



Interim Report

January 1 – March 31, 2018

April 27, 2018

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RAUTE CORPORATION – INTERIM REPORT JANUARY 1 – MARCH 31, 2018

- The Group's first-quarter net sales, EUR 35.3 million (MEUR 36.6), declined 4% on the comparison period.
- Operating profit amounted to EUR 2.8 million (MEUR 2.7), up 3%. The result before taxes was EUR 2.9 million (MEUR 2.9).
- Undiluted earnings per share were EUR 0.53 (EUR 0.50) and diluted earnings per share were EUR 0.53 (EUR 0.49).
- Order intake, at EUR 68 million (MEUR 24), was at a very good level. The order book at the end of the reporting period came to a record EUR 142 million (MEUR 93), a significant proportion of which is scheduled for 2019.
- Raute's net sales and operating profit for 2018 are expected to be at the previous year's level.

PRESIDENT AND CEO TAPANI KIISKI: FIRST QUARTER AS EXPECTED, ORDER INTAKE PARTICULARLY PLEASING

The start of the year was in line with our expectations. Net sales in the first quarter fell slightly short of the result of the comparison period, due to the scheduling of the order book, but operating profit improved somewhat. Even larger variations between quarters are the norm for Raute's business, and we expect to see the same this year, too.

Demand for our technology and services continues to be strong. The greatest demand in the first quarter was seen in the traditional industrialized markets, and especially in Europe the brisk demand continued. In emerging markets, demand has been more subdued and more focused on simple technology than before.

Active demand also materialized into orders. Two mill-scale orders, both LVL mill projects, raised the volume of our new orders to an excellent level. Even without these mill-scale orders, our volume of new orders was at a sustainable level. It is also pleasing to note that, for the first time in a while, one of these major orders was received from Asia. The first steps, considered to be of minor value at this stage, but

important for the future, were a significant cooperation contract concluded with a Russian customer encompassing extensive maintenance services for several mills, and the first service contract based on Raute's IoT technology concluded with a European customer.

Our order book reached a new record of EUR 142 million. A significant proportion of the work is also scheduled for 2019. We have further increased our overall capacity and scheduled our deliveries in a way that allows us to serve our customers with reasonable delivery times also in the near future. A strong order book gives us the opportunity to focus on developing, within the framework of our resources, new technologies and customer relationships in emerging markets, where we have not managed to secure a position that is in line with our goals.

Our historically strong order book and continued brisk demand already secure this year's outlook and provide a glimpse into next year. We are enjoying good momentum in reaching our goals for this year. Raute's net sales and operating profit for 2018 are expected to be at the previous year's level.

RAUTE CORPORATION – INTERIM REPORT JANUARY 1 – MARCH 31, 2018

BUSINESS ENVIRONMENT

Market situation in customer industries

Raute's customers in the plywood and LVL (Laminated Veneer Lumber) industries are engaged in the manufacture of wood products used in investment projects and are thus highly affected by fluctuations in construction, housing-related consumption, international trade, and transportation.

The situation in the global economy and the financial markets in the early months of 2018 did not change considerably with respect to Raute or Raute's customer base. The positive development has continued in the key market areas, despite the growing political uncertainty. Although construction activity increased in many market areas, it remained at a fairly low level in all major market areas.

Demand for wood products technology and technology services

Thanks to the continued brighter economic and market situation, investment activity among Raute's customers has remained at a good level. Enquiry activity for new capacity projects and larger projects involving replacement and efficiency-boosting investments has remained brisk, and trade is being actively negotiated.

Demand is especially strong in industrialized market areas, Europe, North America and Russia. In the emerging markets of Asia, China included, and in South America, demand has not been as strong, and is even focusing more and more on products that use simpler technology.

Demand for maintenance and spare parts services remained at a good level, which is an indication of the good capacity utilization rates of Raute's customers' production plants.

ORDER INTAKE AND ORDER BOOK

Raute serves the wood products industry with a full-service concept that is based on technology solutions that cover the customer's entire production process and services throughout their life cycle. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production

line deliveries to deliveries of all the machines and equipment belonging to a mill's production process. Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training and reconditioned machinery.

The good market situation is reflected in the volume of new orders Raute has received. During the first quarter, the order intake, EUR 68 million (MEUR 24), was at a very good level. The most significant new orders were a EUR 23 million order for an LVL mill expansion in Finland, and a EUR 20 million order for LVL line equipment for North-East Asia.

Of the new orders, 55 percent came from Europe (52%), 29 percent from Asia-Pacific (1%), 11 percent from North America (19%), 4 percent from Russia (18%) and 1 percent from South America (10%). Sometimes even strong fluctuations in the distribution of new orders between the various market areas are typical for project-focused business.

Order intake in technology services amounted to EUR 15 million (MEUR 10), increasing 54 percent on the comparison period.

The order book increased during the first quarter by EUR 32 million. The order book at the end of the reporting period amounted to a record EUR 142 million (MEUR 93). A large part of the order book has already been scheduled for 2019.

COMPETITIVE POSITION

Raute's competitive position has remained unchanged and is strong. Raute's solutions help customers in securing their delivery and service capabilities throughout the life cycle of the production process or a part thereof. In such investments, the supplier's overall expertise and extensive and diverse technology offering play a key role. The competitive edge provided by Raute plays a major role when customers select their cooperation partners. Raute's strong financial position and long-term dedication to serving selected customer industries also enhance its credibility and improve its competitive position as a company that carries out long-term investment projects.

Raute improves its competitive position, in particular, through knowledge-intensive services. Two examples of this during the reporting period are the extensive maintenance contract concluded with a Russian

customer, and the first expert service contract based on Raute's IoT solutions concluded with a European customer.

NET SALES

Net sales for the reporting period, EUR 35.3 million (MEUR 36.6), declined 4 percent on the first quarter of 2017. Net sales were in line with the scheduling of the order book.

Of the total net sales for the reporting period, Europe accounted for 54 percent (51%), Russia for 22 percent (32%), North America for 16 percent (12%), South America for 5 percent (2%), and Asia-Pacific for 3 percent (3%).

Technology services accounted for 30 percent (28%) of the Group's total net sales and amounted to EUR 11 million (MEUR 10).

