



Revenio Group Corporation  
**FINANCIAL STATEMENT BULLETIN**  
JANUARY-DECEMBER

## Health Tech reports a strong Q4

### October-December 2014 in brief:

- The Group's continuing operations: net sales totaled EUR 5.0 million (4.1), representing growth of 20.4%, while the operating profit was EUR 1.3 million (1.3), a growth of 3.4%.
- The net sales of the Revenio Health Tech business segment rose by 20.4% to EUR 5.0 million (4.1). Due to major investments in R&D, marketing measures related to Oscare and the launch of the Icare HOME tonometer, the segment's operating profit decreased by 9.9% to EUR 1.6 (1.7) million.
- December was the all-time highest sales month for Icare.
- Probe sales continued to increase, with year-on-year growth of 40.3%.
- Revenio established a subsidiary, Revenio Research Oy, to manage the R&D projects of Revenio Group. The goal is to build growth paths from these new openings alongside the current products of Revenio Group.
- As of December 1, 2014, the operations of Revenio Technology and Services segment were transferred to available-for-sale discontinued operations.
- Undiluted earnings per share, continuing operations EUR 0.15 (0.14) and diluted earnings per share, continuing operations EUR 0.15 (0.13).

### January-December 2014 in brief:

- Very strong development was seen in the Revenio Health Tech segment in spite of a challenging early year and the Group's all-time highest R&D investments. The segment's net sales totaled EUR 16.0 million (EUR 13.5 million), representing growth of 18.7%. The operating profit was EUR 5.4 million (5.4), a 0.1% decline.
- The entire capital stock of Midas Touch Oy, which represented the contact center business of Revenio's Technology and Services segment was sold in September. In line with its strategy, Revenio is focusing on health technology.

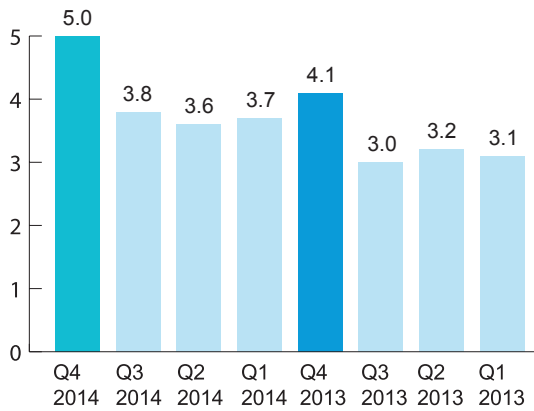
#### Key Figures,

| MEUR:  | Q4/2014             | Q4/2013             | Change-%              | 1-12/2014          | 1-12/2013          | Change-%              |
|--|---------------------|---------------------|-----------------------|--------------------|--------------------|-----------------------|
| Net sales, parent company                          | 5.0                 | 4.1                 | 20.4                  | 16.0               | 13.5               | 18.7                  |
| Segment profit margin, parent company              | 1.3                 | 1.3                 | 3.4                   | 4.4                | 4.3                | 3.3                   |
| Net sales, Health Tech                             | 5.0                 | 4.1                 | 20.4                  | 16.0               | 13.5               | 18.7                  |
| Segment profit margin, Health Tech                 | 1.6                 | 1.7                 | -9.9                  | 5.4                | 5.4                | -0.1                  |
| Net profit from discontinued operations            | -3.4                | 0.3                 | -1280.7               | -4.4               | 1.4                | -418.3                |
| Undiluted earnings per share continuing operations | 0.15                | 0.14                | 12.4                  | 0.47               | 0.38               | 25.5                  |
| Diluted earnings per share continuing operations   | 0.15                | 0.13                | 13.2                  | 0.47               | 0.37               | 26.3                  |
| Cash flow from operating activities                | 2.6                 | 2.4                 | 8.3                   | 3.6                | 5.6                | -35.7                 |
|  | <b>30 Sept 2014</b> | <b>30 Sept 2013</b> | <b>Change %-point</b> | <b>31 Dec 2014</b> | <b>31 Dec 2013</b> | <b>Change %-point</b> |
| Equity ratio, %                                    | 77.2                | 73.4                | 3.8                   | 62.4               | 66.1               | -3.7                  |
| Gearing, %   | -5.7                | -10.4               | 4.7                   | -22.4              | -16.8              | -5.6                  |

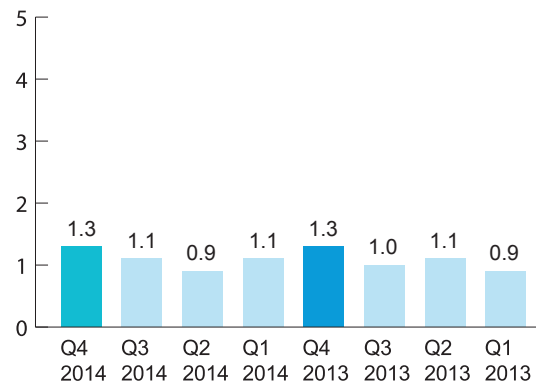
## 2015 profit guidelines

Icare Finland's net sales and operating profit in 2015 are expected to increase from the previous year. The Group's consolidated operating profit and cash flow will be affected by the investments in the new health tech businesses. These investments are not significant during 2015.

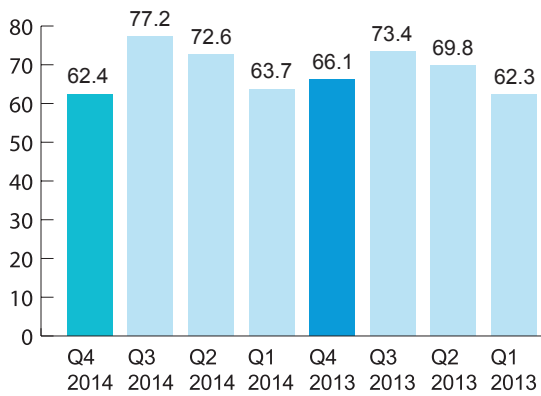
Net sales, group EUR million



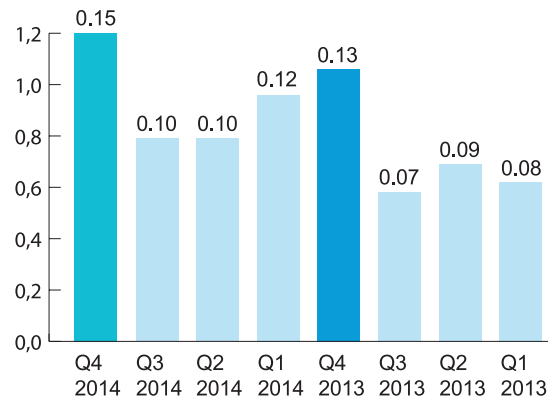
Operating profit, group EUR million



Equity ratio % \*



Earnings per share, continuing operations EUR



\* The figures are presented based on the situation at the end of each review period.

