Fortrent's items affecting comparability was EUR 0.5 million in the quarter. Fourth-quarter reported EBITA increased to EUR 2.7 (2.1) million.

## 1–12/2016

Equipment rental markets in Estonia and Lithuania remained fairly active in 2016, whereas in Latvia market conditions were affected by declining construction output and price pressure.

The Europe East segment's net sales increased by 1.0% compared to the previous year. Sales growth was mainly driven by good demand in the Estonian market. In Lithuania sales remained stable while decreasing in Latvia.

The segment's comparable EBITA decreased to EUR 6.6 (7.2) million in January–December. During the year, a number of cost reduction measures were implemented in Latvia due to weaker market activity. In Estonia, EBITA improved as a result of strong rental sales and improved control of material and service costs. The share of the consolidated net result from Fortrent Group to Ramirent for January–December increased to EUR 1.4 (0.4) million. Full-year 2016 reported EBITA decreased to EUR 7.1 (7.2) million.

## FORTRENT – JOINT VENTURE COMPANY IN RUSSIA AND UKRAINE

*Fortrent is the largest foreign equipment rental company in Russia. The group's operations focus on St. Petersburg, Moscow, Yekaterinburg, Rostov-on-Don and Nizhny Novgorod in Russia as well as three locations in Ukraine.*

## 10–12/2016

The Fortrent Group's reported net sales increased by 0.7% to EUR 7.8 (7.8) million but at comparable exchange rates decreased by 4.2%. The demand for equipment rental was strong in Moscow, while relatively slow activity continued in St. Petersburg. In the quarter, demand for rental equipment started to recover in Ukraine. Fourth-quarter EBITA increased to EUR 1.2 (0.9) million. EBITA improved as a result of the year-on-year sales growth, price increases and cost savings. A contingency plan was executed in St. Petersburg to mitigate the impact of lower sales on profitability. Fortrent's reported net result improved to EUR 1.8 (0.3) million in the fourth quarter. In the quarter, items affecting comparability amounted to EUR 1.0 million due to reclassification of loans in Fortrent Group. Excluding items affecting comparability, Fortrent's comparable net result was EUR 0.8 (0.3) million.

## 1–12/2016

Market conditions in Russia and Ukraine stabilized somewhat towards the end of the year. Regional differences, however, remained high throughout the year.

The Fortrent Group's net sales were down by 4.2% and amounted to EUR 29.2 (30.5) million but at comparable exchange rates increased by 4.6%. Demand started to recover in the second half of the year after a slow start to the year. Demand was strongest in Moscow, while low construction activity impacted on sales in St. Petersburg. In the other regions, sales growth was mainly supported by sales of modules to large industrial project in Volga region.

January–December EBITA increased to EUR 3.2 (2.2) million. Fortrent successfully adjusted its cost base to prevailing market conditions. Profitability was positively impacted by good development in Moscow and expansion of operations into new regions, which was further supported by sales of modules in Volga region. Fortrent's reported net result improved to EUR 2.8 (0.8) million in January–December. Excluding items affecting comparability, Fortrent's comparable net result increased to 1.7 (0.8) million.

## EUROPE CENTRAL

*The Europe Central segment includes Poland, the Czech Republic and Slovakia. Ramirent is the largest equipment rental company in Europe Central countries. Ramirent provides its products and services through a network of 58 customer centers.*

| (MEUR AND %) | 10-12/16 | 10-12/15 | CHANGE | 1-12/16 | 1-12/15 | CHANGE |
|---|---|---|---|---|---|---|
| **Net sales** | 15.7 | 15.3 | 2.6% | 55.8 | 55.4 | 0.6% |
| **Comparable EBITA** | 2.3 | 0.8 | 183.4% | 4.4 | 3.3 | 33.8% |
| % of net sales | 14.8% | 5.3% | | 7.9% | 5.9% | |
| **Reported EBITA** | 1.8 | 0.8 | 125.2% | 3.9 | 3.3 | 19.3% |
| % of net sales | 11.7% | 5.3% | | 7.0% | 5.9% | |
| **Comparable ROCE (%) R12** | | | | 7.2% | 5.6% | |
| **Reported ROCE (%) R12** | | | | 6.4% | 5.6% | |

### 10-12/2016

The Europe Central segment reported net sales were up by 2.6% and at comparable exchange rates by 4.8%. In Poland, sales were driven by improved demand in General Rental and favorable weather conditions in the fourth quarter. Net sales development was positive in Slovakia while weak in the Czech Republic. The segment's comparable EBITA increased to EUR 2.3 (0.8) million. Comparable EBITA grew as a result of improved sales mix and pricing especially in Poland and Slovakia. Profitability was also supported by early results from reorganization actions aimed at improving cost-efficiency in maintenance and repair operations, simplifying the organization and refocusing sales towards new growth initiatives. As part of these actions the segment's workforce was reduced by approximately 40 employees during the quarter and a restructuring provision of EUR 0.5 million was booked. The segment's reported EBITA improved to EUR 1.8 (0.8) million.

### 1-12/2016

Activity in the equipment rental markets improved towards end of the year especially in Poland and Slovakia. Declining construction output impacted negatively on the equipment rental market in the Czech Republic.

The Europe Central segment's reported net sales remained at the previous year's level but were up by 3.7% at comparable exchange rates. In General Rental, demand remained stable in Poland, increased in Slovakia and declined slightly in the Czech Republic due to the more challenging market conditions. In Solutions, net sales development was supported in the first half of the year by demand in large industrial projects in Poland.

The segment's comparable EBITA increased to EUR 4.4 (3.3) million. Comparable EBITA improved due to the favorable development in Poland, while a slow start to the year in Slovakia and Czech Republic impacted negatively on EBITA. However, improved pricing started to support profitability in 2016. Reorganization actions started to contribute to improving profitability in the last quarter of 2016. Reported EBITA included a restructuring provision of EUR 0.5 million related to these reorganization actions. Reported EBITA increased to EUR 3.9 (3.3) million.

RAMIRENT

## PERSONNEL AND NETWORK

At the end of December 2016, Ramirent had 2,686 (2,654) full time equivalent employees (FTE). Ramirent continued its work to develop the safety culture in the Group. In the fourth quarter, Ramirent's accident frequency (accidents per million working hours) was at 8.6 (6.9). For January–December 2016 it was at 9.3 (7.7).

| PERSONNEL AND CUSTOMER CENTERS | PERSONNEL (FTE) DEC 31, 2016 | PERSONNEL (FTE) DEC 31, 2015 | CUSTOMER CENTERS DEC 31, 2016 | CUSTOMER CENTERS DEC 31, 2015 |
|---|---|---|---|---|
| **FINLAND** | 519 | 455 | 56 | 56 |
| **SWEDEN** | 760 | 779 | 78 | 78 |
| **NORWAY** | 397 | 401 | 42 | 42 |
| **DENMARK** | 138 | 139 | 13 | 13 |
| **EUROPE EAST** | 253 | 251 | 43 | 44 |
| **EUROPE CENTRAL** | 446 | 493 | 58 | 55 |
| Group administration | 173 | 136 | – | – |
| **TOTAL** | 2,686 | 2,654 | 290 | 288 |

## CHANGES IN THE GROUP MANAGEMENT TEAM

On August 8, 2016 Tapio Kolunsarka assumed his position as the President and Chief Executive Officer of Ramirent Plc. Ramirent announced the appointment of Tapio Kolunsarka on February 23, 2016. As of May 1, 2016 Tapio Kolunsarka started working at Ramirent alongside former President and CEO Magnus Rosén who resigned from Ramirent on August 8, 2016 to pursue his career outside the company.

On August 18, 2016 Ramirent announced a new simplified Group Management structure, consisting of the members of the Executive Management Team (EMT). Previously there had also been an extended Group Management Team (GMT) consisting also of Senior Vice Presidents in addition to the EMT members. It was also announced that a new EVP of Human Resources would be recruited to be part of the new EMT. On November 30, 2016 Ulrika Dunker (41) was appointed as Executive Vice President responsible for Human Resources and a member of Ramirent Plc's Executive Management Team. Ulrika Dunker reports to President and CEO Tapio Kolunsarka and assumed her position at Ramirent after the review period on February 6, 2017.

