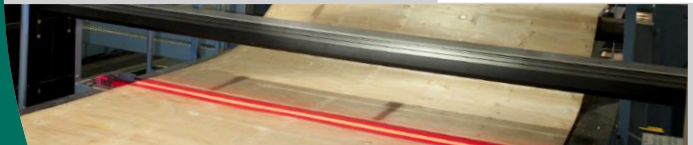


Interim Report

1 January – 30 September 2014

29 October 2014

Tapani Kiiski, President and CEO



Business environment

- No material changes in the customer industries' market situation
 - In North America, the upswing in the construction market has continued, as it has in some parts of Europe.
 - Russia's economic situation remained weak, and the uncertainty caused by the prolonged crisis in Ukraine has weakened the situation further.
 - Customers' operations have mostly been profitable; however, the order books are often short, which means the situation is not conducive to progressing significant investments.
 - Several big projects under preparation but progress slowly.
 - Several single production line and modernization projects also have not yet reached order status. Situation in Russia is most challenging.
- Demand for maintenance and spare parts remained good.
 - Production volumes and utilization rates of the customer industries mostly remained at a good level.

Raute

- Order intake more than double compared with the previous year
 - Two new, capacity-increasing projects to Poland in Q2. In Q3, an additional order from the other.
 - More than two thirds of new orders from Europe.
 - 19% growth in technology services, mostly from modernizations.

MEUR	Q3 2014	1-9 2014	1-9 2013
Order intake			
- Project deliveries	15	60	17
- Technology services	7	29	24
Total	22	89	41

MEUR	Q3 2014	Q3 2013
Net sales	24,7	15,6
Operating result	0,3	-0,3
Order intake	22	7
Order intake, change in Q3	-3	

MEUR	1-9 2014	1-9 2013
Net sales	60,0	58,8
Operating result	-1,0	0,3
Order intake	89	41
Order book	56	31

Q3

- Net sales remained lower than expected
 - Full revenue recognition of two mill-scale projects was postponed.
 - Technology services accounted for 43% of net sales.
- Profitability remained low with respect to net sales
 - Unforeseen additional costs relating to two delivery projects. In one project, proven technology applied to a new raw material, and in the other, new technology in a pilot delivery.

1-9 2014

- Net sales up 2 percent.
- Technology services accounted for MEUR 27, 15% growth mainly from modernizations.
- Due to Q3, profitability remained low with respect to net sales.
- Order book at a good level.