Trade in Revenio Shares:

**2.7**  
million shares

**38.4**  
million euros

**33.7** %  
of shares

**5 468**  
shareholders

## Olli-Pekka Salovaara, President and CEO, comments fourth quarter results:

“Overall, 2014 was a year of major change for us. The transfer into a health tech group in line with our strategy required some very tough decisions and withdrawals. On the other hand, our focus on health tech generated results, and we continued to strengthen our position as the global market leader in intraocular pressure measurement, in particular through our determined efforts in the United States and Asia. Icare is currently on sale in 75 countries – an excellent foundation for growth and new product launches. During the review period, we launched the new Icare HOME tonometer, which is designed for self-monitoring of intraocular pressure as part of the treatment process. Today, it is sold in over 30 countries in Europe as well as in Canada and Australia. During the fourth quarter, we made the decision to include also other clinical trial partners, alongside the Johns Hopkins Hospital, in order to speed up the sales permit application process with FDA in the United States.

October-December 2014 was an excellent quarter for Icare. In December, the company once again reached an all-time high in sales. This was attributable to very active sales efforts, activation of our distribution network and exceptionally strong sales in the United States. Icare’s business is characterized by seasonal variation, in which sales peak in the latter half of the year. In the United States, following the uncertainties of the first half-year, the last quarter indicated that customers had plenty of remaining budget, boosting sales to an exceptionally high level in December. Since U.S. sales account for over 40% of Icare’s net sales, its importance for full-year sales is significant.

One of Revenio’s potential growth drivers is the Oscare Sono™ – a device manufactured by Oscare Medical, a strategic holding of Revenio, for the assessment, screening and monitoring of osteoporosis. In 2014, we already delivered the first devices from serial production, although their commercial significance during the period under review was still minor. Oscare’s marketing expenses in 2014 totaled close to EUR 200,000.

In December, we decided to divest Boomeranger Boats Oy and Done Software Solutions Oy, which represent our Technology and Services segment, and to transfer said companies to available-for-sale discontinued operations. In September, we divested our Contact Center business. These business operations will be sold due to our strategic focus on health tech and the related divestment of non-core operations. In operational terms, the companies will continue to operate as usual and the arrangement does not have an effect on the current or future customer relationships of these businesses.

Although Revenio has been perceived mainly as Icare, our vision is more ambitious. In 2014, we made major investments in developing our existing products as well as identifying new development ideas. In my opinion, we did extremely well in both of these areas. The common denominators of our new development projects include screening, follow-up and the global need to make cost savings in health care through preventive measures. We believe that these development ideas have the potential to create interesting growth paths alongside our existing products. Screening and follow-up hold a significant role in preventive work. Our vision is to develop Revenio Group into a global leader in health tech related screening technology.

During the last quarter of 2014, we established a subsidiary, Revenio Research Oy, to manage our new development projects. As part of Revenio Group, Revenio Research will be responsible for the development of our health tech products and other R&D projects in this field. Our aim is to identify and commercialize new, screening-related opportunities. For example, in early 2015, we announced new project launches for the screening of skin cancer and asthmatic diseases.

Overall, the outlook for Revenio is very bright. I am extremely pleased with our strategic choices and the success of Icare. Our new projects will bore into major public health problems, placing us at the very heart of matters that are fundamental to us: improving people’s lives and life expectancy. Our strategic intent is to take a focal role as a global leader in screening.”



## Business trends, January–December 2014

### Revenio Health Tech

In January–December, the net sales of the Revenio Health Tech segment totaled EUR 16.0 million (13.5), up 18.7% on the previous year. The operating result was EUR 5.4 million (5.4), a decline of 0.1%.

### Icare Finland Group

In 2014, the market situation was favorable in all of Icare's key markets, including the United States, Japan, the UK, Australia, Scandinavia, Switzerland, Korea and India. Our active work in these market generated results and very strong sales.

Approximately 40 percent of Icare sales comes from the United States where the reform of the healthcare system and the following unclear situation caused challenges in early 2014. The drop caused by the reform affected several companies selling health technology in the U.S. market, including Icare. In the latter year-half, the situation clarified, and the year-end was strong for Icare, as expected. Even in normal circumstances, Icare's business is characterized by seasonal variation, in which sales peak in the latter half of the year.

In the fourth quarter, US sales grew by an impressive 21 percent, with December 2014 being the all-time highest sales month for Icare. A major contributor to this was the fact that customers had exceptionally large amounts of remaining budget at their disposal, following the changes in tax allowances implemented in early 2014. Furthermore, Icare's sales efforts generated great results.

The sales of disposable probes for tonometers grew by 31.2% in January–December, and no less than 40.3% during the last quarter. Whole-year probe sales volume exceeded 7 million probes. The increased use of purchased devices, an increase in patient-led screening, and a change in user profiles have all fueled sales of probes. The transfer of the central phases of probe production to Finland during the review period will have a positive effect on the probe production process, capacity and margin structure in the future.

During the latter half of the year, Icare received orders from two major international optician chains. Overall, optician chains are increasingly interested in Icare's intraocular pressure (IOP) measurement technology, and we expect this business segment to bring interesting opportunities in the future.

One of the major development steps in 2014 was the launch of a new home-use tonometer designed for consumer customers. Following its completion in early 2014, sales of the new Icare HOME began in Europe and Asia. The device was positively received, and ophthalmologists have shown great interest towards the Icare concept. Towards the end of the year, Icare HOME tonometer sales showed strong growth, the total sales volume for 2014 exceeding 500 units. The device has been granted a sales permit in over 30 European countries as well as Australia, Japan and Canada. To accelerate the sales permit process in the United States, Icare will open two new measurement points, alongside the Johns Hopkins Hospital, in early 2015 to speed up the flow of patients. The clinical tests related to the sales permit application require the use of test subjects who meet strict criteria and have a certain IOP. In particular, finding patients with a high IOP exceeding 40 mmHg has been challenging. Once the clinical trials have been completed, a permit application will be submitted to the FDA.