The new Group Executive Management Team composition is as follows:
Tapio Kolunsarka, President and CEO
Pierre Brorsson, EVP and CFO
Ulrika Dunker, EVP, Human Resources
Øyvind Emblem, EVP, Norway
Mikael Kämpe, EVP, Finland
Dino Leistenschneider, EVP, Fleet and Sourcing
Heiki Onton, EVP, Baltics and Europe Central
Jonas Söderkvist, EVP, Sweden and Denmark

## TRADING IN SHARES

Ramirent Plc's market capitalization at the end of 2016 was EUR 803.3 (701.1) million. The market capitalization was EUR 796.3 (694.9) million excluding the company's treasury shares. The share price closed at EUR 7.39 (6.45). The highest quotation for the period January–December 2016 was EUR 7.91 (8.29), and the lowest EUR 5.05 (6.03). The volume weighted average trading price was EUR 6.51 (6.90).

The value of share turnover in January–December 2016 was EUR 361.7 (269.3) million, equivalent to 55,577,242 (38,995,876) traded Ramirent shares, i.e. 51.6% (35.9%) of Ramirent's number of shares outstanding. The average daily trading volume was 219,673 (155,362) shares, representing an average daily turnover of EUR 1,429,797 (1,072,908).

At the end of 2016, Ramirent Plc's share capital was EUR 25.0 million, and the total number of Ramirent shares outstanding was 107,749,314 (107,736,679). Ramirent Plc held 948,014 (960,649) of the Company's own shares at the end of the year, representing 0.87% (0.88%) of the total number of Ramirent's shares. No own shares were acquired during the year of 2016.

On August 19, 2016 Ramirent Plc received a flagging notification from Nordstjernan AB that their ownership stake in Ramirent Plc had fallen below the threshold of 25 percent. On September 27, 2016 Ramirent Plc received a flagging notification from mutual funds managed by Nordea Funds Oy that their ownership stake in Ramirent Plc had fallen below the threshold of 5 percent.

## LONG-TERM INCENTIVE PROGRAM 2016

On February 11, 2016 the Board of Directors of Ramirent Plc approved a new Long-term incentive program for the executives of the company. The potential reward from the program for the earning period 2016-2018 will be based on the Group's cumulative Economic Profit and on the Group's Total Shareholder Return (TSR). The maximum reward to be paid on the basis of the earning period 2016-2018 will correspond to the value of up to 484,168 Ramirent Plc shares (including also the proportion to be paid in cash).

## LONG-TERM INCENTIVE PROGRAM 2017

On December 14, 2016 the Board of Directors of Ramirent Plc approved a new Deferred Incentive Plan (DIP) for 2017 to maximally support the company's short-term key priority of delivering improved EBITA and to offer key employees a competitive reward and retention program. This plan will serve in 2017 as the Long-term Incentive Program as it has been called in previous years. The new incentive plan includes one earning period, calendar year 2017, with a lock-up period of two years after which the potential reward will be paid in cash in 2020. The incentive plan has been extended to include approximately 120 key employees, including the members of the Executive Management Team.

The potential reward from the incentive plan for the earning period 2017 will be based on the participant's short term incentive plan targets. In addition, to combine the objectives of the shareholders and the Executive Management Team, the total reward potential for Executive Management Team members will also be based on the Group's Total Shareholder Return (TSR) for the earning period 2017 and the two-year lock-up period. The maximum reward of the new Deferred Incentive Plan 2017 to be paid in cash in 2020 will correspond to up to 3.7 million euros.

## SETTLEMENT OF THE LONG-TERM INCENTIVE PROGRAM 2013

The Board of Directors of Ramirent Plc decided on 10 February 2016 on a directed share issue for the reward payment from the Long-term incentive program 2013. In the share issue 12,635 existing Ramirent shares were issued and conveyed without consideration to the key persons participating in the program. The value of the issued shares, EUR 88 950 was recognized in the invested unrestricted equity fund.

## DECISIONS OF THE ANNUAL GENERAL MEETING 2016

Ramirent Plc's Annual General Meeting (AGM) 2016, which was held on March 17, 2016 adopted the 2015 annual financial accounts and discharged the members of the Board of Directors and the President and CEO from liability. The dividend of EUR 0.40 per share was paid to shareholders in April 2016 in accordance with the AGM's decision.

The number of members of the Board of Directors was confirmed to be seven. Board members Ulf Lundahl, Susanna Renlund, Kevin Appleton, Kaj-Gustaf Bergh, Anette Frumerie, Tobias Lönnevall and Mats O Paulsson were re-elected for the term that will continue until the end of the next Annual General Meeting. In the formative meeting, the Board elected Ulf Lundahl to continue as Chairman and Susanna Renlund as Deputy Chairman.

The following remuneration for the Board was approved by the AGM: for the Chairman EUR 3,800 per month and additionally EUR 1,600 for attendance at meetings; for the Vice-Chairman EUR 2,500 per month and additionally EUR 1,300 for attendance at meetings; and for the members EUR 2,250 per month and additionally EUR 1,000 for attendance at meetings.

PricewaterhouseCoopers Oy ("PwC") was re-elected as the company's auditor with APA Ylva Eriksson as principally responsible auditor for the term that will continue until the end of the next AGM.

The AGM authorized the Board of Directors to decide on the repurchase of a maximum of 10,869,732 Company's own shares. The share repurchase authorization is valid until the next Annual General Meeting. In addition, the AGM authorized the Board of Directors to decide on the issuance of a maximum of 10,869,732 new shares and/or conveyance of a maximum of 10,869,732 Company's own shares. The authorization is valid until March 17, 2021.

The minutes of the AGM are available on Ramirent's website at www.ramirent.com

## LONG-TERM STRATEGIC FOCUS THEMES AND FINANCIAL TARGETS

Ramirent Group's long-term financial targets and strategic focus themes remain in effect with an increased focus on General Rental business area. A comprehensive strategy update will be completed during 2017.

### STRATEGIC FOCUS THEMES

**1. Excellent customer service and efficiency in General Rental**

General Rental business area is the "center of gravity" of Ramirent, where the objective is to fulfill customers' equipment rental and service needs conveniently and cost-efficiently. In General Rental, Ramirent aims for profitable growth through excellent customer service and efficiency by developing its sales channels, revenue management practices and securing cost leadership.

**2. Customers' business simplified with Solutions**

Customized rental solutions deliver value throughout the project life-cycle by helping customers move from several suppliers to one organization, reducing lead times, risks and costs while improving job site productivity. Solutions business area offers Ramirent improved differentiation and the opportunity to create long-standing partnerships with its customers.

**3. Building Temporary Space business**

Temporary Space business area offers growth opportunities among both Ramirent's existing and new customers. In the industry sector, Ramirent aims to grow with high-end accommodation and office modules and in the public sector with module systems adapted for e.g. preschools, schools, and health centers.

**4. Optimized fleet and supply chain**

Ramirent sees further opportunities to support profitable growth by optimizing the flow, efficiency and service level in its fleet management and supply chain.

### 5. Realizing the synergies of the One Company platform

Ramirent's objective is to leverage the synergies of One Ramirent to outperform the competition in competence and cost-efficiency.

## LONG-TERM FINANCIAL TARGETS

Ramirent's financial targets support Ramirent's profitable growth strategy:

- Annual net sales growth above GDP + 2%-points
- Return on Equity (ROE) of 12% per fiscal year
- Net debt to EBITDA below 2.5x at the end of each fiscal year
- Dividend payout ratio of at least 40% of net profit

# RISK MANAGEMENT AND BUSINESS RISKS

Risks are events or circumstances, which, if materialized, can either positively or negatively affect the chances of Ramirent achieving its targets. The purpose of risk management in Ramirent is to ensure continuity of operations and achievement of objectives.

The Board of Directors approves the Risk Management Policy. The risk management process is continuous. Regular risk assessments are conducted as part of the business planning and reported to the Board quarterly. An essential part of Ramirent's risk management is to maintain and develop appropriate insurance coverage of our fleet. Group insures personnel, financial, operative and hazard risks, which after risk management measures remain above Group´s risk retention limit and are cost-effective to insure.

Ramirent Risk Management Policy has been developed based on the COSO ERM Framework, the ISO 31000 standard "Risk Management - Principles and Guidelines" and corporate governance best practices. The Risk Management Policy has been a starting point for other policies in Ramirent, also the Internal Control Policy which has been developed based on the COSO 2013 framework.

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

Changes in the demand of customer industries may affect Ramirent's operations as well as its financial position. Such changes may relate to economic cycles and changes in strategies of our customers, product requirements or environmental aspects. Ramirent strives to reduce risk by seeking contracts with longer durations and maintaining a large diversified customer base covering a wide range of industry sectors although the construction sector is still the largest single customer sector.

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

Ramirent operates flexibly by offering general rental services from single product to managing the entire fleet capacity for a customer project site with technical support and local presence. Ramirent continues to invest in personnel education and develop tools for project management in order to run projects professionally and cost-effectively.