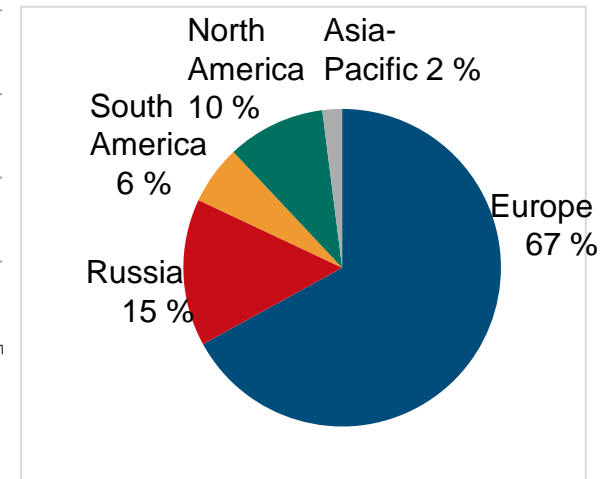
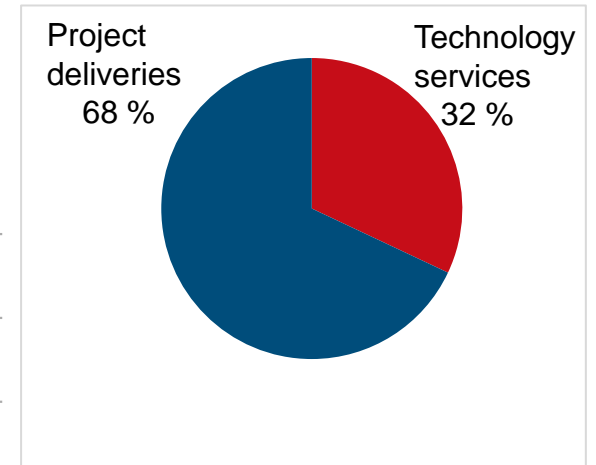
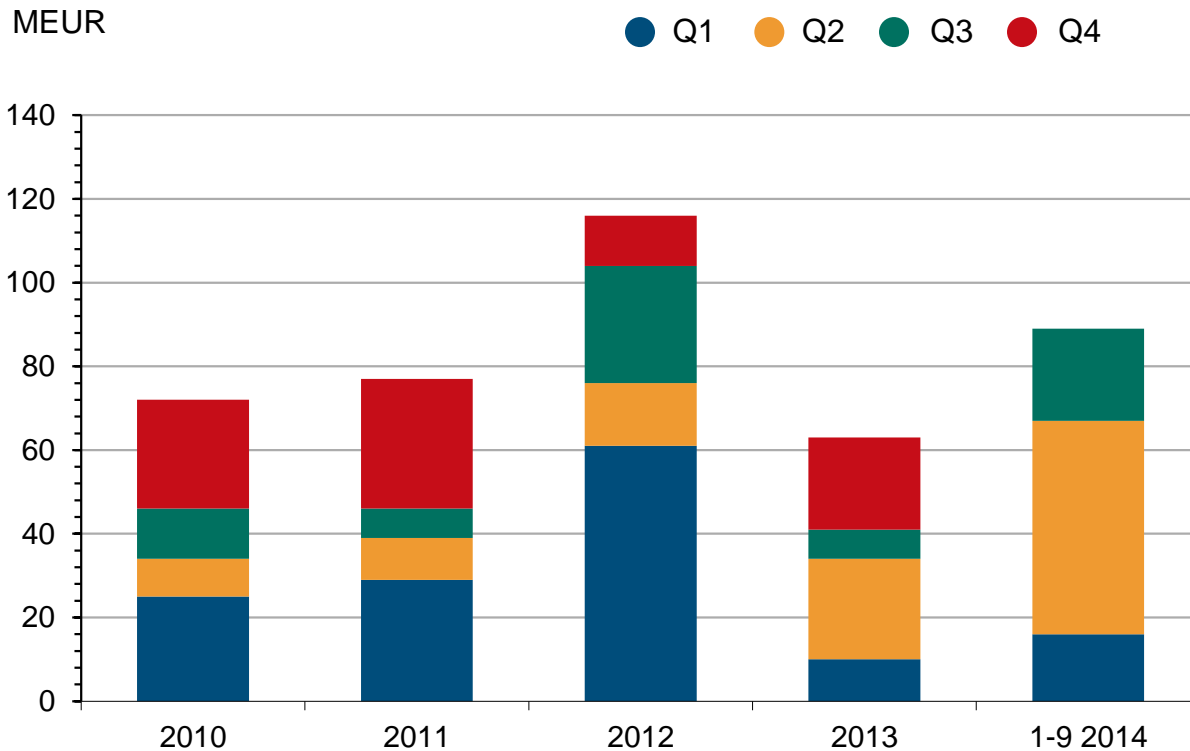
Income statement, Balance sheet and Key figures

Income statement, MEUR	1-9 2014	1-9 2013	2013
Net sales	60,0	58,8	83,3
Operating result	-1,0	0,3	1,8
Financial income and expenses	-0,0	0,1	-0,2
Profit before tax	-1,0	0,4	1,6
Income tax	0,2	-0,1	-0,4
Result for the period	-0,8	0,3	1,2