Icare aims at creating new treatment practices in which a doctor treating a glaucoma patient or one suspect to have glaucoma can lend an Icare HOME tonometer to the patient for around-the-clock home measurement. The resulting information on the patient's 24-hour IOP fluctuation would help the doctor to make the right treatment decisions. For patients diagnosed with glaucoma, continuous IOP monitoring forms a key part of the treatment in order to prevent progression of the disease and to determine the right medication. IOP monitoring, especially at different times of the day, is particularly important.

Icare aims at expanding its product sales to new geographical areas and new user groups. Earlier, tonometers were targeted primarily to professionals, such as ophthalmologists, opticians and optometrists. Today, an entirely new market has opened up alongside the professional segment, providing new target groups such as patients, home carers, ER nursing staff and other general medical staff.

In December, Icare HOME tonometer was ranked fourth in The Ophthalmologist magazine's Innovation Awards 2014. The result was based on the votes of five well-respected Key Opinion Leaders. A total of 35 products participated in the competition.

**Oscare Medical**

At the end of 2013, Revenio seized a development opportunity by increasing its holdings in Oscare Medical Oy, a company specializing in the screening and assessment of osteoporosis, to 53 percent. In 2014, Revenio mapped target customer segments and started to build a distribution network. In addition, training of the first distributors outside Finland was started, and relationships to opinion leaders central to the development of our business was established. Clinical studies in Finland were completed and the results support our previous understanding of the device benefits in bone health screening. Interesting target groups include pharmacy chains, gynecologists, private medical clinics, pharmaceutical companies and screening companies. In 2014, the commercial significance of this product was still clearly in the red.

**Revenio Research Oy**

In December 2014, Revenio established a subsidiary, Revenio Research Oy, to manage the R&D projects of Revenio Group. The company will focus both on the development of existing products and on health tech-related R&D projects with the purpose of identifying and commercializing new health tech products. The common denominators of our projects include screening, follow-up and the global need to make cost savings in health care through preventive measures. The goal is to build growth paths from these new openings alongside the current products of Revenio Group.

Net sales and segment's margin excluding non-recurring items were as follows:

|                     | Net sales |        | Net sales |                  | Segment profit |                  | Segment profit |    |
|---------------------|-----------|--------|-----------|------------------|----------------|------------------|----------------|----|
|                     | 1-12/2014 | Change | 1-12/2013 | margin 1-12/2014 | Change         | margin 1-12/2013 |                |    |
|                     | MEUR      | (%)    | MEUR      | MEUR             | %              | (%)              | MEUR           | %  |
| Health Tech         | 16.0      | 19     | 13.5      | 5.4              | 33             | 0                | 5.4            | 40 |
| Total               | 16.0      | 19     | 13.5      | 5.4              | 33             | 0                | 5.4            | 40 |
| Parent co. expenses |           |        |           | -0.9             |                |                  | -1.1           |    |
| Operating profit    |           |        |           | 4.4              | 28             | 3                | 4.3            | 32 |

The net sales, margin and profit, by segment and quarter, excluding non-recurring items, were as follows:

| MEUR                  | Q4/14 | Q3/14 | Q2/14 | Q1/14 |
|-----------------------|-------|-------|-------|-------|
| Net sales             |       |       |       |       |
| Revenio Health Tech   | 5.0   | 3.8   | 3.6   | 3.7   |
| Total                 | 5.0   | 3.8   | 3.6   | 3.7   |
| Segment profit margin |       |       |       |       |
| Revenio Health Tech   | 1.6   | 1.3   | 1.1   | 1.4   |
| Total                 | 1.6   | 1.3   | 1.1   | 1.4   |
| Parent co. expenses   | -0.3  | -0.2  | -0.2  | -0.3  |
| Operating profit      | 1.3   | 1.1   | 0.9   | 1.1   |
| Operating profit -%   | 26    | 29    | 25    | 30    |

| MEUR                  | Q4/13 | Q3/13 | Q2/13 | Q1/13 |
|-----------------------|-------|-------|-------|-------|
| Net sales             |       |       |       |       |
| Revenio Health Tech   | 4.1   | 3.0   | 3.2   | 3.1   |
| Total                 | 4.1   | 3.0   | 3.2   | 3.1   |
| Segment profit margin |       |       |       |       |
| Revenio Health Tech   | 1.7   | 1.2   | 1.3   | 1.1   |
| Total                 | 1.7   | 1.2   | 1.3   | 1.1   |
| Parent co. expenses   | -0.5  | -0.2  | -0.2  | -0.2  |
| Operating profit      | 1.3   | 1.0   | 1.1   | 0.9   |
| Operating profit -%   | 31    | 32    | 34    | 30    |

## Revenio Technology and Services

The entire capital stock of Midas Touch Oy, which represented the contact center business of Revenio's Technology and Services segment was sold in September.

In December, Revenio Group Corporation announced that it will divest Boomeranger Boats Oy and Done Software Solutions Oy, which represent its Technology and Services segment, and transfer said companies to available-for-sale discontinued operations. According to the plans of Revenio's management, the sale of these companies will be carried out within a year of the classification decision in accordance with IFRS 5.8. These business operations will be sold due to Revenio's strategic focus on health tech and the related divestment of non-core operations. At the same time, Revenio has written down Boomeranger Boats Oy's goodwill, about EUR 3.1 million.

In operational terms, the companies will continue to operate as usual and the arrangement does not have an effect on the current or future customer relationships of these businesses.

Boomeranger Boats Oy and Done Software Solutions Oy, which represent the Technology and Services segment and have been transferred to available-for-sale discontinued operations, had net sales of EUR 6.8 million and an operating profit of EUR 0.6 million in 2013.

## Outlook

The need for cost-efficient health care and disease prevention is increasing throughout the world. Ageing population, unequalisation and increasingly scarce national resources will continue to pose challenges in the years to come. Easy-to-use innovations enabling cost-efficient implementation worldwide will markedly increase the cost-efficiency of health care. One of the key tools to address these needs is effective screening technology.

Revenio's vision is to assume a significant role in screening and to eventually achieve a leading position in this field. The focus of Revenio's screening technology lies on early detection of glaucoma, osteoporosis, skin cancer and asthma, and measurement of these during the treatment process. According to the current view of Revenio's management, market leadership in intraocular pressure screening for glaucoma identification and IOP measurement as part of the treatment process creates a strong basis for expanding both Revenio's existing product portfolio and launching new screening products.