A common fleet structure has been created. Ramirent has identified further opportunities to support profitable growth by optimizing the flow, efficiency and service level in fleet management and supply chain. Ramirent aims to achieve this by optimizing its equipment assortment, balancing demand and supply, maximizing fleet availability and at the same time reduce operational costs.

Ramirent's operations are dependent on external, internal and embedded information technology services and solutions. Ramirent aims to use reliable information technology solutions and information security management to avoid interruptions, exposure to data loss and compromised confidentiality or usability of information.

The companies in the Ramirent Group share common basic processes, infrastructure and to a certain degree business systems. With that back-bone Ramirent aims to leverage synergies and create stability, yet being flexible and adaptive in all its local markets. Ramirent continues to develop the performance culture and drive continuous improvements that will in the end generate shared value for the Group and its customers.

Operating in diversified markets includes risks of non-compliance to the local laws and regulations. Special attention to local laws and regulations is given when drafting common operating principles and procedures. Ramirent has a decentralized organization model, which implies a high degree of autonomy for its business units. Managing business in such organization imposes requirements on reporting and control, which may be cumbersome for the organization and could make it difficult for Group management to implement measures quickly at the business unit level in changing circumstances. Ramirent has developed the communication and training of Group instructions, and continues to improve reporting quality.

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

Ramirent is subject to certain financial risks such as foreign currency, interest rate, liquidity and funding risks. The financial risk management in Ramirent strives to secure the sufficient funding for operational needs and to minimize the funding costs and the effects of changes in foreign exchange rates, interest rates and other financial risks cost-effectively. Fluctuations in currency exchange rates can significantly affect Ramirent's financial result. The effect of exchange rate fluctuations is visible when translating the net sales and financial results of our subsidiaries outside the eurozone into euros. Changes in the exchange rates may increase or decrease net sales or results. Hedging operations are managed centrally by Group Treasury.

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

## EVENTS AFTER THE END OF THE REVIEW PERIOD

The Board of Directors of Ramirent Plc has on February 16, 2017 decided on a directed share issue for the reward payment from Ramirent Long-term incentive program 2014. A total of 18,920 of Ramirent Plc's treasury shares are conveyed without consideration to the key employees participating in the Ramirent Long-term Incentive Program 2014 under the terms and conditions of the plan.

In addition, a total of 228,344 of Ramirent Plc's treasury shares are conveyed without consideration to the management of Ramirent's subsidiary Safety Solutions Jonsereds AB as a part of the purchase price for the minority stake

Following the directed share issue, the number of treasury shares stands at 700,750 shares.

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## RAMIRENT'S GUIDANCE FOR 2017

In 2017, Ramirent's comparable EBITA is expected to increase from the level in 2016.

## PROPOSAL OF THE BOARD ON THE USE OF DISTRIBUTABLE FUNDS

The parent company's distributable equity on December 31, 2016 amounted to EUR 270,801,022.76 of which the net result from the financial year 2016 is EUR -545 151.16.

The Board of Directors proposes to the Annual General Meeting 2017 that a dividend of EUR 0.40 (0.40) per share be paid based on the adopted balance sheet for the financial year ended on December 31, 2016. The proposed dividend will be paid to shareholders registered in Ramirent's shareholder register maintained by Euroclear Finland Ltd on the record date for dividend payment. The dividend is proposed to be paid in two equal installments of EUR 0.20 per share, the first with record date March 20, 2017 and the second with record date September 18, 2017. If the Meeting decides as proposed, the first installment is expected to be paid on April 4, 2017 for shareholders whose shares are registered in Euroclear Finland Ltd and on April 5, 2017 for shareholders whose shares are registered in Euroclear Sweden AB. The second installment is expected to be paid on October 3, 2017 and respectively, on October 4, 2017. The Board of Directors is authorized to set a new dividend record date and payment date for the second installment of the dividend, in case the rules and regulations of the Finnish book-entry system would be changed, or otherwise so require, prior to the payment of the second installment. The proposed dividend represents a 195% (111%) payout ratio for 2016 which is above Ramirent's long-term financial target to payout at least 40% of net profit in dividend. The proposed dividend is not reflected in the year 2016 financial statements. The dividends paid in 2016 were EUR 0.40 per share totaling EUR 43,099,725.60.

## CORPORATE GOVERNANCE STATEMENT

Ramirent has issued a Corporate Governance Statement for financial year 2016 as a separate report which is available in Ramirent's Financial Statements 2016 and on the company's web pages at www.ramirent.com

## ANNUAL GENERAL MEETING 2017

Ramirent's Annual General Meeting 2017 will be held on March 16, 2017 at 10:00 a.m. at Finlandia Hall, Mannerheimintie 13e, Helsinki, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 09:00 a.m.

## **FORWARD–LOOKING** STATEMENTS

Certain statements in this report, which are not historical facts, including, without limitation, those regarding expectations for general economic development and market situation; regarding customer industry profitability and investment willingness; regarding Company growth, development and profitability; regarding cost savings; regarding fluctuations in exchange rates and interest levels; regarding the success of pending and future acquisitions and restructurings; and statements preceded by "believes," "expects," "anticipates," "foresees" or similar expressions are forward–looking statements. These statements are based on current expectations and currently known facts. Therefore, they involve risks and uncertainties that may cause actual results to differ materially from results currently expected by the Company. In conjunction with the strategy process, Ramirent's Board of Directors assesses the need to revise the financial targets. Changes in financial targets are published as a stock exchange release. Based on its financial targets and the current market outlook, Ramirent gives a general outlook for the current financial year in conjunction with the full year report and interim reports. The outlook is given for the entire year and not for each quarter.

# TABLES

This interim report has been prepared in accordance with IAS 34 Interim financial reporting. The accounting principles described in the Group's annual financial statements for the year ended December 31, 2015 have been applied except for the new and revised IFRS standards adopted from January 1, 2016.

Consolidated financial statements have been presented in thousand euros unless otherwise stated. All figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

The financial information in this interim report has not been audited.

| CONSOLIDATED STATEMENT OF INCOME | 10-12/16 | 10-12/15 | 1-12/16 | 1-12/15 |
|---|---|---|---|---|
| (EUR 1,000) | | | | |
| Rental sales | 112,304 | 104,133 | 417,168 | 397,810 |
| Ancillary sales | 60,766 | 58,739 | 222,616 | 214,335 |
| Sales of equipment | 7,405 | 7,585 | 25,380 | 23,463 |
| **NET SALES** | 180,475 | 170,457 | 665,164 | 635,608 |
| | | | | |
| Materials and services | −67,234 | −66,654 | −245,875 | −238,499 |
| **GROSS PROFIT** | 113,240 | 103,803 | 419,288 | 397,109 |
| | | | | |
| Other operating income | 369 | 1,678 | 2,297 | 7,300 |
| Employee benefit expenses | −43,319 | −39,232 | −164,950 | −151,383 |
| Other operating expenses | −23,317 | −22,725 | −88,894 | −85,519 |
| Share of result of associates and joint ventures | 887 | 203 | 1,309 | 543 |
| Depreciation, amortization and impairment charges | −28,660 | −29,152 | −130,697 | −110,110 |
| **EBIT** | 19,201 | 14,574 | 38,353 | 57,941 |
| | | | | |
| Financial income | 909 | 2,847 | 9,179 | 13,045 |
| Financial expenses | −3,949 | −4,716 | −19,428 | −24,131 |
| Total financial income and expenses | −3,039 | −1,868 | −10,249 | −11,086 |
| **EBT** | 16,162 | 12,706 | 28,104 | 46,855 |
| Income taxes | −3,769 | −1,379 | −6,273 | −8,057 |
| **RESULT FOR THE PERIOD** | 12,392 | 11,326 | 21,832 | 38,797 |
| | | | | |
| Result for the period attributable to: | | | | |
| Shareholders of the parent company | 12,542 | 11,467 | 22,081 | 38,975 |
| Non-controlling interests | −150 | −141 | −249 | −178 |
| **TOTAL** | 12,392 | 11,326 | 21,832 | 38,797 |
| | | | | |
| **Earnings per share (EPS) on parent company shareholders' share of result** | | | | |
| Basic, EUR | 0.12 | 0.11 | 0.20 | 0.36 |
| Diluted, EUR | 0.12 | 0.11 | 0.20 | 0.36 |

| CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME | 10-12/16 | 10-12/15 | 1-12/16 | 1-12/15 |
|---|---|---|---|---|
| (EUR 1,000) | | | | |
| **RESULT FOR THE PERIOD** | 12,392 | 11,326 | 21,832 | 38,797 |
| Other comprehensive income: | | | | |
| | | | | |
| **Items that will not be reclassified to profit or loss:** | | | | |
| Remeasurement of defined benefit obligation, net of tax | 1,554 | 1,007 | −940 | 1,007 |
| | | | | |
| **Items that may be reclassified to profit or loss in subsequent periods:** | | | | |
| Translation differences | −180 | 2,684 | −3,285 | −769 |
| Cash flow hedges, net of tax | 516 | 119 | 323 | 211 |
| Share of other comprehensive income of associates and joint ventures | 1,173 | −1,740 | 3,348 | −2,033 |
| Available for sale financial assets | – | −1 | – | −6 |
| **TOTAL** | 1,509 | 1,062 | 385 | −2,597 |
| | | | | |
| **OTHER COMPREHENSIVE INCOME FOR THE PERIOD** | 3,063 | 2,068 | −555 | −1,590 |

| | | | | |
|---|---|---|---|---|
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | 15,455 | 13,395 | 21,277 | 37,207 |
| | | | | |
| Total comprehensive income for the period attributable to: | | | | |
| Shareholders of the parent company | 15,605 | 13,536 | 21,526 | 37,386 |
| Non-controlling interests | −150 | −141 | −249 | −178 |
| **TOTAL** | 15,455 | 13,395 | 21,277 | 37,207 |

| CONSOLIDATED STATEMENT OF FINANCIAL POSITION | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (EUR 1,000) | | |
| **ASSETS** | | |
| **NON–CURRENT ASSETS** | | |
| Goodwill | 138,499 | 139,656 |
| Other intangible assets | 29,668 | 46,361 |
| Property, plant and equipment | 495,334 | 425,645 |
| Investments in associates and joint ventures | 8,082 | 4,296 |
| Non-current receivables | 13,751 | 15,277 |
| Available-for-sale financial assets | 101 | 134 |
| Deferred tax assets | 578 | 852 |
| **TOTAL NON–CURRENT ASSETS** | 686,013 | 632,221 |
| | | |
| **CURRENT ASSETS** | | |
| Inventories | 11,194 | 15,912 |
| Trade and other receivables | 124,428 | 117,450 |
| Current tax assets | 6,850 | 4,420 |
| Cash and cash equivalents | 1,570 | 571 |
| **TOTAL CURRENT ASSETS** | 144,041 | 138,353 |
| | | |
| **TOTAL ASSETS** | 830,054 | 770,574 |
| | | |
| **EQUITY AND LIABILITIES** | | |
| **EQUITY** | | |
| Share capital | 25,000 | 25,000 |
| Revaluation fund | −443 | −770 |
| Invested unrestricted equity fund | 113,951 | 113,862 |
| Retained earnings from previous years | 136,979 | 141,819 |
| Result for the period | 22,081 | 38,975 |
| Equity attributable to the parent company shareholders | 297,568 | 318,886 |
| | | |
| Non-controlling interests | – | 199 |
| | | |
| **TOTAL EQUITY** | 297,568 | 319,085 |
| | | |
| **NON–CURRENT LIABILITIES** | | |
| Deferred tax liabilities | 47,427 | 49,183 |
| Pension obligations | 20,005 | 18,009 |
| Non–current provisions | 589 | 2,234 |
| Non–current interest–bearing liabilities | 186,991 | 183,220 |
| Other non–current liabilities | 4,749 | 9,446 |
| **TOTAL NON–CURRENT LIABILITIES** | 259,762 | 262,091 |
| | | |
| **CURRENT LIABILITIES** | | |
| Trade payables and other liabilities | 108,579 | 87,532 |
| Current provisions | 1,834 | 920 |

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| | | |
|---|---|---|
| Current tax liabilities | 1,885 | 2,740 |
| Current interest–bearing liabilities | 160,426 | 98,206 |
| **TOTAL CURRENT LIABILITIES** | 272,724 | 189,398 |
| | | |
| | | |
| **TOTAL LIABILITIES** | 532,486 | 451,489 |
| | | |
| **TOTAL EQUITY AND LIABILITIES** | 830,054 | 770,574 |

| CONSOLIDATED CASH FLOW STATEMENT | 10–12/16 | 10–12/15 | 1–12/16 | 1–12/15 |
|---|---|---|---|---|
| (EUR 1,000) | | | | |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| EBT | 16,162 | 12,706 | 28,104 | 46,855 |
| Adjustments | | | | |
| Depreciation, amortization and impairment charges | 28,660 | 29,152 | 130,697 | 110,110 |
| Adjustment for proceeds from sale of used rental equipment | 2,791 | 2,446 | 8,992 | 9,023 |
| Financial income and expenses | 3,039 | 1,868 | 10,249 | 11,086 |
| Other adjustments | 3,700 | −1,387 | 306 | −8,184 |
| Cash flow from operating activities before change in working capital | 54,352 | 44,785 | 178,348 | 168,890 |
| | | | | |
| Change in working capital | | | | |
| Change in trade and other receivables | 994 | 12,340 | −10,377 | −9,903 |
| Change in inventories | 575 | 1,229 | 1,711 | −3,776 |
| Change in non-interest-bearing liabilities | −1,835 | −9,709 | 15,280 | 2,658 |
| Cash flow from operating activities before interests and taxes | 54,086 | 48,645 | 184,962 | 157,868 |
| | | | | |
| Interest paid | −245 | −1,251 | −8,024 | −8,858 |
| Interest received | 292 | 97 | 826 | 543 |
| Income tax paid | 3,016 | −2,481 | −9,815 | −13,227 |
| **NET CASH FLOW FROM OPERATING ACTIVITIES** | 57,150 | 45,009 | 167,951 | 136,327 |
| | | | | |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Acquisition of businesses and subsidiaries, net of cash | −710 | −5,784 | −835 | −11,984 |
| Investment in associates and joint ventures | – | – | – | −736 |
| Investment in tangible non-current assets (rental machinery) | −33,721 | −30,638 | −165,836 | −123,766 |
| Investment in other tangible non-current assets | −11,968 | −2,107 | −21,716 | −3,527 |
| Investment in intangible non-current assets | −1,062 | −2,465 | −3,256 | −6,371 |
| Proceeds from sale of tangible and intangible non-current assets (excluding used rental equipment) | 460 | 188 | 579 | 410 |
| Proceeds from sales of other investments | | – | – | 750 |
| Loan receivables, increase, decrease and other changes | 870 | 1,139 | 2,340 | 2,389 |
| Proceeds from sale of associated companies | 84 | – | 84 | – |
| Received dividends | 31 | – | 31 | 182 |
| **NET CASH FLOW FROM INVESTING ACTIVITIES** | −46,016 | −39,666 | −188,609 | −142,654 |

| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
|---|---|---|---|---|
| Paid dividends | – | – | −43,100 | −43,095 |
| Changes in ownership interests in subsidiaries | – | – | −1,441 | −5,475 |
| Borrowings and repayments of short-term debt (net) | −18,764 | −7,905 | 70,181 | 71,605 |
| Borrowings of non-current debt | 75,162 | – | 87,561 | – |
| Repayments of non-current debt | −70,356 | – | −91,543 | −19,267 |
| **NET CASH FLOW FROM FINANCING ACTIVITIES** | −13,957 | −7,905 | 21,658 | 3,768 |
| | | | | |
| **NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR** | −2,823 | −2,562 | 999 | −2,559 |
| | | | | |
| Cash at the beginning of the period | 4,393 | 3,133 | 571 | 3,129 |
| Change in cash | −2,823 | −2,562 | 999 | −2,559 |
| Cash at the end of the period | 1,570 | 571 | 1,570 | 571 |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| (EUR 1,000) | Share capital | Revaluation fund | Invested unrestricted equity fund | Translation differences | Retained earnings | Equity attributable to shareholders of the parent company | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|
| **EQUITY Jan 1, 2015** | 25,000 | −976 | 113,767 | −35,712 | 222,220 | 324,299 | 693 | 324,992 |
| Translation differences | – | – | – | −769 | – | −769 | – | −769 |
| Remeasurement of defined benefit obligation | – | – | – | – | 1,007 | 1,007 | – | 1,007 |
| Cash flow hedges | – | 211 | – | – | – | 211 | – | 211 |
| Share of other comprehensive income of associates and joint ventures | – | – | – | −2,033 | – | −2,033 | – | −2,033 |
| Available for sale investments | – | −6 | – | – | – | −6 | – | −6 |
| Result for the period | – | – | – | – | 38,975 | 38,975 | −178 | 38,797 |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | **–** | **206** | **–** | **−2,802** | **39,982** | **37,386** | **−178** | **37,207** |
| Share based payments | – | – | – | – | −115 | −115 | – | −115 |
| Issue of treasury shares | – | – | 95 | – | – | 95 | – | 95 |
| Dividend distribution | – | – | – | – | −43,095 | −43,095 | – | −43,095 |
| Changes in ownership interests in subsidiaries | – | – | – | – | 316 | 316 | −316 | 0 |
| **TOTAL TRANSACTIONS WITH SHAREHOLDERS** | **–** | **–** | **95** | **–** | **−42,894** | **−42,799** | **−316** | **−43,115** |
| **EQUITY Dec 31, 2015** | **25,000** | **−770** | **113,862** | **−38,514** | **219,309** | **318,886** | **199** | **319,085** |
| Translation differences | – | 5 | – | −3,290 | – | −3,285 | – | −3,285 |
| Remeasurement of defined benefit obligation | – | – | – | – | −940 | −940 | – | −940 |
| Cash flow hedges | – | 323 | – | – | – | 323 | – | 323 |
| Share of other comprehensive income of associates and joint ventures | – | – | – | 3,348 | - | 3,348 | – | 3,348 |
| Result for the period | – | – | – | – | 22,081 | 22,081 | −249 | 21,832 |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | **–** | **328** | **–** | **57** | **21,141** | **21,526** | **−249** | **21,277** |
| Share based payments | – | – | – | – | 217 | 217 | – | 217 |
| Issue of treasury shares | – | – | 89 | – | – | 89 | – | 89 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Dividend distribution | – | – | – | – | −43,100 | −43,100 | – | −43,100 |
| Acquisition of subsidiary with non-controlling interests | – | – | – | – | −50 | −50 | 50 | – |
| **TOTAL TRANSACTIONS WITH SHAREHOLDERS** | **–** | **–** | **89** | **–** | **−42,933** | **−42,844** | **50** | **−42,793** |
| **EQUITY Dec 31, 2016** | **25,000** | **−433** | **113,951** | **−38,457** | **197,517** | **297,568** | **–** | **297,568** |

| KEY FINANCIAL FIGURES | 10–12/16 | 10–12/15 | 1–12/16 | 1–12/15 |
|---|---|---|---|---|
| (MEUR) | | | | |
| Net sales | 180.5 | 170.5 | 665.2 | 635.6 |
| Change in net sales, % | 5.9% | 6.1% | 4.6% | 3.6% |
| EBITDA | 47.9 | 43.7 | 169.0 | 168.1 |
| % of net sales | 26.5% | 25.7% | 25.4% | 26.4% |
| EBITA | 21.2 | 16.8 | 59.2 | 66.8 |
| % of net sales | 11.7% | 9.9% | 8.9% | 10.5% |
| EBIT | 19.2 | 14.6 | 38.4 | 57.9 |
| % of net sales | 10.6% | 8.5% | 5.8% | 9.1% |
| EBT | 16.2 | 12.7 | 28.1 | 46.9 |
| % of net sales | 9.0% | 7.5% | 4.2% | 7.4% |
| Result for the period attributable to the owners of the parent company | 12.5 | 11.5 | 22.1 | 39.0 |
| % of net sales | 6.9% | 6.7% | 3.3% | 6.1% |
| | | | | |
| Gross capital expenditure | 47.0 | 42.0 | 190.8 | 139.2 |
| % of net sales | 26.0% | 24.6% | 28.7% | 21.9% |
| Capital employed at the end of period | | | 645.0 | 600.5 |
| Return on capital employed (ROCE),% (R12) | | | 6.2% | 10.0% |
| Return on invested capital (ROI),% (R12)[1)] | | | 6.4% | 10.1% |
| Return on equity (ROE),% (R12) | | | 7.2% | 12.1% |
| | | | | |
| Interest-bearing debt | | | 347.4 | 281.4 |
| Net debt | | | 345.8 | 280.9 |
| Net debt to EBITDA ratio (R12) | | | 2.0x | 1.7x |
| Gearing,% | | | 116.2% | 88.0% |
| Equity ratio,% | | | 35.9% | 41.4% |
| | | | | |
| Personnel average during reporting period | | | 2,706 | 2,639 |
| Personnel at end of period (FTE) | | | 2,686 | 2,654 |

1) Calculation formula for Return on invested capital (ROI) is changed beginning from 2016. In the new formula exchange rates differences are excluded from the key figure nominator. The comparative information is adjusted accordingly.

| SHARE-RELATED KEY FIGURES | 10–12/16 | 10–12/15 | 1–12/16 | 1–12/15 |
|---|---|---|---|---|
| | | | | |
| Earnings per share (EPS), diluted, EUR | 0.12 | 0.11 | 0.20 | 0.36 |
| Earnings per share (EPS), non-diluted, EUR | 0.12 | 0.11 | 0.20 | 0.36 |
| | | | | |
| Equity per share, at end of reporting period, diluted, EUR | | | 2.76 | 2.96 |
| Equity per share, at end of reporting period, non-diluted, EUR | | | 2.76 | 2.96 |
| | | | | |
| Dividend per share, EUR | | | 0.40 | 0.40 |
| Payout ratio, % | | | 195% | 111% |
| Effective dividend yield, % | | | 5.4% | 6.2% |

| | | | | |
|---|---|---|---|---|
| Price/earnings ratio (P/E)[1] | | | 36.1 | 17.8 |
| | | | | |
| Highest share price, EUR | | | 7.91 | 8.29 |
| Lowest share price, EUR | | | 5.05 | 6.03 |
| Average share price, EUR | | | 6.51 | 6.90 |
| Share price at end of reporting period, EUR | | | 7.39 | 6.45 |
| | | | | |
| Market capitalization at end of reporting period, EUR million | | | 796.3 | 694.9 |
| | | | | |
| Number of shares traded (thousands) | | | 55,577.2 | 38,995.9 |
| Shares traded, % of total number of shares | | | 51.1% | 35.9% |
| | | | | |
| Number of shares, weighted average, diluted | | | 107,747,243 | 107,734,564 |
| Number of shares, weighted average, non–diluted | | | 107,747,243 | 107,734,564 |
| Number of shares, at end of reporting period, diluted | | | 107,749,314 | 107,736,679 |
| Number of shares, at end of reporting period, non–diluted | | | 107,749,314 | 107,736,679 |

1) Rolling 12 months

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### Segment information

Segment information is presented according to the IFRS standards. Items below EBIT – financial items and taxes – are not allocated to the segments.

| NET SALES | 10-12/16 | 10-12/15 | 1-12/16 | 1-12/15 |
|---|---|---|---|---|
| (MEUR) | | | | |
| **FINLAND** | | | | |
| - Net sales (external) | 49.4 | 42.8 | 180.1 | 159.6 |
| - Inter-segment sales | 0.0 | 0.2 | 0.3 | 0.6 |
| **SWEDEN** | | | | |
| - Net sales (external) | 64.4 | 63.3 | 236.7 | 224.0 |
| - Inter-segment sales | 0.2 | 0.6 | 0.4 | 1.4 |
| **NORWAY** | | | | |
| - Net sales (external) | 31.5 | 29.2 | 117.0 | 120.5 |
| - Inter-segment sales | 0.0 | 0.0 | 3.2 | 0.2 |
| **DENMARK** | | | | |
| - Net sales (external) | 10.2 | 11.1 | 41.3 | 42.2 |
| - Inter-segment sales | 0.0 | 0.0 | 0.4 | 0.1 |
| **EUROPE EAST** | | | | |
| - Net sales (external) | 9.3 | 8.8 | 34.4 | 34.0 |
| - Inter-segment sales | 0.0 | 0.0 | 0.0 | 0.1 |
| **EUROPE CENTRAL** | | | | |
| - Net sales (external) | 15.7 | 15.3 | 55.7 | 55.4 |
| - Inter-segment sales | 0.0 | 0.0 | 0.1 | 0.1 |
| Eliminations of sales between segments | −0.3 | −0.9 | −4.4 | −2.5 |
| **GROUP NET SALES** | 180.5 | 170.5 | 665.2 | 635.6 |