RESULT AND PROFITABILITY

Operating profit was EUR 2.8 million positive (MEUR 2.7 positive) and accounted for 7.8 percent of net sales (7.3%).

The result before taxes for the reporting period was EUR 2.9 million positive (MEUR 2.9 positive). The result for the reporting period was EUR 2.3 million positive (MEUR 2.1 positive). Earnings per share (undiluted) were EUR 0.53 (EUR 0.50).

CASH FLOW AND BALANCE SHEET

The Group's financial position remained good. At the end of the reporting period, gearing was -105 percent (-22%) and the equity ratio was 55 percent (52%). Fluctuations in balance sheet working capital items and the key figures based on them are due to differences in the timing of customer payments and the cost accumulation from project deliveries, which is typical of the project business.

The Group's cash and cash equivalents amounted to EUR 39.4 million (MEUR 10.0) at the end of the reporting period. Operating cash flow was EUR 9.8 million positive (MEUR 13.5 negative). Cash flow from investment activities was EUR 1.1 million negative (MEUR 0.4 negative). Cash flow from financing activities was EUR 0.1 million positive (MEUR 0.1 positive).

Interest-bearing liabilities amounted to EUR 1.4 million (MEUR 3.1) at the end of the reporting period.

The parent company Raute Corporation has a EUR 10 million commercial paper program, which allows the company to issue commercial papers maturing in less than one year.

The parent company Raute Corporation is prepared for future working capital needs and has long-term credit facility agreements with three Nordic banks totaling EUR 23.0 million. The main covenants for the credit facility are an equity ratio of >30% and gearing of <100%. Of the credit facility, EUR 21.5 million remained unused at the end of the reporting period.

EVENTS DURING THE REPORTING PERIOD

Raute Corporation published stock exchange releases on the following events:

- 29 January 2018 Raute received orders worth approximately EUR 23 million to Finland
- 09 February 2018 Raute receives order worth almost 20 million euros from North-East Asia
- 06 March 2018 Disposal of Raute Corporation's own shares
- 22 March 2018 Second plan for Raute's top management remuneration system, LTI Plan 2018–2020, takes off
- 22 March 2018 Decisions of Raute's Annual General Meeting 2018
- 23 March 2018 Changes in Raute Group's Executive Board as of 27 March 2018.

RESEARCH AND DEVELOPMENT COSTS AND CAPITAL EXPENDITURE

Raute is a leading technology supplier for the plywood and LVL industries and focuses strongly on the development of increasingly efficient, productive, safe and environmentally friendly manufacturing technology and supporting measurement and machine vision applications. Opportunities provided by digitalization are also an essential part of R&D activities.

Research and development costs in the reporting period amounted to EUR 0.8 million (MEUR 0.8), representing 2.2 percent of net sales (2.1%).

Capital expenditure during the period came to EUR 1.0 million (MEUR 0.4) and accounted for 2.7 percent (1.1%) of net sales.

PERSONNEL

At the end of the reporting period, the Group's personnel numbered 716 (658). Group companies outside Finland accounted for 32 percent (29%) of employees.

Converted to full-time employees ("effective headcount"), the average number of employees was 692 (635) during the reporting period.

SHARES

The number of Raute Corporation's shares at the end of the reporting period totaled 4,256,379, of which 991,161 were series K shares (ordinary share, 20 votes/share) and 3,265,218 were series A shares (1 vote/share). Series K and A shares confer equal rights to dividends and company assets.

Series K shares can be converted to series A shares under the terms set out in section 3 of the Articles of Association. If an ordinary share is transferred to a new owner who has not previously held series K shares, the new owner must notify the Board of Directors of this in writing and without delay. Other holders of series K shares have the right to redeem the share under the terms specified in Article 4 of the Articles of Association.

Raute Corporation's series A shares are listed on Nasdaq Helsinki Ltd. The trading code is RAUTE. Raute Corporation has signed a market making agreement with Nordea Bank Ab in compliance with the Liquidity Providing (LP) requirements issued by Nasdaq Helsinki Ltd.

The company's market capitalization at the end of the reporting period was EUR 130.2 million (MEUR 94.4), with series K shares valued at the closing price of series A shares on March 31, 2018, i.e. EUR 30.60 (EUR 22.37).

RAUTE CORPORATION'S 2010 STOCK OPTIONS

The subscription period for Raute Corporation's 2010 C stock options ended on March 31, 2018.

REMUNERATION

The Group has remuneration systems in place that cover the entire personnel.

Share-based incentive plans

The Group has valid long-term share-based incentive plans based on performance.

The company decided to launch a new performance-based, share-value-based, long-term incentive plan, LTI Plan 2018–2020, on March 22, 2018.

The terms and conditions of the incentive plans are available on the company's website. More detailed and up-to-date information is presented in the Remuneration Statement on the company's website.

SHAREHOLDERS

The number of shareholders totaled 4,797 at the beginning of the year and 4,761 at the end of the reporting period. Series K shares were held by 55 private individuals (50) at the end of the reporting period. Nominee-registered shares accounted for 6.3 percent (2.4%) of shares. The company did not receive any flagging notifications during the reporting period.

The Board of Directors, the President and CEO as well as the Executive Board held altogether 260,810 company shares, equaling 6.1 percent (6.2%) of the company shares and 11.7 percent (11.3%) of the votes at the end of the reporting period.

CORPORATE GOVERNANCE

As of January 1, 2016, Raute Corporation complies with the Finnish Corporate Governance Code 2015 for listed companies issued by the Securities Market Association on October 1, 2015.

EXECUTIVE BOARD

Raute Group's Executive Board and the members' areas of responsibility:

- Tapani Kiiski, President and CEO, Chairman – sales
- Arja Hakala, Group Vice President, Strategy – business development
- Marko Hjelt, Group Vice President, Human Resources – personnel and competence development
- Mika Hyysti, Group Vice President, Technology – technology, products and R&D
- Timo Kangas, Group Vice President, EMEA – market area EMEA

Antti Laulainen, Group Vice President, Technology Services and Sales Management – technology services and sales management
Petri Strengell, Group Vice President, Supply Chain – sourcing and production
Olli-Pekka Vanhanen, Group Vice President, CFO – finance and administration (as of March 27, 2018).