In the near future, Revenio will be focusing on strengthening the global market position of existing Icare products, expanding sales efforts for the Icare HOME tonometer, launching new, next-generation products and productizing new technologies. We will also be concentrating on launching extensive sales efforts for the Oscare Sono™ osteoporosis measurement device.

## Net sales, profitability and profit

Consolidated net sales from the Revenio Group's continuing operations for the period January 1–December 31, 2014 totaled EUR 16.0 million (13.5). This represented net sales growth of 18.7%. Earnings before interest, taxes, depreciation and amortization (EBITDA) from continuing operations were EUR 4.9 million (4.7), or 30.8% (34.9) of net sales, a rise of 4.6%. Operating profit (EBIT) from continuing operations was EUR 4.4 (4.3) million, representing 27.5% (31.6) of net sales, an increase of 3.3%. Profit before taxes for continuing operations totaled EUR 4.7 million (4.2), or 29.1% (31.0) of net sales, up by 11.1%. The profit for continuing operations for the period was EUR 3.7 million (2.9), or 23.3% (21.8) of net sales, an increase of 26.8%. The losses for discontinued operations during the period totaled EUR -4.4 million (EUR 1.4 million). Net profit for the period totaled EUR -0.7 (4.3) million. Undiluted earnings per share from continuing operations were EUR 0.47 (0.38) and diluted earnings per share were EUR 0.47 (0.37). For discontinued operations, the undiluted and diluted earnings per share were EUR -0.56 (0.18). Dilution-adjusted earnings per share for continuing and discontinued operations during the period were EUR -0.09 (0.55). Equity per share was EUR 1.52 (1.95).

Revenio Health Tech segment net sales grew by 18.7%. The consolidated net sales of continuing operations saw a year-on-year increase of 18.7% and totaled EUR 16.0 million (13.5).

The operating profit for the Revenio Health Tech segment was EUR 5.4 million (5.4), down 0.1% year-on-year. This was attributable to larger investments in R&D, marketing measures related to Oscare and the launch of the Icare HOME tonometer. The consolidated operating profit of continuing operations in the period under review increased by 26.8% to EUR 3.7 million (2.9).

## Balance sheet, financial position and investments

The consolidated balance sheet total stood at EUR 19.3 million (22.7) on December 31, 2014. Shareholders' equity came to EUR 12.1 million (15.0). At the end of the review period, interest-bearing net liabilities amounted to EUR -2.7 (-2.5) million and gearing stood at -22.4% (-16.8). The consolidated equity ratio was 62.4% (66.1). The Group's liquid assets amounted to EUR 4.1 million (4.6) at the end of the review period. Interest-bearing liabilities were EUR 1.4 million (2.1). In spite of investments in future growth in the Health Tech segment, the Group's financial position remained stable during the review period. The consolidated goodwill recorded on the balance sheet on December 31, 2014 was EUR 1.1 million (7.0).

The Group's financial position remained stable throughout the financial year.

Cash flow from continuing operations totaled EUR 3.6 (5.6) million. The Group's purchases of PPE and intangible assets totaled EUR 1.2 million (0.9). These investments were concentrated primarily on product development.

Sales to the United States are invoiced in U.S. dollars. The strengthening of the U.S. dollar that began at the end of 2014 improved the competitiveness of Icare tonometers in the U.S. markets. Net sales for the U.S. is booked according to cumulative average rate for the year, therefore no significant exchange rate profit was achieved in 2014.



## Personnel

The annualized average number of personnel employed by the Group in continuing operations during the period amounted to 28 (25). At the end of the period, the number of employees stood at 27 (27).

### Average no. of employees by segments:

|                          | 31 Dec 2014 | 31 Sept 2013 | Change |
|--------------------------|-------------|--------------|--------|
| Revenio Health Tech      | 23          | 19           | 4      |
| Parent Company           | 5           | 6            | -1     |
| Total                    | 28          | 25           | 3      |
| Discontinuing operations | 44          | 48           | -4     |

Wages, salaries, and other remuneration paid for continuing operations during the period totaled EUR 2.1 million (2.0).

## Shares, share capital and management holdings

On December 31, 2014, the Revenio Group Corporation's fully paid-up share capital registered with the Trade Register was EUR 5,314,918.67 and the number of shares totaled 7,932,078.

During the review period, the number of shares increased by 81,599 following subscriptions made on the basis of the 2007 stock option scheme. Series 2007A option rights were used to subscribe for 0 shares, 2007B option rights to subscribe for 68,599 shares and 2007C options rights to subscribe for 13,000 shares. The subscription period for Series 2007A options ended on May 1, 2013 and that for Series 2007B options ended on November 1, 2014. The outstanding 2007C options can be used to subscribe for a total of 47,330 shares until the close of the subscription period on May 1, 2016.

The company has one class of share, and all shares confer the same voting rights and an equal right to dividends and the company's funds. On December 31, 2014, the President & CEO, members of the Board of Directors and their closely related parties held 11.8% of the company's shares (936,798 shares) and 0.0% of the option rights.

## Changes in shareholding

On March 26, 2014, Revenio was notified that Eyemaker's Finland Oy's holding in the total number of shares and voting rights in Revenio Group Corporation had declined to under one-twentieth (1/20).

## Option rights

The company has a corporate option scheme that began in 2007. On the basis of the share issue authorization approved by the Annual General Meeting of April 3, 2007, the Board of Directors of the Revenio Group Corporation decided, on November 23, 2007, on a new corporate option scheme comprising a maximum of 3,684,365 option rights. Ten option rights entitle the holder to subscribe for one (1) Revenio Group Corporation share. On December 31, 2014, the proportion of shares that can still be subscribed for on the basis of the option rights issued represented a maximum of 0.6 percent of the company's shares and votes, once all new shares subscribed for with these option rights have been registered. New shares subscribed for via the option program entitle the holder to a dividend from the year of subscription onwards.

The option rights have been divided into three series: Series A (1,684,365), B (1,000,000) and C (1,000,000). The share subscription periods with the options are as follows: Series A, May 1, 2009–May 1, 2013; Series B, November 1, 2010–November 1, 2014; and Series C, May 1, 2012–May 1, 2016. The share subscription price will be the trade-weighted average price during the period November 1–30, 2007 multiplied by ten (EUR 5.99, Series A), April 1–30, 2009 multiplied by ten (EUR 1.75, Series B), and November 1–30, 2010 multiplied by ten (EUR 1.69, Series C).