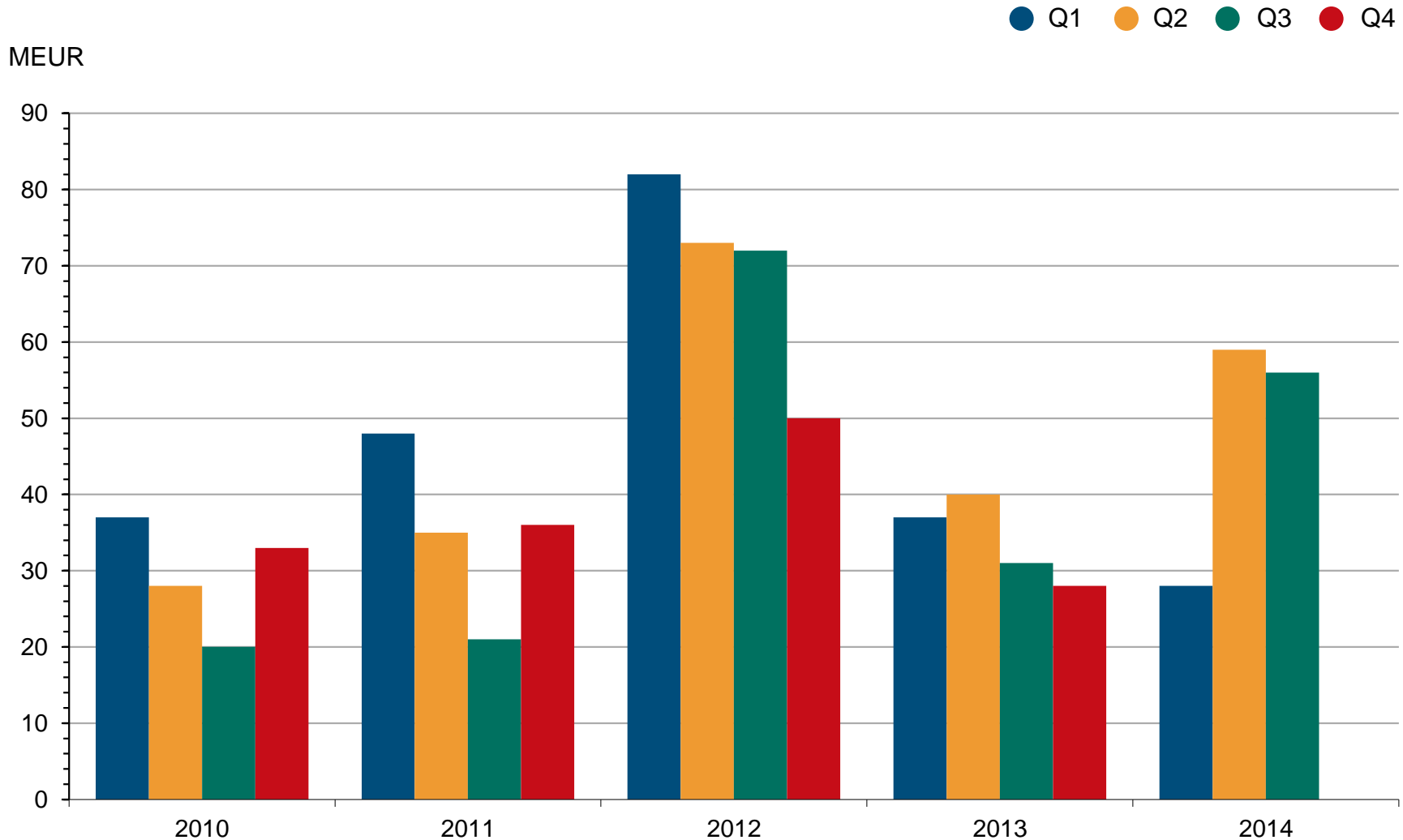
Key figures	1-9 2014	1-9 2013	2013
Earnings per share, EUR	-0,21	0,07	0,30
Operating cash flow, MEUR	2,0	5,2	3,7
Return on investment (ROI), %	-3,9	3,1	7,3
Gearing, %	-29,2	-41,1	-28,3
Equity ratio, %	54,8	55,3	56,6
Personnel (in books)	568	532	534