ANNUAL GENERAL MEETING 2018

Raute Corporation's Annual General Meeting was held on March 22, 2018. The Annual General Meeting adopted the financial statements for 2017, discharged those accountable from liability and resolved to distribute a dividend of EUR 1.25 per share.

The Annual General Meeting elected the company's Board of Directors for a term that expires at the end of the Annual General Meeting of 2019. Mr. Erkki Pehu-Lehtonen was elected Chairman of the Board, Mr. Mika Mustakallio was elected Vice-Chair, and Mr. Joni Bask, Ms. Laura Raitio, Mr. Pekka Suominen, and Mr. Patrick von Essen were elected as Board members.

The authorized public accounting company PricewaterhouseCoopers was chosen as the auditor, with Authorized Public Accountant Markku Launis as the principal auditor.

The Annual General Meeting decided that the remuneration paid to the Chairman of the Board will continue to be EUR 40,000 and to the Vice-Chairman of the Board and Board members EUR 20,000 for the term of office and that the Board members' traveling expenses will be compensated in accordance with the company's travel policy. The auditors' remuneration will be paid on the basis of reasonable invoicing as approved by the company.

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the company's series A shares with assets from the company's non-restricted equity and an issue of a maximum of 400,000 of these shares.

The Annual General Meeting also resolved to amend articles 8 and 13 of the Articles of Association pertaining to the auditor to correspond to the valid Finnish Auditing Act.

More detailed information on the decisions of the Annual General Meeting can be found in the stock exchange release issued on March 22, 2018.

DISTRIBUTION OF PROFIT FOR THE 2017 FINANCIAL YEAR

The Annual General Meeting held on March 22, 2018 decided to pay a dividend of EUR 1.25 per share for the financial year 2017. The total amount of dividends is EUR 5.3 million, with series A shares accounting for EUR 4,081,522.50 and series K shares for EUR 1,238,951.25. The dividend payment date was April 4, 2018.

EVENTS AFTER THE REPORTING PERIOD

Board of Directors and Board Committees

The Board of Directors elected by Raute Corporation's Annual General Meeting on March 22, 2018 has held a constitutive meeting.

Based on the evaluation of independence by the Board of Directors, Chairman Mr. Erkki Pehu-Lehtonen and members Mr. Joni Bask, Mr. Patrick von Essen, Ms. Laura Raitio, and Mr. Pekka Suominen are independent of the company. Vice Chair of the Board of Directors Mr. Mika Mustakallio is not estimated to be independent of the company, as he has served on the Board of Directors for more than ten years. The Chairman of the Board (Mr. Erkki Pehu-Lehtonen) and two Board members (Mr. Patrick von Essen and Ms. Laura Raitio) are independent of major shareholders.

Raute Corporation's Board of Directors has an Appointments Committee. The Appointments Committee is chaired by Mr. Erkki Pehu-Lehtonen and its members are Mr. Mika Mustakallio and Mr. Pekka Suominen. The Audit Committee's tasks are handled by the Board of Directors.

BUSINESS RISKS

Risks in the near term continue to be driven by the uncertainty relating to the global economic situation and the development of the financial markets, as well as by international political instability. During the reporting period, there were no essential changes in the business risks described in the 2017 Board of Directors' Report and Financial Statements.

The most significant risks for Raute in the near term are related to the very high order book, and especially to the major mill-scale projects that are in the implementation phase, in accordance with the schedule determined in the contract terms, and the sufficiency and availability of skilled resources.

OUTLOOK FOR 2018

Due to the scheduling of the record-high order book, Raute's net sales and operating profit for 2018 are expected to be at the previous year's level.

Raute Corporation's Board of Directors has on April 27, 2018 reviewed the Interim financial report for January 1 – March 31, 2018, and approved it to be published.

The figures for the financial year 2017 presented in the figures section of the Interim financial report have been audited. The presented interim financial report figures have not been audited. The figures for the comparative interim period and the financial year 2017 have been restated as a result of changes in IFRS standards.

CONSOLIDATED STATEMENT OF INCOME

EUR 1 000	1.1.– 31.3.2018	Restated 1.1.– 31.3.2017	Restated 1.1.– 31.12.2017
NET SALES	35 272	36 589	148 064
Change in inventories of finished goods and work in progress	1 230	492	2 054
Other operating income	65	28	96
Materials and services	-18 174	-20 747	-80 721
Employee benefits expense	-11 246	-9 756	-41 036
Depreciation and amortization	-650	-618	-2 633
Other operating expenses	-3 743	-3 311	-14 653
Total operating expenses	-33 813	-34 432	-139 042
OPERATING PROFIT	2 754	2 678	11 171
% of net sales	7,8	7,3	7,5
Financial income	225	318	359
Financial expenses	-64	-105	-411
Financial expenses, net	160	212	-51
PROFIT BEFORE TAX	2 914	2 890	11 120
% of net sales	8,3	7,9	7,5
Income taxes	-659	-789	-2 141
PROFIT FOR THE PERIOD	2 256	2 101	8 979
% of net sales	6,4	5,7	6,1
Profit for the period attributable to Equity holders of the Parent company	2 256	2 101	8 979
Earnings per share for profit attributable to equity holders of the Parent company, EUR			
Undiluted earnings per share	0,53	0,50	2,13
Diluted earnings per share	0,53	0,49	2,11

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1 000	1.1.– 31.3.2018	Restated 1.1.– 31.3.2017	Restated 1.1.– 31.12.2017
PROFIT FOR THE PERIOD	2 256	2 101	8 979
Other comprehensive income items:			
Items that may be subsequently reclassified to profit or loss			
Changes in the fair value of available-for-sale investments	-	-259	193
Hedge accounting	40	-	-31
Exchange differences on translating foreign operations	15	-29	-183
Income taxes related to these items	-28	52	-32
Comprehensive income items for the period, net of tax	27	-236	-52
COMPREHENSIVE PROFIT FOR THE PERIOD	2 283	1 865	8 927
Comprehensive profit for the period attributable to Equity holders of the Parent company	2 283	1 865	8 927
Shares, 1 000 pcs			
Adjusted average number of shares	4 248	4 205	4 225
Adjusted average number of shares diluted	4 267	4 249	4 259