A total of 40,000 new Series 2007B option rights were issued to management during the period.

## Trading on NASDAQ OMX Helsinki

During the period January 1–December 31, 2014, the Revenio Group Corporation's share turnover on the NASDAQ OMX Helsinki exchange totaled EUR 38.4 million (23.8), representing 2.7 million (2.1) shares or 33.7% (27.1) of all shares outstanding. The highest trading price was EUR 17.20 (14.30) and the lowest EUR 11.32 (4.10). At the end of the period, the closing price was EUR 14.55 (12.38), and the average share price for the period was EUR 14.38 (11.20). The Revenio Group Corporation's market value stood at EUR 115.4 million (97.2) on December 31, 2014.

## Risks and uncertainty factors

Revenio Group's risks are defined as strategic, operational, trade cycle, hazard, and financial risks.

The Group's strategic risks include competition in all sectors, the threat posed by new competing products, and any other actions of the company's rivals that may affect the competitive situation. Another factor posing a strategic risk is related to success in R&D operations and, therefore, preservation of the product range's competitiveness. In the Group's sectors, requiring particular expertise in accordance with the strategy, essential risks also include those related to the retention and development of key personnel as well as dependence on the operational ability of the subcontractor and supplier network.

Corporate acquisitions and the acquisition of health tech related development drivers are part of the Group's strategy. The success of these acquisitions has a significant impact on the reaching of growth and profitability targets. Acquisitions may also change the Group's risk profile.

Strategic risks and the need for action are regularly assessed and are monitored in connection with day-to-day management, monthly Group reporting, and annual strategy updates.

Operational risks are associated with the retention and development of major customers, the operations of the distribution network and success in extending the customer base and markets. In the Revenio Health Tech segment especially, operational risks include factors related to expansion into new markets, such as various countries' regulation of sales licenses for medical instruments imposed at national level and the related official decisions concerning the health care market. The success in health tech related, R&D projects that are in line with strategy can be also categorized as an operational risk.

The operational risks related to the manufacture, product development, and production control of medical instruments are estimated to be higher than average in the Revenio Health Tech segment, because of that sector's requirements concerning quality.

Project-based operations, mainly carried out in the Technology and Services segment which has been transferred to discontinued operations, involve exposure to operational risks related to the management of demanding end-to-end deliveries, which may concern the company's own project work, subcontractors and suppliers.

Hazard risks are covered by insurance. Property and business interruption insurance provide protection against risks in these areas. The business pursued is covered by international liability insurance.

Financial risks consist of credit, interest, liquidity, and foreign exchange risks. To manage credit loss risks, the Group has taken out credit insurance covering all companies in the Group. Every month, and more frequently if necessary, the Board, in its meetings, assesses matters related to financial issues. If required, the Board provides decisions and guidelines for the management of financial risks concerning interest-rate and currency hedging, for instance. The liquidity risk can be affected by the availability of external financing, the development of the Group's credit standing, the trend in business operations and changes in the payment behavior of customers. Liquidity risks are monitored by means of cash forecasts, which are drawn up for periods of 12 months at most at a time.

## Annual General Meeting and Board authorizations in effect

The Annual General Meeting held on March 20, 2014 approved the company's financial statements and granted a discharge of liability to the President & CEO and the members of the Board of Directors for the financial year January 1–December 31, 2013.

The Annual General Meeting decided to elect five members to the Board of Directors. Rolf Fryckman, Ari Kohonen and Pekka Tammela were re-elected as Board members, and Kyösti Kakkonen and Pekka Rönkä were elected as new members. At its organization meeting, held after the Annual General Meeting, the Board of Directors re-elected Pekka Tammela as Chairman.

The AGM decided that the Chairman of the Board should be paid a fee of EUR 36,000 per annum and other Board members EUR 18,000 per annum. A total of 40 percent of Board members' emoluments will be settled in the form of company shares, while 60 percent will comprise a monetary payment.

The AGM re-elected PricewaterhouseCoopers Oy, Authorized Public Accountants, as the company's auditors with Juha Tuomala, Authorized Public Accountant, as principal auditor.

The AGM accepted the Board's proposal on profit distribution, according to which the parent company's net loss for the reporting period, EUR -304,972.66, will be deducted from retained earnings, and a dividend of EUR 0.30 per share will be paid.

The Annual General Meeting rescinded the earlier authorization to buy back 771,107 of the company's own shares, and authorized the Board of Directors to buy back a maximum of 785,047 of the company's own shares following the approval of the reverse share split, either in one or several installments, using the company's unrestricted equity, in which case any buyback will reduce the amount of distributable earnings. The company may buy back shares in order to develop its capital structure, in order to finance and implement any corporate acquisitions or other transactions, and to implement share-based incentive plans or otherwise dispose of or cancel them. This authorization is valid until April 30, 2015.

The AGM authorized the Board of Directors, following the approval of the reverse share split, to decide on the issuance of a maximum of 3,000,000 shares or to grant special rights (including stock options) conferring entitlement to shares, as referred to in Section 1 of Chapter 10 of the Limited Liability Companies Act, in one or several tranches. This authorization was granted for the purpose of financing and implementing any prospective corporate acquisitions or other transactions, implementing the company's share-based incentive schemes, or for other purposes determined by the Board.

This authorization is valid until April 30, 2015. This authorization shall supersede the authorization to decide on an issuance of new shares and on the granting of special rights giving entitlement to shares granted at the AGM of March 21, 2013.

## Board of Directors and Auditors

As of March 21, 2014, the Revenio Group Corporation's Board of Directors has consisted of: Pekka Tammela, M.Sc. (Econ.), Authorized Public Accountant, partner in PJ Maa Partners Oy (Chairman); Rolf Fryckman, optician, Chairman of the Board of Eyemaker's Finland Oy; Ari Kohonen, M.Sc. (Eng.), M.Sc. (Econ.), Chairman of the Board of Gerako Oy; and, as new Board Members, Kyösti Kakkonen, LL.B., Chairman of the Board of Joensuun Kauppa ja Kone; and Pekka Rönkä, M.Sc. (Eng.).

PricewaterhouseCoopers Oy, Authorized Public Accountants, serves as the company's Auditors, with Juha Tuomala, Authorized Public Accountant, as Principal Auditor.