Balance sheet, MEUR	30.9. 2014	30.9. 2013	2013
Intangible assets	3,5	3,9	3,6
Property, plant and equipment	7,9	8,0	8,4
Other non-current assets	0,5	1,0	0,6
Inventories	7,0	6,1	5,0
Accounts receivables and other receivables	20,2	12,5	18,5
Cash and cash equivalents	10,5	18,0	12,7
Total assets	49,6	49,4	48,8
Equity	21,0	22,6	23,6
Non-current liabilities	2,3	4,8	3,4
Advance payments received	11,4	8,6	7,1
Current liabilities	14,9	13,5	14,7
Total equity and liabilities	49,6	49,4	48,8

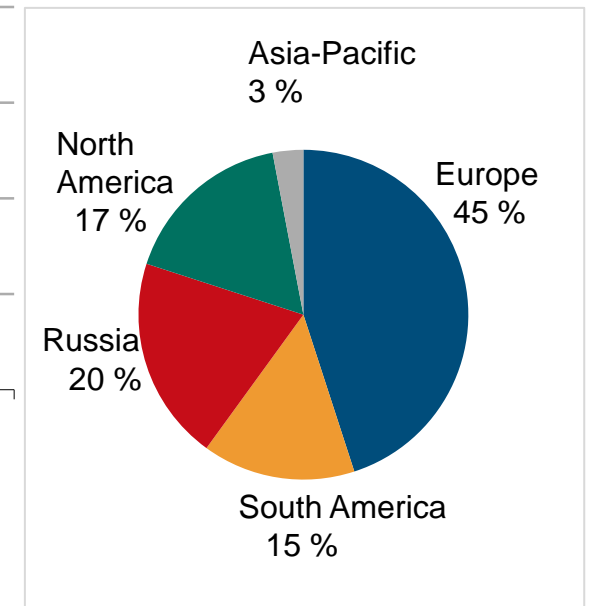
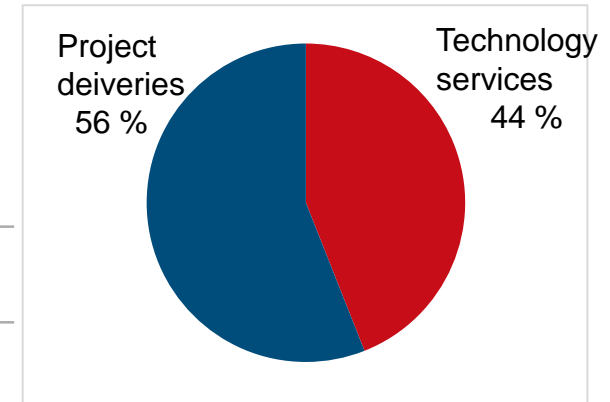
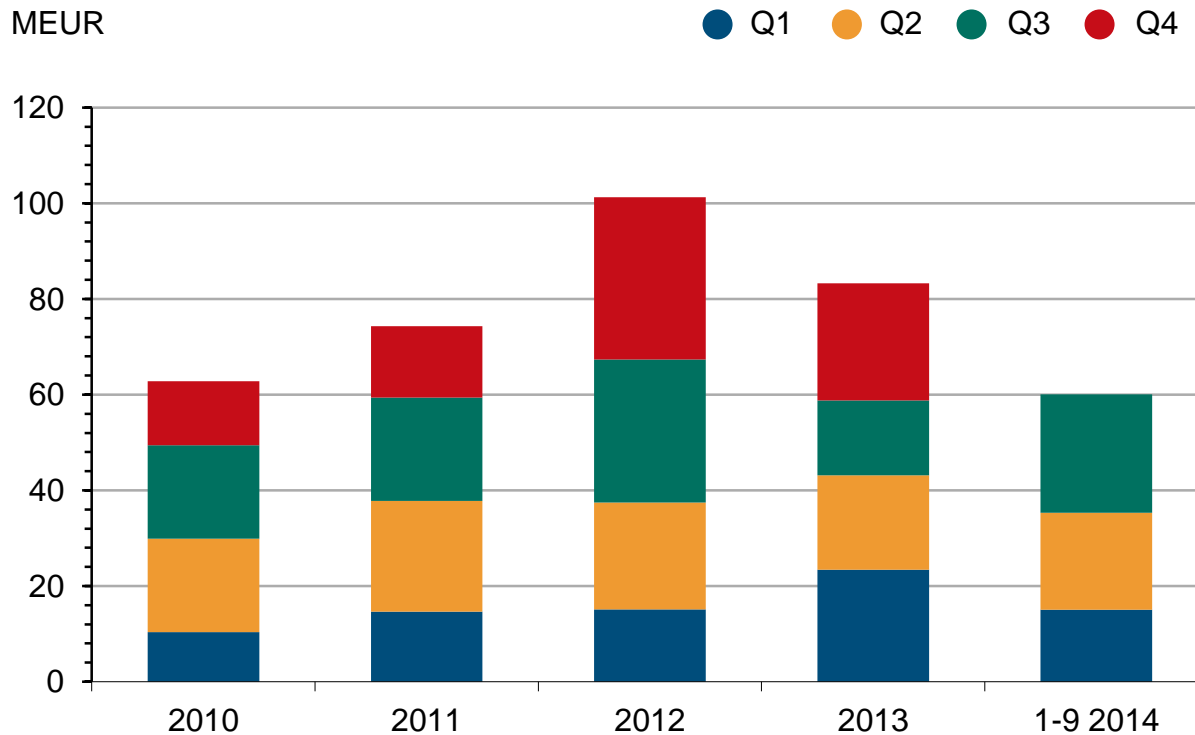
Order intake 1-9 2014