Consolidated balance sheet

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CONSOLIDATED BALANCE SHEET

EUR 1 000	31.3.2018	Restated 31.3.2017	Restated 31.12.2017
ASSETS			
Non-current assets			
Goodwill	1 036	-	1 035
Other intangible assets	2 496	1 265	2 548
Property, plant and equipment	10 283	9 446	9 948
Other financial assets	923	471	923
Deferred tax assets	247	6	410
Total non-current assets	14 985	11 188	14 865
Current assets			
Inventories	12 865	10 157	11 010
Accounts receivables and other receivables	27 083	42 597	30 363
Income tax receivable	81	56	45
Cash and cash equivalents	39 441	10 032	30 724
Total current assets	79 470	62 842	72 142
TOTAL ASSETS	94 455	74 029	87 006

CONSOLIDATED BALANCE SHEET

EUR 1 000	31.3.2018	Restated 31.3.2017	Restated 31.12.2017
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Parent company			
Share capital	8 256	8 256	8 256
Fair value reserve and other reserves	7 390	6 525	7 156
Exchange differences	674	813	659
Retained earnings	17 876	14 323	14 321
Profit for the period	2 256	2 101	8 979
Total equity	36 451	32 018	39 372
Non-current liabilities			
Provisions	838	722	707
Deferred tax liability	43	52	86
Total non-current liabilities	881	774	793
Current liabilities			
Provisions	1 632	1 128	1 378
Current interest-bearing liabilities	1 365	3 106	1 413
Current advance payments received	28 338	12 805	25 739
Income tax liability	238	1 464	829
Trade payables and other liabilities	25 551	22 735	17 481
Total current liabilities	57 123	41 237	46 841
Total liabilities	58 004	42 012	47 634
TOTAL EQUITY AND LIABILITIES	94 455	74 029	87 006

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR 1 000	1.1.– 31.3.2018	1.1.– 31.3.2017	1.1.– 31.12.2017
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from customers	42 048	22 385	167 370
Other operating income	65	28	50
Payments to suppliers and employees	-31 403	-35 615	-145 131
Cash flow before financial items and taxes	10 709	-13 201	22 289
Interest paid from operating activities	-24	-59	-277
Dividends received from operating activities	162	99	120
Interest received from operating activities	4	1	7
Other financing items from operating activities	72	42	-298
Income taxes paid from operating activities	-1 127	-404	-3 408
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	9 796	-13 521	18 432
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets	-1 141	-604	-2 874
Business transaction	-	-	-3 193
Proceeds from sale of property, plant and equipment and intangible assets	8	13	117
Proceeds from sale of investments	-	182	182
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	-1 133	-409	-5 768
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital	59	117	207
Proceeds from current borrowings	-	-	4 413
Repayments of current borrowings	-	-	-6 136
Dividends paid	-	-	-4 220
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	59	117	-5 736
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	8 722	-13 813	6 928
increase (+)/decrease (-)			
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD*	30 724	23 769	23 769
NET CHANGE IN CASH AND CASH EQUIVALENTS	8 722	-13 813	6 928
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	-4	77	27
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD*	39 441	10 032	30 724
CASH AND CASH EQUIVALENTS IN THE BALANCE SHEET AT THE END OF THE PERIOD*			
Cash and cash equivalents	39 441	10 032	30 724
TOTAL	39 441	10 032	30 724

*Cash and cash equivalents comprise cash and bank receivables, which will be due within the following three months' period.

Consolidated statement of changes in shareholders' equity

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CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR 1 000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2018	8 256	5 652	1 504	659	23 623	39 694	39 694
Changes in accounting principles, IFRS 15	-	-	-	-	-322	-322	-322
Changes in accounting principles, IFRS 9	-	-	-	-	-104	-104	-104
Changes in accounting principles, IFRS 2	-	-	117	-	-	117	117
RESTATED EQUITY at Jan. 1, 2018	8 256	5 652	1 621	659	23 197	39 385	39 385
Comprehensive profit for the period							
Profit for the period	-	-	-	-	2 256	2 256	2 256
Other comprehensive income items:							
Changes in the fair value of available-for-sale investments	-	-	-	-	-	-	-
Hedging reserve	-	-	40	-	-	40	40
Exchange differences on translating foreign operations	-	-	-	15	-	15	15
Income taxes related to these items	-	-	-28	-	-	-28	-28
Total comprehensive profit for the period	-	-	12	15	2 256	2 282	2 282
Transactions with equity holders							
Share-options exercised	-	59	-	-	-	59	59
Equity-settled share-based transactions	-	-	46	-	-	46	46
Dividends	-	-	-	-	-5 320	-5 320	-5 320
Total transactions with equity holders	0	59	46	0	-5 320	-5 215	-5 215
EQUITY at March 31, 2018	8 256	5 711	1 679	674	20 132	36 451	36 451

COMPARISON PERIOD, RESTATED

EUR 1 000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2017	8 256	5 445	1 132	842	18 543	34 217	34 217
Changes in accounting principles	-	-	-	-	-	0	0
RESTATED EQUITY at Jan. 1, 2017	8 256	5 445	1 132	842	18 543	34 217	34 217
Comprehensive profit for the period							
Profit for the period, restated	-	-	-	-	2 101	2 101	2 101
Other comprehensive income items:							
Changes in the fair value of available-for-sale investments	-	-	-259	-	-	-259	-259
Hedging reserve	-	-	-	-	-	-	-
Exchange differences on translating foreign operations	-	-	-	-29	-	-29	-29
Income taxes related to these items	-	-	52	-	-	52	52
Total comprehensive profit for the period	-	-	-207	-29	2 101	1 865	1 865
Transactions with equity holders							
Share-options exercised	-	117	-	-	-	117	117
Equity-settled share-based transactions	-	-	39	-	-	39	39
Dividends	-	-	-	-	-4 220	-4 220	-4 220
Total transactions with equity holders	0	117	39	0	-4 220	-4 064	-4 064
EQUITY at March 31, 2017	8 256	5 562	963	813	16 424	32 018	32 018

NOTES TO THE INTERIM FINANCIAL REPORT

General information

Raute Group is a globally operating technology and service company serving the wood products industry, with core competence in selected wood products manufacturing processes. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL and sawn timber.