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| EBITA | 10-12/16 | 10-12/15 | 1-12/16 | 1-12/15 |
|---|---|---|---|---|
| (MEUR and % of net sales) | | | | |
| **FINLAND** | 5.8 | 6.5 | 24.0 | 21.1 |
| % of net sales | 11.8% | 15.0% | 13.3% | 13.2% |
| **SWEDEN** | 9.7 | 8.0 | 26.4 | 33.0 |
| % of net sales | 15.1% | 12.5% | 11.1% | 14.6% |
| **NORWAY** | 2.1 | 0.2 | 1.7 | 6.5 |
| % of net sales | 6.8% | 0.8% | 1.4% | 5.4% |
| **DENMARK** | 0.6 | 0.5 | 2.3 | 0.3 |
| % of net sales | 6.3% | 4.4% | 5.5% | 0.7% |
| **EUROPE EAST** | 2.7 | 2.1 | 7.1 | 7.2 |
| % of net sales | 28.6% | 23.5% | 20.7% | 21.2% |
| **EUROPE CENTRAL** | 1.8 | 0.8 | 3.9 | 3.3 |
| % of net sales | 11.7% | 5.3% | 7.0% | 5.9% |
| Unallocated items | −1.7 | −1.3 | −6.2 | −4.6 |
| **GROUP EBITA** | 21.2 | 16.8 | 59.2 | 66.8 |
| % of net sales | 11.7% | 9.9% | 8.9% | 10.5% |

| EBIT | 10-12/16 | 10-12/15 | 1-12/16 | 1-12/15 |
|---|---|---|---|---|
| (MEUR and % of net sales) | | | | |
| **FINLAND** | 5.6 | 6.2 | 22.6 | 19.8 |
| % of net sales | 11.3% | 14.4% | 12.6% | 12.4% |
| **SWEDEN** | 8.9 | 6.8 | 22.1 | 28.5 |
| % of net sales | 13.7% | 10.6% | 9.3% | 12.6% |
| **NORWAY** | 1.7 | 0.3 | −1.4 | 4.7 |
| % of net sales | 5.5% | 0.9% | −1.2% | 3.9% |
| **DENMARK** | 0.5 | 0.4 | 1.8 | −0.1 |
| % of net sales | 5.3% | 3.4% | 4.4% | −0.3% |
| **EUROPE EAST** | 2.6 | 2.0 | 7.1 | 7.1 |
| % of net sales | 28.4% | 23.3% | 20.5% | 21.0% |
| **EUROPE CENTRAL** | 1.8 | 0.8 | 3.8 | 3.1 |
| % of net sales | 11.6% | 5.1% | 6.8% | 5.7% |
| Unallocated items | −2.0 | −1.9 | −17.7 | −5.2 |
| **GROUP EBIT** | 19.2 | 14.6 | 38.4 | 57.9 |
| % of net sales | 10.6% | 8.5% | 5.8% | 9.1% |

| DEPRECIATION, AMORTIZATION AND IMPAIRMENT CHARGES | 10-12/16 | 10-12/15 | 1-12/16 | 1-12/15 |
|---|---|---|---|---|
| (MEUR) | | | | |
| **FINLAND** | | | | |
| Depreciation and impairment charges | 6.7 | 6.2 | 26.5 | 24.2 |
| Amortization and impairment charges | 0.2 | 0.3 | 1.3 | 1.2 |
| **SWEDEN** | | | | |
| Depreciation and impairment charges | 8.4 | 8.8 | 32.8 | 31.0 |
| Amortization and impairment charges | 0.9 | 1.2 | 4.3 | 4.5 |
| **NORWAY** | | | | |
| Depreciation and impairment charges | 4.9 | 5.5 | 24.5 | 21.8 |
| Amortization and impairment charges | 0.4 | 0.0 | 3.1 | 1.9 |
| **DENMARK** | | | | |
| Depreciation and impairment charges | 1.5 | 1.5 | 6.0 | 5.6 |
| Amortization and impairment charges | 0.1 | 0.1 | 0.5 | 0.4 |
| **EUROPE EAST** | | | | |
| Depreciation and impairment charges | 1.9 | 1.9 | 7.6 | 7.3 |

| | | | | |
|---|---|---|---|---|
| Amortization and impairment charges | 0.0 | 0.0 | 0.1 | 0.1 |
| **EUROPE CENTRAL** | | | | |
| Depreciation and impairment charges | 3.2 | 3.0 | 12.7 | 11.7 |
| Amortization and impairment charges | 0.0 | 0.0 | 0.1 | 0.1 |
| Unallocated depreciation, impairment charges and eliminations | −0.1 | −0.1 | −0.3 | −0.4 |
| Unallocated amortization, impairment charges and eliminations | 0.3 | 0.6 | 11.5 | 0.6 |
| **Depreciation and impairment charges total** | 26.7 | 26.9 | 109.8 | 101.3 |
| **Amortization and impairment charges total** | 2.0 | 2.2 | 20.9 | 8.8 |
| **TOTAL** | 28.7 | 29.2 | 130.7 | 110.1 |

| ASSETS ALLOCATED TO SEGMENTS | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (MEUR) | | |
| **FINLAND** | 172.6 | 152.2 |
| **SWEDEN** | 294.1 | 287.3 |
| **NORWAY** | 162.1 | 154.3 |
| **DENMARK** | 37.0 | 32.0 |
| **EUROPE EAST** | 68.5 | 58.2 |
| **EUROPE CENTRAL** | 73.8 | 64.8 |
| Unallocated items and eliminations | 22.0 | 21.7 |
| **TOTAL** | 830.1 | 770.6 |

| NON-INTEREST BEARING LIABLITIES ALLOCATED TO SEGMENT | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (MEUR) | | |
| **FINLAND** | 52.3 | 31.7 |
| **SWEDEN** | 92.0 | 88.3 |
| **NORWAY** | 36.6 | 33.4 |
| **DENMARK** | 6.3 | 6.1 |
| **EUROPE EAST** | 7.7 | 6.7 |
| **EUROPE CENTRAL** | 9.7 | 10.1 |
| Unallocated items and eliminations | −19.5 | −6.1 |
| **TOTAL** | 185.1 | 170.1 |

| CAPITAL EMPLOYED ALLOCATED TO SEGMENTS | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (MEUR) | | |
| **FINLAND** | 120.2 | 120.6 |
| **SWEDEN** | 202.1 | 199.0 |
| **NORWAY** | 125.4 | 120.9 |
| **DENMARK** | 30.7 | 26.0 |
| **EUROPE EAST** | 60.8 | 51.5 |
| **EUROPE CENTRAL** | 64.2 | 54.7 |
| Unallocated items and eliminations | 41.5 | 27.8 |
| **TOTAL** | 645.0 | 600.5 |

| REPORTED RETURN ON CAPITAL EMPLOYED (ROCE %, ROLLING 12 MONTHS) BY SEGMENT | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (%) | | |
| **FINLAND** | 18.8% | 17.5% |
| **SWEDEN** | 11.0% | 16.1% |
| **NORWAY** | −1.2% | 3.8% |
| **DENMARK** | 6.4% | −0.5% |
| **EUROPE EAST** | 12.6% | 15.0% |
| **EUROPE CENTRAL** | 6.4% | 5.6% |
| **GROUP** | 6.2% | 10.0% |

| COMPARABLE RETURN ON CAPITAL EMPLOYED (ROCE %, ROLLING 12 MONTHS) BY SEGMENT | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (%) | | |
| **FINLAND** | 18.0% | 16.8% |
| **SWEDEN** | 12.2% | 14.1% |
| **NORWAY** | 4.1% | 4.2% |
| **DENMARK** | 6.4% | 1.3% |
| **EUROPE EAST** | 11.6% | 15.0% |
| **EUROPE CENTRAL** | 7.2% | 5.6% |
| **GROUP** | 9.3% | 9.4% |

| CHANGE IN TANGIBLE AND INTANGIBLE ASSETS AND INVESTMENTS | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (MEUR) | | |
| **Carrying value Jan 1, 2016** | 616.1 | 597.9 |
| Depreciation, amortization and impairment charges | −130.7 | −110.1 |
| Additions | | |
| Machinery and equipment | 165.6 | 126.1 |
| Other tangible and intangible assets | 25.2 | 12.3 |
| Investments in associates and joint ventures | – | 0.7 |
| Decreases | | |
| Sales of rental assets | −9.0 | −8.9 |
| Sales of other assets | −0.6 | −0.3 |
| Changes in equity accounted investments | 4.6 | −1.7 |
| Other* | 0.5 | 0.0 |
| **Carrying value at the end of reporting period** | 671.7 | 616.1 |