## Major events after the review period

On January 19, 2015, Icare Finland Oy, which is part of the Revenio Group, received a sales permit for the company's TA01 tonometer in China. The company believes that the sales permit will enable several hundred devices to be sold in China during 2015. In addition to the sales permit for the TA01 tonometer, Icare has applied for a sales permit for its PRO and HOME tonometers in China, and the applications have advanced to the stage of processing by the relevant authorities.

On January 21, 2015, the Revenio Group Corporation signed a license agreement with VTT Technical Research Centre of Finland concerning intellectual property rights and know-how regarding the hyperspectral camera technology developed by VTT. Revenio aims to launch an easy-to-use, mobile screening device for dermatologists to use to detect skin cancers and their precursors. According to the company's current view, the screening device is not expected to generate significant commercial value for a few years.

On February 2, 2015, Revenio announced that it had signed a license agreement with Tide Medical Oy concerning a patented invention relating to the diagnosis of asthma. This agreement allows Revenio to use this invention as a basis on which to develop and commercialize products relating to the screening, diagnosis, monitoring and treatment of asthma. Revenio expects that it will take several years before these products become commercially significant for the company.

Both of these openings are related to major national diseases, early detection of which is essential for successful treatment. Skin cancers and their precursors are increasingly rapidly throughout the world. The underlying cause of various skin changes lies in continuously increasing exposure to UV radiation. Asthma, on the other hand, is one of the most common chronic diseases: there are over 300 million asthma patients in the world. In Finland, 9.4 percent of the population has asthma.

## The Board's proposal to the Annual General Meeting

The consolidated net profit for the year totaled EUR -693,677.25 and that of the parent company EUR 1,047,421.70. The parent company's distributable earnings on December 31, 2014 totaled EUR 8,952,835.50.

The Board of Directors will propose to the Annual General Meeting on March 19, 2015, that the parent company's distributable earnings be allocated as follows:

A per-share dividend of EUR 0.45, for a total of EUR 3,569,435.10 against the total number of shares on the balance sheet date, will be distributed. The rest of the distributable retained earnings will be entered under equity. In the Board's opinion, the distribution of profits does not endanger the parent company's or Group's liquidity.

## Statement of accounting policies

These financial statements have been prepared in accordance with IFRS recognition and measurement principles. The report does not comply with all the requirements of IAS 34, Interim Financial Reporting. These financial statements are based on audited figures.

| <b>GROUP KEY FIGURES AND RATIOS (MEUR)</b>                 | <b>1-12/2014</b> | <b>1-12/2013</b> |
|--|------------------|------------------|
| Net sales, continuing operations                           | 16.0             | 13.5             |
| Ebitda, continuing operations                              | 4.9              | 4.7              |
| Ebitda-%, continuing operations                            | 30.8             | 34.9             |
| Operating profit, continuing operations                    | 4.4              | 4.3              |
| Operating profit-%, continuing operations                  | 27.5             | 31.6             |
| Pre-tax profit, continuing operations                      | 4.7              | 4.2              |
| Pre-tax profit-%, continuing operations                    | 29.1             | 31.0             |
| Net profit from discontinued operations                    | -4.4             | 1.4              |
| Net profit, continuing operations                          | 3.7              | 2.9              |
| Net profit-%, continuing operations                        | 23.3             | 21.8             |
| Gross capital expenditure                                  | 1.2              | 0.9              |
| Gross capital expenditure-%                                | 7.2              | 6.8              |
| R&D costs  | 1.0              | 0.8              |
| R&D costs-% from net sales                                 | 6.4              | 6.1              |
| Gearing-%  | -22.4            | -16.8            |
| Equity ratio-%   | 62.4             | 66.1             |
| Return on investment-% (ROI)                               | 1.1              | 33.4             |
| Return on equity-% (ROE)                                   | -5.1             | 29.0             |
| Undiluted earnings per share, EUR, continuing operations   | 0.47             | 0.38             |
| Diluted Earnings per share, EUR, continuing operations     | 0.47             | 0.37             |
| Undiluted earnings per share, EUR, discontinued operations | -0.56            | 0.18             |
| Diluted Earnings per share, EUR, discontinued operations   | -0.56            | 0.18             |
| Equity per share, EUR                                      | 1.52             | 1.95             |
| Average no. of employees, continuing operations            | 28               | 25               |
| Cash flow from operating activities                        | 3.6              | 5.6              |
| Cash flow from discontinued operations                     | -0.8             | -0.1             |
| Cash flow from investing activities                        | -0.5             | 0.1              |
| Net cash used in financing activities                      | -2.8             | -5.9             |
| Total cash flow  | -0.5             | -0.3             |

| <b>CONSOLIDATED COMPREHENSIVE INCOME STATEMENT (MEUR)</b>  | <b>1-12/2014</b> | <b>1-12/2013</b> |
|--|------------------|------------------|
| NET SALES  | 16.0             | 13.5             |
| Other operating income                                     | 0.0              | 0.1              |
| Materials and services                                     | -5.1             | -3.9             |
| Employee benefits  | -2.6             | -2.5             |
| Depreciation/amortization                                  | -0.5             | -0.4             |
| Other operating expenses                                   | -3.4             | -2.5             |
| <b>OPERATING PROFIT, CONTINUING OPERATIONS</b>             | <b>4.4</b>       | <b>4.3</b>       |
| Share of associates' results                               | 0.0              | 0.0              |
| Financial expenses (net)                                   | 0.2              | -0.1             |
| <b>PRE-TAX PROFIT, CONTINUING OPERATIONS</b>               | <b>4.7</b>       | <b>4.2</b>       |
| Income tax expense   | -0.9             | -1.2             |
| Net profit from continuing operations                      | 3.7              | 2.9              |
| Net profit from discontinued operations                    | -4.4             | 1.4              |
| <b>NET PROFIT</b>  | <b>-0.7</b>      | <b>4.3</b>       |
| Other comprehensive income items                           | 0.0              | 0.0              |
| Income tax expense for comprehensive income                | 0.0              | 0.0              |
| Other comprehensive income items after taxes               | 0.0              | 0.0              |
| <b>TOTAL COMPREHENSIVE INCOME</b>                          | <b>-0.7</b>      | <b>4.3</b>       |
| Net profit attributable to:                                |                  |                  |
| Parent company shareholders                                | -0.7             | 4.3              |
| Total comprehensive income attributable to:                |                  |                  |
| Parent company shareholders                                | -0.7             | 4.3              |
| Earnings per share, undiluted.EUR. continuing operations   | 0.47             | 0.38             |
| Earnings per share, diluted.EUR. continuing operations     | 0.47             | 0.37             |
| Earnings per share, undiluted.EUR. discontinued operations | -0.56            | 0.18             |
| Earnings per share, diluted.EUR. discontinued operations   | -0.56            | 0.18             |