Raute's full-service concept is based on product life-cycle management and includes project deliveries and technology services. Raute's technology offering covers machinery and equipment for the customer's entire production process. In addition to a broad range of machines and equipment, Raute's solutions cover technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations.

Raute Group's Parent company, Raute Corporation, is a Finnish public limited liability company established in accordance with Finnish law (Business ID FI01490726). Its series A shares are quoted on Nasdaq Helsinki Ltd, under Industrials. Raute Corporation is domiciled in Lahti. The address of its registered office is Rautetie 2, FI-15550 Nastola, and its postal address is P.O. Box 69, FI-15551 Nastola.

All of the figures presented in the Interim financial report are in thousand euro, unless otherwise stated. Due to the rounding of the figures in the financial statement tables, the sums of figures may deviate from the sum total presented in the table. Figures in parentheses refer to the corresponding figures in the comparison period.

Basis of preparation

Raute Corporation's Interim financial report for January 1 – March 31, 2018 has been prepared in accordance with standard IAS 34 Interim Financial Reporting.

The Interim financial report does not contain full notes and other information presented in the financial statements, and therefore the Interim financial report should be read in conjunction with the Financial statements published for 2017. Raute Corporation's consolidated financial statements information is available online at www.raute.com and at the head office of the Parent company, Rautetie 2, FI-15550 Nastola.

Raute Corporation's Interim financial report for January 1 – March 31, 2018 has been prepared in accordance with the International Financial Reporting Standards, IFRS, accepted for application in the European Union, including related interpretations. The Interim financial report has been drawn up according to the same accounting principles as in the consolidated financial statements for 2017, except for the adoption of new standards effective as of January 1, 2018 or later.

IFRS 15 Revenue from contracts with customers, has been effective as of January 1, 2018. Raute Group has presented on March 23, 2018, with a separate bulletin the restated comparative figures for the financial year 2018 and the restated income statement and balance sheet as well as restated key figures due to the adoption of the new IFRS 15 standard. Of Raute's products and services, performance obligations to be satisfied over time under the IFRS 15 standard include, as a general rule, project deliveries and modernizations that are treated as long-term projects and recognized based on the percentage of completion method, designed and tailored to the needs of the customer. These performance obligations do not have the alternative use referred to in the IFRS 15 standard and they still form one performance obligation.

The company applies to performance obligations to be satisfied over time the same principle as in the percentage of completion method (proportion of costs incurred to the estimated costs of the project). An exception to the above-mentioned general rule are the individual long-term projects recognized based on the percentage of completion method in which the customer has not committed to paying the incurred costs and a sufficient margin in situations where the customer unilaterally interrupts the performance of the contract or when the

customer is unable to meet its contractual obligations. Going forward, these individual projects will be treated as performance obligations to be satisfied at a point in time. Based on current estimates, the number of these projects has been and will be limited.

IFRS 9 Financial instruments, has been effective as of January 1, 2018. The Group has adopted the standard non-retrospectively applying the simplified approach of the standard. The standard includes hedge accounting requirements, but these do not have significant effects on presenting the financial instruments nor on the Interim financial report. The standard includes also changes in the recognition of impairments. An expected credit loss has been estimated on financial receivables. Credit losses are based on the expected credit loss share, which has been measured based on the total outstanding amount of sales receivables, credit losses realized during previous interim periods and the Group's estimate of the future development of economic conditions. The expected credit loss provision amount of EUR 0.1 million has been recognized as an adjustment to the opening balance of equity at January 1, 2018. During the interim period the change in the expected credit loss was EUR -45 thousand. The deferred tax related to this item has been recognized during the interim period.

IFRS 2 Share-based payments, has been adopted non-retrospectively applying the simplified approach of the standard. The standard includes guidance on the basis of preparation when a share-based payment plan has a net settlement payment and Raute Group has an obligation to withhold a tax from the payment. The bonuses of this share reward have been recognized entirely as an equity-settled share-based payment at January 1, 2018. An expense adjustment related to these share-based payments has increased the Group's opening balance sheet equity by EUR 0.1 million. The corresponding item decreased the item Trade and other payables in the liabilities by EUR 0.1 million.

When preparing the Interim financial report in compliance with International Financial Reporting Standards, the company management has made estimates and assumptions. In addition, the management has exercised its judgment in selecting and applying the accounting policies. The forward-looking estimates and assumptions have been based on management's best knowledge at the reporting date, and they comprise risks and uncertainties, therefore actual results may differ from these estimates.

Net sales

Raute serves the wood products industry with a full-service concept based on service that encompasses the entire life cycle of the delivered equipment. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to deliveries of all the machines and equipment belonging to a mill's production process.

Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training and reconditioned machinery. Project deliveries and modernizations related to technology services include both product and service sales, making it impossible to give a reliable presentation of the breakdown of the Group's net sales into purely product and service sales.

Large mill or production line scale delivery projects can temporarily increase the share of an individual customer of the Group's net sales to more than 10 percent. At the end of the interim period, the Group had one customer (2), whose customized share of the Group's net sales temporarily exceeded ten percent.

	1.1.– 31.3.2018		Restated 1.1.– 31.3.2017	%	Restated 1.1.– 31.12.2017	%
Net sales by market area						
EMEA (Europe and Africa)	19 334	54	18 683	51	81 952	56
CIS (Russia)	7 654	22	11 781	32	35 365	24
NAM (North America)	5 646	16	4 207	12	21 115	14
LAM (South America)	1 663	5	738	2	6 202	4
APAC (Asia-Pacific)	974	3	1 180	3	3 429	2
TOTAL	35 272	100	36 589	100	148 064	100

Finland accounted for 11 percent (13 %) of net sales.