*Other includes translation differences, reclassifications and changes in estimated considerations for acquisitions

| CONTINGENT LIABILITIES | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (MEUR) | | |
| Other pledged assets | 0.1 | – |
| | | |
| Surety ships | 3.0 | 2.6 |
| Committed investments | 30.5 | 26.3 |
| | | |
| Non-cancellable minimum future operating lease payments | 82.1 | 89.4 |
| Group share of commitments in joint ventures | 0.1 | 0.1 |
| **Off-balance sheet total** | 115.8 | 118.3 |

| OBLIGATIONS ARISING FROM DERIVATIVE INSTRUMENTS | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (MEUR) | | |
| Cross-currency and interest rate swaps | | |
| Nominal value of underlying object | 97.7 | 57.0 |
| Fair value of the derivative instruments | −0.7 | −1.2 |
| | | |
| Foreign currency forwards | | |
| Nominal value of underlying object | 61.1 | 43.1 |
| Fair value of the derivative instruments | −0.3 | 0.3 |
| | | |

## FAIR VALUED FINANCIAL ASSETS LEVELS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

| 31/12/2016 | LEVEL 1 | LEVEL 2 | LEVEL 3 |
|---|---|---|---|
| (MEUR) | | | |
| Cross currency and interest rate swaps | – | −0.7 | – |
| Foreign currency forwards | – | −0.3 | – |
| Contingent considerations | – | – | 3.9 |

| 31/12/2015 | LEVEL 1 | LEVEL 2 | LEVEL 3 |
|---|---|---|---|
| (MEUR) | | | |
| Cross currency and interest rate swaps | – | −1.2 | – |
| Foreign currency forwards | – | 0.3 | – |
| Contingent considerations | – | – | 10.1 |

| RECONCILIATION OF LEVEL 3 FAIR VALUES | DEC 31, 2016 | DEC 31, 2015 |
|---|---|---|
| (MEUR) | | |
| **OPENING BALANCE** | 10.1 | 25.5 |
| Translation differences | 0.1 | 0.4 |
| Payments | −1.4 | −12.3 |
| Reclassification as deferred payment | −4.2 | – |
| Recognised in other operating income | −1.0 | −5.1 |
| Discount interest recognised in financial expenses | 0.3 | 1.5 |
| **CLOSING BALANCE** | 3.9 | 10.1 |

| FAIR VALUES VERSUS CARRYING AMOUNTS OF FINANCIAL ASSETS AND LIABLITIES | CARRYING AMOUNT DEC 31, 2016 | FAIR VALUE DEC 31, 2016 | CARRYING AMOUNT DEC 31, 2015 | FAIR VALUE DEC 31, 2015 |
|---|---|---|---|---|
| (MEUR) | | | | |
| **FINANCIAL ASSETS** | | | | |
| Non–current loan receivables | 12.9 | 12.9 | 15.3 | 15.3 |
| Available–for–sale investments | 0.1 | 0.1 | 0.1 | 0.1 |
| Trade receivables | 108.7 | 108.7 | 96.2 | 96.2 |
| Cash and cash equivalents | 1.6 | 1.6 | 0.6 | 0.6 |
| **Total** | 123.3 | 123.3 | 112.2 | 112.2 |
| | | | | |
| **FINANCIAL LIABILITIES** | | | | |

| | | | | |
|---|---|---|---|---|
| Loans from financial institutions | 92.8 | 92.8 | 96.7 | 96.7 |
| Bond | 99.6 | 106.2 | 99.5 | 105.6 |
| Commercial papers | 155.0 | 155.0 | 85.3 | 85.3 |
| Contingent considerations and deferred payments on acquisitions | 7.4 | 7.4 | 10.1 | 10.1 |
| Trade payables | 33.0 | 33.0 | 34.6 | 34.6 |
| **Total** | 387.9 | 394.4 | 326.1 | 332.3 |
| | | | | |
| Cross currency and interest rate swaps (nominal and fair value) | 97.7 | −0.7 | 57.0 | −1.2 |
| Foreign exchange forwards (nominal and fair value) | 61.1 | −0.3 | 43.1 | 0.3 |

| ITEMS AFFECTING COMPARABILITY (IACS) IN EBITA | 10–12/16 | 10–12/15 | 1–12/16 | 1–12/15 |
|---|---|---|---|---|
| (MEUR) | | | | |
| Write-downs of tangible assets | – | – | −5.9 | – |
| Projects reassessments | – | – | −2.2 | – |
| Recognised accruals and provisions | −0.5 | −0.8 | −2.4 | −1.2 |
| Derecognition of continent consideration liabilities | – | 0.8 | 1.0 | 4.6 |
| TOTAL | −0.5 | −0.0 | −9.4 | 3.3 |

| ITEMS AFFECTING COMPARABILITY (IACS) AFTER EBITA | 10–12/16 | 10–12/15 | 1–12/16 | 1–12/15 |
|---|---|---|---|---|
| (MEUR) | | | | |
| Write-downs of intangible assets | – | – | −10.9 | – |
| Write-downs of investments | – | – | −0.8 | – |
| Reclassification of loans | 0.5 | – | 0.5 | – |
| TOTAL | 0.5 | – | −11.2 | – |

## DEFINITION OF KEY FINANCIAL FIGURES

**Gross Profit:** Net Sales – material and service costs

**EBITDA:** Operating profit before depreciation, amortization and impairment charges

**EBITA:** Operating profit before amortization and impairment of intangible assets

**Comparable EBITA:** Operating profit before amortization and impairment of intangible assets - items affecting comparability in EBITA

**Return on capital employed (ROCE) %:**

$$\frac{\text{EBIT x 100 (rolling 12 months)}}{\text{Group or segment capital employed (average over the financial period)}}$$

**Comparable return on capital employed %:**

$$\frac{\text{EBIT – items affecting comparability in EBIT x 100 (rolling 12 months)}}{\text{Group or segment capital employed - items affecting comparability (average over the financial period)}}$$

**Capital employed:** Group or segment assets - non-interest-bearing liabilities

**Return on equity (ROE) %:**

$$\frac{\text{Result for the period x 100 (rolling 12 months)}}{\text{Total equity (average over the financial period)}}$$

**Comparable return on equity (ROE) %:**

$$\frac{\text{Result for the period - items affecting comparability x 100 (rolling 12 months)}}{\text{Total equity - items affecting comparability in equity (average over the financial period)}}$$

**Return on invested capital (ROI) %:**

$$\frac{\text{(Result before taxes + interest and other financial expenses, excluding FX differences) x 100 (rolling 12 months)}}{\text{Total assets – non–interest–bearing debt (average over the financial period)}}$$

**Equity ratio %:**

$$\frac{\text{Total equity x 100}}{\text{Total assets – advances received}}$$

**Earnings per share (EPS) EUR:**

$$\frac{\text{Result for the period +/– non–controlling interest's share of result for the period}}{\text{Average number of shares adjusted for share issued during the financial period}}$$

**Comparable earnings per share EUR:**

$$\frac{\text{Result for the period +/– non–controlling interest's share of result for the period - items affecting comparability}}{\text{Average number of shares adjusted for share issued during the financial period}}$$

**Shareholders' equity per share EUR:**

$$\frac{\text{Equity attributable to the parent company's shareholders}}{\text{Number of shares adjusted for share issued on reporting date}}$$

**Payout ratio %:**

$$\frac{\text{Dividend per share x 100}}{\text{Earnings per share}}$$

**Net debt:** Interest–bearing debt – cash and cash equivalents

**Net debt to EBITDA ratio:**

$$\frac{\text{Net debt}}{\text{Earnings before interest, taxes, depreciation and amortization (rolling 12 months)}}$$

**Gearing %:**

$$\frac{\text{Net debt x 100}}{\text{Total equity}}$$

**Dividend per share EUR:**

$$\frac{\text{Dividend paid}}{\text{Number of shares on the registration date for dividend distribution}}$$

**Effective dividend yield %:**

$$\frac{\text{Share-issued-adjusted dividend per share x 100}}{\text{Share-issued-adjusted final trading price at the end of financial year}}$$