| <b>CONSOLIDATED COMPREHENSIVE INCOME STATEMENT (MEUR)</b> | <b>10-12/2014</b> | <b>10-12/2013</b> |
|---|-------------------|-------------------|
| NET SALES   | 5.0               | 4.1               |
| Other operating income                                    | 0.0               | 0.1               |
| Materials and services                                    | -1.7              | -1.3              |
| Employee benefits   | -0.7              | -1.0              |
| Depreciation/amortization                                 | -0.2              | -0.1              |
| Other operating expenses                                  | -1.0              | -0.6              |
| <b>OPERATING PROFIT, CONTINUING OPERATIONS</b>            | <b>1.3</b>        | <b>1.3</b>        |
| Share of associates' results                              | 0.0               | 0.0               |
| Financial expenses (net)                                  | 0.1               | 0.0               |
| <b>PRE-TAX PROFIT, CONTINUING OPERATIONS</b>              | <b>1.4</b>        | <b>1.2</b>        |
| Income tax expense  | -0.2              | -0.2              |
| Net profit from continuing operations                     | 1.2               | 1.1               |
| Net profit from discontinued operations                   | -3.4              | 0.3               |
| <b>NET PROFIT</b>   | <b>-2.2</b>       | <b>1.4</b>        |
| Other comprehensive income items                          | 0.0               | 0.0               |
| Income tax expense for comprehensive income               | 0.0               | 0.0               |
| Other comprehensive income items<br>after taxes           | 0.0               | 0.0               |
| <b>TOTAL COMPREHENSIVE INCOME</b>                         | <b>-2.2</b>       | <b>1.4</b>        |
| Net profit attributable to:                               |                   |                   |
| Parent company shareholders                               | -2.2              | 1.4               |
| Total comprehensive income attributable to:               |                   |                   |
| Parent company shareholders                               | -2.2              | 1.4               |

| <b>CONSOLIDATED BALANCE SHEET (MEUR)</b>                              | <b>31 DEC 2014</b> | <b>31 DEC 2013</b> |
|---|--------------------|--------------------|
| <b>ASSETS</b>   |                    |                    |
| <b>NON-CURRENT ASSETS</b>   |                    |                    |
| Property, plant and equipment   | 0.6                | 1.3                |
| Goodwill  | 1.1                | 7.0                |
| Intangible assets   | 2.8                | 2.4                |
| Shares in associates  | 0.0                | 0.0                |
| Deferred tax assets   | 0.2                | 0.5                |
| <b>TOTAL NON-CURRENT ASSETS</b>                                       | <b>4.8</b>         | <b>11.3</b>        |
| <b>CURRENT ASSETS</b>   |                    |                    |
| Inventories   | 1.3                | 1.1                |
| Trade and other receivables   | 2.3                | 4.5                |
| Cash and cash equivalents   | 4.1                | 4.6                |
| <b>TOTAL CURRENT ASSETS</b>   | <b>7.7</b>         | <b>10.2</b>        |
| Non-current assets held for sale                                      | 6.8                | 1.2                |
| <b>TOTAL ASSETS</b>   | <b>19.3</b>        | <b>22.7</b>        |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                           |                    |                    |
| <b>SHAREHOLDERS' EQUITY</b>   |                    |                    |
| Share capital   | 5.3                | 5.3                |
| Share premium   | 2.4                | 2.4                |
| Fair value reserve  | 0.3                | 0.3                |
| Invested unrestricted capital reserve                                 | 4.6                | 4.5                |
| Retained earnings/loss  | -0.6               | 2.4                |
| <b>TOTAL EQUITY, attributable to holders of parent company equity</b> | <b>12.1</b>        | <b>15.0</b>        |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                                     | <b>12.1</b>        | <b>15.0</b>        |
| <b>LIABILITIES</b>  |                    |                    |
| <b>NON-CURRENT LIABILITIES</b>  |                    |                    |
| Deferred tax liabilities  | 0.0                | 0.2                |
| Provisions  | 0.0                | 0.1                |
| Financial liabilities   | 0.9                | 1.3                |
| <b>TOTAL LONG-TERM LIABILITIES</b>                                    | <b>0.9</b>         | <b>1.6</b>         |
| <b>CURRENT LIABILITIES</b>  |                    |                    |
| Advance payments  | 0.0                | 1.3                |
| Trade and other payables  | 1.9                | 3.5                |
| Financial liabilities   | 0.6                | 0.8                |
| <b>TOTAL SHORT-TERM LIABILITIES</b>                                   | <b>2.5</b>         | <b>5.6</b>         |
| Long-term liabilities held for sale                                   | 3.9                | 0.5                |
| <b>TOTAL LIABILITIES</b>  | <b>7.3</b>         | <b>7.7</b>         |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>                     | <b>19.3</b>        | <b>22.7</b>        |



**CONSOLIDATED STATEMENT OF CHANGE IN EQUITY (MEUR)**

|                        | Share-capital | Share premium | Other reserves | Retained earnings | Total equity. |
|------------------------|---------------|---------------|----------------|-------------------|---------------|
| Balance 1 Jan 2014     | 5.3           | 2.4           | 5.0            | 2.2               | 15.0          |
| Dividend distribution  | 0.0           | 0.0           | 0.0            | -2.4              | -2.4          |
| Option rights utilized | 0.0           | 0.0           | 0.1            | 0.0               | 0.1           |
| Net profit             | 0.0           | 0.0           | 0.0            | -0.7              | -0.7          |
| Balance 31 Dec 2014    | 5.3           | 2.4           | 5.2            | -0.9              | 12.1          |

|                        | Share-capital | Share-premium | Other reserves | Retained-earnings | Total equity. |
|------------------------|---------------|---------------|----------------|-------------------|---------------|
| Balance 1 Jan 2013     | 5.3           | 2.4           | 7.6            | -0.6              | 14.7          |
| Dividend distribution  | 0.0           | 0.0           | 0.0            | -1.5              | -1.5          |
| Option rights utilized | 0.0           | 0.0           | 0.7            | 0.0               | 0.7           |
| Repayment of capital   | 0.0           | 0.0           | -3.3           | 0.0               | -3.3          |
| Net profit             | 0.0           | 0.0           | 0.0            | 4.3               | 4.3           |
| Balance 31 Dec 2013    | 5.3           | 2.4           | 5.0            | 2.2               | 15.0          |