	31.3.2018	Restated 31.3.2017	Restated 31.12.2017
Long-term projects			
Specification of net sales			
Net sales by percentage of completion	29 203	30 660	118 115
Other net sales	6 069	5 929	29 949
TOTAL	35 272	36 589	148 064
Project revenues entered as income from currently undelivered long-term projects recognized by percentage of completion	133 546	129 059	135 322
Amount of long-term project revenues not yet entered as income (order book)	136 286	92 005	104 728
Balance sheet items of undelivered long-term projects			
Projects in which the value by percentage of completion exceeds advance payments invoiced			
- aggregate amount of costs incurred and recognized profits less recognized losses	86 865	113 320	88 318
- advance payments received	71 201	79 908	67 913
Gross amount due from customers	15 664	33 412	20 405
Projects in which advance payments invoiced exceed the value by percentage of completion			
- aggregate amount of costs incurred and recognized profits less recognized losses	46 664	15 755	46 388
- advance payments received	73 355	27 598	68 846
Gross amount due to customers	26 691	11 843	22 458
Advance payments included in the current liabilities in the balance sheet			
Gross amount due to customers	26 691	11 843	22 458
Other advance payments received, not under percentage of completion	1 647	962	3 281
Total	28 338	12 805	25 739
Advance payments of the long-term projects included in inventories in the balance sheet			
Advance payments paid for long-term projects	754	926	659
Total	754	926	659

	31.3.2018	31.3.2017	31.12.2017
Number of personnel			
Effective, on average, persons	692	635	660
On average, persons	711	651	682
In books at March 31, persons	716	658	704
Personnel working abroad at the end of the period	226	191	222
Personnel working abroad, %	31,6	29,0	31,5

Pledges on behalf of the company's management

No loans have been granted to the company's management.

No pledges have been given or other commitments made on behalf of the company's management and shareholders.

	31.3.2018	31.3.2017	31.12.2017
Research and development costs			
Research and development costs for the period	-769	-783	-3 237
Amortization of previously capitalized development costs	-47	-57	-223
Development costs recognized as an asset in the balance sheet	78	-	123
Research and development costs entered as an expense for the period	-738	-839	-3 338

	31.3.2018	31.3.2017	31.12.2017
Other intangible assets			
Acquisition cost at the beginning of the period	14 799	13 391	13 391
Exchange rate differences	0	-7	-48
Additions	114	60	1 750
Reclassification between items	-	16	-295
Acquisition cost at the end of the period	14 913	13 461	14 799
Accumulated depreciation and amortization at the beginning of the period	-12 250	-12 038	-12 038
Exchange rate differences	0	6	42
Accumulated depreciation and amortization of disposals and reclassifications	-	-	565
Depreciation and amortization for the period	-166	-164	-820
Accumulated depreciation and amortization at the end of the period	-12 417	-12 196	-12 250
Book value of Other intangible assets, at the beginning of the period	2 548	1 353	1 353
Book value of Other intangible assets, at the end of the period	2 496	1 265	2 548
Property, plant and equipment			
Acquisition cost at the beginning of the period	50 134	48 657	48 657
Exchange rate differences	-457	-58	-596
Additions	853	353	2 623
Disposals	0	-8	-97
Reclassification between items	-	-16	-452
Acquisition cost at the end of the period	50 530	48 927	50 134
Accumulated depreciation and amortization at the beginning of the period	-40 186	-39 077	-39 077
Exchange rate differences	422	49	520
Accumulated depreciation and amortization of disposals and reclassifications	-	-	183
Depreciation and amortization for the period	-482	-453	-1 813
Accumulated depreciation and amortization at the end of the period	-40 248	-39 481	-40 186
Book value of Property, plant and equipment, at the beginning of the period	9 948	9 580	9 580
Book value of Property, plant and equipment, at the end of the period	10 283	9 446	9 948

Financial assets

At the end of the reporting period March 31, 2018, the fair value of the financial assets categorized at fair value on hierarchy level 3 was EUR 923 thousand.

There were no transfers between the hierarchy levels 1 and 2 during the reporting period.

	31.3.2018	31.3.2017	31.12.2017
Current interest-bearing liabilities			
Partial payments of financial loans	1 365	3 106	1 413
TOTAL	1 365	3 106	1 413

Maturities of the interest-bearing financial liabilities at March 31, 2018

	Current	Non-current	Total
Financial loans			
Partial payments of financial loans	1 365	-	1 365
TOTAL	1 365	-	1 365

	31.3.2018	31.3.2017	31.12.2017
Derivatives			
Nominal values of forward contracts in foreign currency			
Economic hedging			
- Related to financing	893	-	492
- Related to the hedging of net sales	4 722	4 870	3 228
Hedge accounting			
- Related to the hedging of net sales	12 556	3 960	12 716
Fair values of forward contracts in foreign currency			
Economic hedging			
- Related to financing	-7	-	52
- Related to the hedging of net sales	61	3	27
Hedge accounting			
- Related to the hedging of net sales	-96	-55	-18

	31.3.2018	31.3.2017	31.12.2017
Pledged assets and contingent liabilities			
On behalf of the Parent company			
Business mortgages	8 525	6 659	8 274
Mortgage agreements on behalf of subsidiaries			
Financial loans	1 365	3 106	1 413
Other obligations	374	225	313
Business mortgages	1 738	3 341	1 726
Commercial bank guarantees on behalf of the Parent company and subsidiaries	23 441	17 423	25 728
Other own obligations			
Rental liabilities maturing within one year	1 282	941	1 297
Rental liabilities maturing in one to five years	2 238	623	2 773
Rental liabilities maturing later	39	1	-
Total	3 560	1 565	4 070

Share-based payments

A total of 7,131 Raute's series A shares have been subscribed for with Raute's stock options 2010 C during the reporting period. The new shares have been registered in the Trade Register on February 26, 2018.

On March 31, 2018 the company's share capital is EUR 8,256,316 and the number of company's shares 4,256,379 pieces.

An expense of EUR 114 thousand was recognized for the share rewards to the income statement during the reporting period.

Distribution of the profit for the financial year 2017

Raute Corporation's Annual General Meeting held on March 22, 2018, decided, according to the Board of Directors' proposal, to distribute a dividend of EUR 1.25 per share to be paid for series A and K shares, a total of EUR 5,320 thousand. The dividend payment date was April 4, 2018.

Segment information

Continuing operations of Raute Group belong to the wood products technology segment. Raute Corporation's Board of Directors is the chief operating decision maker that is responsible for assigning resources to the operating segment and assessing its result.

Due to Raute's business model, operational nature and administrative structure, the operational segment to be reported as wood products technology segment is comprised of the whole Group and the information on the segment is consistent with that of the Group. Segment reporting follows the principles of presentation of the consolidated financial statements.