**Price/earnings ratio:**

$$\frac{\text{Share-issued-adjusted final trading price}}{\text{Earnings per share}}$$

| EXCHANGE RATES APPLIED | AVERAGE RATES 1-12/2016 | AVERAGE RATES 1-12/2015 | CLOSING RATES DEC 31, 2016 | CLOSING RATES DEC 31, 2015 |
|---|---|---|---|---|
| **CZK** | 27.0343 | 27.2850 | 27.0210 | 27.0230 |
| **DKK** | 7.4454 | 7.4587 | 7.4344 | 7.4626 |
| **NOK** | 9.2927 | 8.9419 | 9.0863 | 9.6030 |
| **PLN** | 4.3636 | 4.1826 | 4.4103 | 4.2639 |
| **SEK** | 9.4673 | 9.3496 | 9.5525 | 9.1895 |

| NET SALES | Q4 2016 | Q3 2016 | Q2 2016 | Q1 2016 | Q4 2015 | Q3 2015 | Q2 2015 | Q1 2015 |
|---|---|---|---|---|---|---|---|---|
| (MEUR) | | | | | | | | |
| **FINLAND** | 49.4 | 47.6 | 45.3 | 38.1 | 43.1 | 45.7 | 39.4 | 32.0 |
| **SWEDEN** | 64.6 | 56.6 | 62.1 | 53.7 | 63.9 | 53.8 | 56.8 | 51.0 |
| **NORWAY** | 31.5 | 30.9 | 29.9 | 27.8 | 29.2 | 29.4 | 31.0 | 31.0 |
| **DENMARK** | 10.3 | 10.3 | 10.8 | 10.4 | 11.1 | 11.2 | 10.6 | 9.4 |
| **EUROPE EAST** | 9.3 | 10.1 | 8.4 | 6.7 | 8.8 | 10.2 | 8.5 | 6.6 |
| **EUROPE CENTRAL** | 15.7 | 15.4 | 13.4 | 11.3 | 15.3 | 15.4 | 13.7 | 11.0 |
| Eliminations between segments | −0.3 | −1.7 | −0.4 | −2.0 | −0.9 | −0.5 | −0.6 | −0.4 |
| **NET SALES TOTAL** | 180.5 | 169.2 | 169.4 | 146.0 | 170.5 | 165.1 | 159.4 | 140.6 |

| EBITA | Q4 2016 | Q3 2016 | Q2 2016 | Q1 2016 | Q4 2015 | Q3 2015 | Q2 2015 | Q1 2015 |
|---|---|---|---|---|---|---|---|---|
| (MEUR and % of net sales) | | | | | | | | |
| **FINLAND** | 5.8 | 8.9 | 6.4 | 2.9 | 6.5 | 9.3 | 4.5 | 0.8 |
| % of net sales | 11.8% | 18.6% | 14.0% | 7.7% | 15.0% | 20.4% | 11.3% | 2.5% |
| **SWEDEN** | 9.7 | 3.5 | 8.8 | 4.4 | 8.0 | 7.7 | 12.1 | 5.1 |
| % of net sales | 15.1% | 6.2% | 14.1% | 8.2% | 12.5% | 14.3% | 21.4% | 10.0% |
| **NORWAY** | 2.1 | −3.7 | 1.9 | 1.3 | 0.2 | 2.4 | 2.9 | 1.0 |
| % of net sales | 6.8% | −11.9% | 6.3% | 4.8% | 0.8% | 8.2% | 9.4% | 3.3% |
| **DENMARK** | 0.6 | 0.8 | 0.5 | 0.4 | 0.5 | 0.9 | 0.3 | −1.4 |
| % of net sales | 6.3% | 7.4% | 4.3% | 4.0% | 4.4% | 8.1% | 2.8% | −14.8% |
| **EUROPE EAST** | 2.7 | 3.2 | 1.4 | −0.2 | 2.1 | 3.3 | 1.7 | 0.1 |
| % of net sales | 28.6% | 31.6% | 17.2% | −2.3% | 23.5% | 32.4% | 20.4% | 1.9% |
| **EUROPE CENTRAL** | 1.8 | 2.2 | 0.7 | −0.8 | 0.8 | 2.2 | 0.9 | −0.6 |
| % of net sales | 11.7% | 14.0% | 5.0% | −6.7% | 5.3% | 14.0% | 6.2% | −5.1% |
| Unallocated items | −1.7 | −0.6 | −3.0 | −0.9 | −1.3 | −1.0 | −1.4 | −1.0 |
| **GROUP EBITA** | 21.2 | 14.2 | 16.6 | 7.2 | 16.8 | 24.8 | 21.0 | 4.1 |
| % of net sales | 11.7% | 8.4% | 9.8% | 5.0% | 9.9% | 15.0% | 13.2% | 2.9% |

| EBIT | Q4 2016 | Q3 2016 | Q2 2016 | Q1 2016 | Q4 2015 | Q3 2015 | Q2 2015 | Q1 2015 |
|---|---|---|---|---|---|---|---|---|
| (MEUR and % of net sales) | | | | | | | | |
| **FINLAND** | 5.6 | 8.5 | 6.0 | 2.5 | 6.2 | 9.1 | 4.1 | 0.4 |
| % of net sales | 11.3% | 17.9% | 13.3% | 6.7% | 14.4% | 19.9% | 10.5% | 1.4% |
| **SWEDEN** | 8.9 | 2.5 | 7.5 | 3.2 | 6.8 | 6.6 | 11.0 | 4.1 |
| % of net sales | 13.7% | 4.4% | 12.1% | 6.0% | 10.6% | 12.2% | 19.4% | 8.0% |
| **NORWAY** | 1.7 | −5.1 | 1.3 | 0.7 | 0.3 | 1.8 | 2.3 | 0.3 |
| % of net sales | 5.5% | −16.5% | 4.2% | 2.4% | 0.9% | 6.0% | 7.5% | 1.0% |
| **DENMARK** | 0.5 | 0.6 | 0.3 | 0.3 | 0.4 | 0.8 | 0.2 | −1.5 |
| % of net sales | 5.3% | 6.1% | 3.1% | 2.9% | 3.4% | 7.0% | 2.0% | −16.0% |
| **EUROPE EAST** | 2.6 | 3.2 | 1.4 | −0.2 | 2.0 | 3.3 | 1.7 | 0.1 |
| % of net sales | 28.4% | 31.4% | 17.0% | −2.5% | 23.3% | 32.2% | 20.2% | 1.3% |
| **EUROPE CENTRAL** | 1.8 | 2.1 | 0.6 | −0.8 | 0.8 | 2.1 | 0.8 | −0.6 |
| % of net sales | 11.6% | 13.8% | 4.7% | −7.0% | 5.1% | 13.8% | 6.1% | −5.5% |
| Unallocated items | −2.0 | −11.6 | −3.1 | −0.9 | −1.9 | −1.0 | −1.5 | −0.9 |
| **GROUP EBIT** | 19.2 | 0.2 | 14.1 | 4.8 | 14.6 | 22.6 | 18.8 | 2.0 |
| % of net sales | 10.6% | 0.1% | 8.3% | 3.3% | 8.5% | 13.7% | 11.8% | 1.4% |

## ANALYST AND PRESS BRIEFING

A briefing for investment analysts and the press will be arranged on Friday 17 February 2017 at 11:00 a.m. Finnish time at Klaus K, Bulevardi 2-4, Helsinki, (Studio K). The briefing will be hosted by CEO Tapio Kolunsarka and CFO Pierre Brorsson.

## WEBCAST AND CONFERENCE CALL

You can participate in the analyst briefing on Friday 17 February 2017 at 11:00 a.m. Finnish time (EET) through a live webcast at www.ramirent.com and conference call. Dial–in numbers are: +358 981 710 495 (FI), +46 856 642 702 (SE), +44 203 194 0552 (UK), +1 855 716 1597 (US). A recording of the webcast will be available at www.ramirent.com later the same day.

## FINANCIAL CALENDAR 2017

| | |
|---|---|
| **Annual General Meeting 2017** | **March 16, 2017** |
| **Interim report January-March 2017** | **May 9, 2017 at 9:00 a.m.** |
| **Half Year Financial Report 2017** | **August 2, 2017 at 9:00 a.m.** |
| **Interim report January-September 2017** | **November 8, 2017 at 9:00 a.m.** |

The financial information in this stock exchange release has not been audited.

February 17, 2017

RAMIRENT PLC
Board of Directors

## INFORMATION

**Tapio Kolunsarka, Group President and CEO,** Tel. +358 20 750 3630, tapio.kolunsarka(at)ramirent.com
**Pierre Brorsson, Chief Financial Officer (CFO),** Tel. +46 8 624 9541, pierre.brorsson(at)ramirent.com
**Franciska Janzon, SVP Marketing, Communications and IR,** Tel. +358 20 750 2859, franciska.janzon(at)ramirent.com

DISTRIBUTION NASDAQ Helsinki, Main news media, www.ramirent.com

**Ramirent** is a leading equipment rental group combining the best equipment, services and know-how into rental solutions that simplify customer's business. Ramirent serves a broad range of customer sectors including construction, industry, services, the public sector and households. Ramirent has operations in the Nordic countries and in Central and Eastern Europe. In 2016, Ramirent Group sales totalled EUR 665 million. The Group has 2,686 employees in 290 customer centers in 10 countries. Ramirent is listed on the NASDAQ Helsinki (RMR1V).

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