**CONSOLIDATED CASH FLOW STATEMENT (MEUR)**

|  | 1-12/2014   | 1-12/2013   |
|--|-------------|-------------|
| Net profit   | -0.7        | 4.3         |
| Adjustments to net profit                          | 0.3         | 0.8         |
| Taxes  | 0.9         | 1.1         |
| Change in working capital                          | 3.7         | -0.6        |
| Interest paid                                      | -0.0        | -0.0        |
| Interest received                                  | 0.0         | 0.0         |
| Taxes paid   | -0.6        | -0.0        |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>         | <b>3.6</b>  | <b>5.6</b>  |
| Cash flow from discontinued operations             | -0.8        | -0.1        |
| Sales of subsidiaries and associates' shares (net) | 0.9         | 1.7         |
| Purchase of Subsidiaries                           | -0.0        | -0.7        |
| Purchase of PPE                                    | -0.5        | -0.3        |
| Purchase of Intangible assets                      | -0.8        | -0.6        |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>       | <b>-0.4</b> | <b>0.1</b>  |
| Used options rights                                | 0.1         | 0.7         |
| Paid dividends and repayments of capital           | -2.3        | -4.8        |
| Repayments of long-term borrowings                 | -0.6        | -1.7        |
| Long-term loans received                           | 0.0         | 0.0         |
| Finance lease principal payment                    | -0.0        | -0.1        |
| Loans for associated companies granted             | -0.0        | -0.0        |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>       | <b>-2.8</b> | <b>-5.9</b> |
| Net change in cash and equivalents                 | -0.5        | -0.3        |
| Cash and equivalents. period-start                 | 4.6         | 5.0         |
| Cash and equivalents. period-end                   | 4.1         | 4.6         |

**NET SALES AND OPERATING PROFIT BY QUARTER (MEUR)**

|                | Q4/2014 | Q3/2014 | Q2/2014 | Q1/2014 | Q4/2013 | Q3/2013 | Q2/2013 | Q1/2013 |
|----------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Net sales      | 5.0     | 3.8     | 3.6     | 3.7     | 4.1     | 3.0     | 3.2     | 3.1     |
| Oper. profit   | 1.3     | 1.1     | 0.9     | 1.1     | 1.3     | 1.0     | 1.1     | 0.9     |
| Oper. profit-% | 26      | 29      | 25      | 30      | 31      | 32      | 34      | 30      |

**MAIN SHAREHOLDERS 31 DEC 2014**

|  | No. of shares | %    |
|--|---------------|------|
| 1. Merivirta Jyri                                  | 950 000       | 12 % |
| 2. Joensuun Kauppa ja Kone Oy                      | 441 509       | 6 %  |
| 3. Gerako Oy                                       | 340 000       | 4 %  |
| 4. Sijoitusrahasto Evli Suomi Pienyhtiöt           | 336 086       | 4 %  |
| 5. Keskinäinen Eläkevakuutusyhtiö Etera            | 265 000       | 3 %  |
| 6. Alpisalo Mia Elisa                              | 211 199       | 3 %  |
| 7. Sijoitusrahasto Danske Invest Suomen Pienyhtiöt | 190 000       | 2 %  |
| 8. Eyemaker's Finland Oy                           | 150 000       | 2 %  |
| 9. Salovaara Olli-Pekka                            | 109 207       | 1 %  |
| 10. Siik Rauni Marjut                              | 92 500        | 1 %  |

## Briefing

A briefing for analysts, portfolio managers and media representatives will be held on February 12, 2015 at 10:00. The presentation materials and a video recording will be available on the company's website at [www.revenio.fi](http://www.revenio.fi) after the event.

## FORMULAS FOR KEY FIGURES

|                               |   |  |
|-------------------------------|---|--|
| Earnings per share:           | = | $\frac{\text{net profit for the period}}{\text{average number of shares during period}}$   |
| Equity per share:             | = | $\frac{\text{equity attributable to shareholders}}{\text{number of shares at end of period}}$  |
| Average share price:          | = | $\frac{\text{total EUR value of shares traded}}{\text{total number of shares traded during period}}$   |
| Pre-tax profit-%:             | = | operating profit + financing income – financing expenses   |
| Return on equity-% (ROE):     | = | $\frac{100 \times \text{profit for the financial period}}{\text{shareholders' equity} + \text{non-controlling interest (average during period)}}$                                    |
| Return on investment-% (ROI): | = | $\frac{100 \times \text{profit before taxes} + \text{interest and other financial expenses}}{\text{balance sheet total} - \text{non-interest-bearing debt (average during period)}}$ |
| Equity ratio-%:               | = | $\frac{100 \times \text{balance sheet equity} + \text{non-controlling interest}}{\text{balance sheet total} - \text{advance payments received}}$                                     |
| Net gearing-%:                | = | $\frac{100 \times \text{interest-bearing debt} - \text{cash \& equivalents}}{\text{total equity}}$   |
| Equity per share:             | = | $\frac{\text{equity attributable to shareholders}}{\text{number of shares at end of period}}$  |
| Gearing-%:                    | = | $\frac{100 \times \text{interest-bearing net debt}}{\text{equity total}}$  |

Revenio Group Corporation  
Board of Directors

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**DISTRIBUTION:**

NASDAQ OMX Helsinki  
Financial Supervisory Authority (FIN-FSA)  
Principal media  
[www.revenio.fi](http://www.revenio.fi)

## The Revenio Group in brief

Revenio is a Finnish health tech group whose core business lies in screening. The Revenio Health Tech segment comprises the business operations of Icare Finland Oy and Oscare Medical Oy, which specializes in osteoporosis screening and assessment. In addition, Revenio has identified new growth opportunities relating to health tech in which common denominators are screening, follow-up and the global need to make cost savings in health care through preventive measures. Revenio seeks vigorous growth in health technology, both organically and through acquisitions and mergers.

In 2014, the Revenio Group's net sales totaled MEUR 16.0, with its operating margin for continuing operations standing at 27,5%. The Revenio Group Corporation is listed on NASDAQ OMX Helsinki.