	31.3.2018	Restated 31.3.2017	Restated 31.12.2017
Wood products technology			
Net sales	35 272	36 589	148 064
Operating profit	2 754	2 678	11 171
Assets	94 455	74 029	87 006
Liabilities	58 004	42 012	47 634
Capital expenditure	967	413	6 962

	31.3.2018	%	Restated 31.3.2017	%	Restated 31.12.2017	%
Assets of the wood products technology segment by geographical location						
Finland	85 066	90	65 360	88	77 541	89
North America	5 537	6	4 158	6	5 693	7
China	2 526	3	3 244	4	2 511	3
Russia	1 045	1	958	1	1 007	1
South America	149	0	172	0	128	0
Other	132	0	139	0	127	0
TOTAL	94 455	100	74 029	100	87 006	100

	31.3.2018	%	31.3.2017	%	31.12.2017	%
Capital expenditure of the wood products technology segment by geographical location						
Finland	891	92	335	81	4 283	62
North America	66	7	76	18	2 663	38
China	1	0	-	-	-	-
Russia	9	1	3	1	13	0
South America	-	-	-	-	1	0
Other	-	-	-	-	1	0
TOTAL	967	100	413	100	6 962	100

Exchange rates used in the consolidation of subsidiaries

	1.1.– 31.3.2018	1.1.– 31.3.2017	1.1.– 31.12.2017
Income statement, euros			
CNY (Chinese yuan)	7,8149	7,3341	7,6266
RUB (Russian rouble)	69,9464	62,5198	65,8806
CAD (Canadian dollar)	1,5545	1,4093	1,4644
USD (US dollar)	1,2295	1,0647	1,1292
SGD (Singapore dollar)	1,6213	1,5081	1,5583
CLP (Chilean peso)	740,1695	697,9336	732,3058
Balance sheet, euros			
CNY (Chinese yuan)	7,7982	7,3692	7,8073
RUB (Russian rouble)	70,8897	60,3130	69,3920
CAD (Canadian dollar)	1,5895	1,4265	1,5039
USD (US dollar)	1,2321	1,0691	1,1993
SGD (Singapore dollar)	1,6158	1,4940	1,6024
CLP (Chilean peso)	745,4177	707,5191	751,8129

FINANCIAL DEVELOPMENT	31.3.2018	Restated 31.3.2017	Restated 31.12.2017	SHARE-RELATED DATA	31.3.2018	Restated 31.3.2017	Restated 31.12.2017
Change in net sales, %	-3,6	38,5	30,9	Earnings per share, (EPS), undiluted, EUR	0,53	0,50	2,13
Exported portion of net sales, %	88,9	86,9	82,6	Earnings per share, (EPS), diluted, EUR	0,53	0,49	2,11
Operating profit, % of net sales	7,8	7,3	7,5	Equity to share, EUR	8,56	7,59	9,27
Return on investment, (ROI), %	30,3	32,9	29,5	Dividend per series A share, EUR	-	-	1,25
Return on equity, (ROE), %	23,8	25,4	24,4	Dividend per series K share, EUR	-	-	1,25
Interest-bearing net liabilities, EUR million	-38,1	-6,9	-29,3	Dividend per profit, %	-	-	56,8
Gearing, %	-104,5	-21,6	-74,4	Effective dividend return, %	-	-	4,3
Equity ratio, %	55,1	52,3	64,3	Price/earnings ratio (P/E ratio)	-	-	13,17
Gross capital expenditure, EUR million	1,0	0,4	7,0	Development in share price (series A shares)			
% of net sales	2,7	1,1	4,7	Lowest share price for the period, EUR	27,40	16,84	16,84
Research and development costs, EUR million	0,8	0,8	3,2	Highest share price for the period, EUR	34,90	24,15	30,52
% of net sales	2,2	2,1	2,2	Average share price for the period, EUR	30,84	19,53	22,70
Order book, EUR million	142	93	110	Share price at the end of the period, EUR	30,60	22,37	29,00
Order intake, EUR million	68	24	155	Market value of capital stock			
				- Series K shares, EUR million*	30,3	22,2	28,7
				- Series A shares, EUR million	99,9	72,2	94,5
				Total, EUR million	130,2	94,4	123,2
				<i>*Series K shares valued at the value of series A shares.</i>			
				Trading of the company's shares (series A shares)			
				Trading of shares, pcs	326 669	207 572	845 672
				Trading of shares, EUR million	10,1	4,1	19,2
				Number of shares			
				- Series K shares, ordinary shares (20 votes/share)	991 161	991 161	991 161
				- Series A shares (1 vote/share)	3 265 218	3 228 550	3 258 087
				Total	4 256 379	4 219 711	4 249 248
				Number of shares, weighted average, 1 000 pcs	4 248	4 205	4 225
				Number of shares, diluted, 1 000 pcs	4 267	4 249	4 259
				Number of shareholders	4 761	3 744	4 797

Development of quarterly results

Interim Report January 1 – March 31, 2018
April 27, 2018

DEVELOPMENT OF QUARTERLY RESULTS

EUR 1 000	Restated Q2 2017	Restated Q3 2017	Restated Q4 2017	Q1 2018	Rolling restated 1.4.2017– 31.3.2018	Rolling restated 1.4.2016– 31.3.2017
NET SALES	35 058	37 049	39 367	35 272	146 747	123 293
Change in inventories of finished goods and work in progress	806	-187	943	1 230	2 791	-275
Other operating income	91	167	-190	65	132	170
Materials and services	-19 405	-19 386	-21 183	-18 174	-78 148	-61 332
Employee benefits expense	-10 347	-9 495	-11 437	-11 246	-42 525	-37 232
Depreciation and amortization	-660	-654	-702	-650	-2 665	-2 442
Other operating expenses	-4 223	-3 381	-3 738	-3 743	-15 085	-12 332
Total operating expenses	-34 634	-32 916	-37 060	-33 813	-138 423	-113 338
OPERATING PROFIT	1 320	4 113	3 060	2 754	11 247	9 849
% of net sales	3,8	11,1	7,8	7,8	7,7	8,0
Financial income	17	19	5	225	266	347
Financial expenses	-145	-121	-39	-64	-369	-344
Financial expenses, net	-127	-102	-34	160	-103	3
PROFIT BEFORE TAX	1 192	4 011	3 026	2 914	11 144	9 852
% of net sales	3,4	10,8	7,7	8,3	7,6	8,0
Income taxes	-377	-647	-328	-659	-2 011	-1 971
PROFIT FOR THE PERIOD	815	3 364	2 698	2 256	9 133	7 881
% of net sales	2,3	9,1	6,9	6,4	6,2	6,4
Attributable to						
Equity holders of the Parent company	815	3 364	2 698	2 256	9 133	7 881
Earnings per share, EUR						
Undiluted earnings per share	0,19	0,80	0,64	0,53	2,15	1,87
Diluted earnings per share	0,19	0,79	0,63	0,53	2,14	1,86
Shares, 1 000 pcs						
Adjusted average number of shares	4 225	4 229	4 240	4 248	4 248	4 205
Adjusted average number of shares, diluted	4 242	4 259	4 274	4 267	4 267	4 249
	Restated Q2 2017	Restated Q3 2017	Restated Q4 2017	Q1 2018	Rolling restated 1.4.2017– 31.3.2018	Rolling restated 1.4.2016– 31.3.2017
FINANCIAL DEVELOPMENT QUARTERLY						
Order intake during the period, EUR million	29	42	60	68	199	173
Order book at the end of the period, EUR million	87	89	110	142	142	93

20 LARGEST SHAREHOLDERS AT MARCH 31, 2018 BY NUMBER OF SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Sundholm Göran	-	500 000	500 000	11,7	500 000	2,2
2. Mandatum Life Unit-Linked	-	131 396	131 396	3,1	131 396	0,6
3. Laakkonen Mikko Kalervo	-	119 919	119 919	2,8	119 919	0,5
4. Suominen Pekka	48 000	62 429	110 429	2,6	1 022 429	4,4
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
7. Suominen Tiina Sini-Maria	48 000	53 356	101 356	2,4	1 013 356	4,4
8. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
9. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
10. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
11. Mustakallio Kari Pauli	60 480	500	60 980	1,4	1 210 100	5,2
12. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
13. Mustakallio Ulla Sinikka	47 740	10 730	58 470	1,4	965 530	4,2
14. Särkijärvi Anu Riitta	12 000	43 256	55 256	1,3	283 256	1,2
15. Särkijärvi Timo Juha	12 000	43 256	55 256	1,3	283 256	1,2
16. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
17. Keskinäinen työeläkevakuutusyhtiö Varma	-	51 950	51 950	1,2	51 950	0,2
18. Relander Pär-Gustaf	-	51 000	51 000	1,2	51 000	0,2
19. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
20. Keskiaho Ilta Marjaana	24 780	19 094	43 874	1,0	514 694	2,2
Total	635 200	1 323 572	1 958 772	46,0	14 027 572	60,8

20 LARGEST SHAREHOLDERS AT MARCH 31, 2018 BY NUMBER OF VOTES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
2. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
3. Mustakallio Kari Pauli	60 480	500	60 980	1,4	1 210 100	5,2
4. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Suominen Pekka	48 000	62 429	110 429	2,6	1 022 429	4,4
7. Suominen Tiina Sini-Maria	48 000	53 356	101 356	2,4	1 013 356	4,4
8. Mustakallio Ulla Sinikka	47 740	10 730	58 470	1,4	965 530	4,2
9. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
10. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
11. Mustakallio Risto Knut kuolinpesä	42 240	-	42 240	1,0	844 800	3,7
12. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
13. Keskiaho Vesa Heikki	29 680	-	29 680	0,7	593 600	2,6
14. Keskiaho Juha-Pekka	27 880	5 716	33 596	0,8	563 316	2,4
15. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
16. Keskiaho Ilta Marjaana	24 780	19 094	43 874	1,0	514 694	2,2
17. Sundholm Göran	-	500 000	500 000	11,7	500 000	2,2
18. Kultanen Leea Annikka	21 595	8 031	29 626	0,7	439 931	1,9
19. Molander Sole	20 160	-	20 160	0,5	403 200	1,7
20. Kirmo Lasse	19 025	2 964	21 989	0,5	383 464	1,7
Total	771 780	899 506	1 671 286	39,3	16 335 106	70,8

MANAGEMENT'S SHAREHOLDING AND NOMINEE-REGISTERED SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
Management's holding at March 31, 2018						
The Board of Directors, The Group's President and CEO and Executive Board*						
	127 890	132 920	260 810	6,1	2 690 720	11,7
Total	127 890	132 920	260 810	6,1	2 690 720	11,7

*The figures include the holdings of their own, minor children and control entities.

Nominee-registered shares at March 31, 2018						
	-	266 298	266 298	6,3	266 298	1,2

RAUTE CORPORATION

Board of Directors

BRIEFING ON APRIL 27, 2018 AT 2 P.M.:

A briefing will be organized for analysts, investors and the media on April 27, 2018 at 2 p.m. at Scandic Simonkenttä Hotel, Roba cabinet, Simonkatu 9, Helsinki. The interim report will be presented by Mr. Tapani Kiiski, President and CEO, and Mr. Olli-Pekka Vanhanen, CFO.

NEXT INTERIM REPORT:

Raute Corporation's Half-year Report January 1–June 30, 2018 will be published on Tuesday, July 31, 2018.

FURTHER INFORMATION:

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Mr. Olli-Pekka Vanhanen, CFO, Raute Corporation, mobile phone +358 40 505 7515

DISTRIBUTION:

Nasdaq Helsinki Ltd, main media, www.raute.com

RAUTE IN BRIEF:

Raute is a technology and service company that operates worldwide. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL (Laminated Veneer Lumber) and sawn timber. Its technology offering covers the entire production process for veneer, plywood and LVL and special measurement equipment for sawn timber. As a supplier of mill-scale projects, Raute is a global market leader both in the plywood and LVL industries. Additionally, Raute's full-service concept includes technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations. Raute's head office is located in the Nastola area of Lahti, Finland. The company's other production plants are located in Kajaani, Finland, the Vancouver area of Canada, the Shanghai area of China and in Pullman, Washington, USA. Raute's net sales in 2017 were EUR 148.1 million. The Group's headcount at the end of 2017 was 704. More information about the company can be found at www.raute.com.



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