Order book



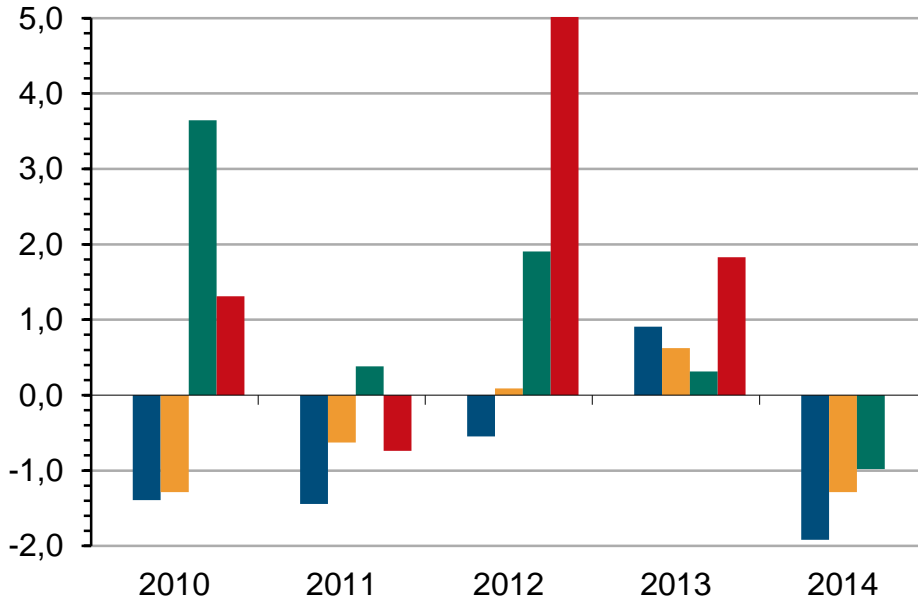
Net sales 1-9 2014



Operating result

● 1-3 ● 1-6 ● 1-9 ● 1-12

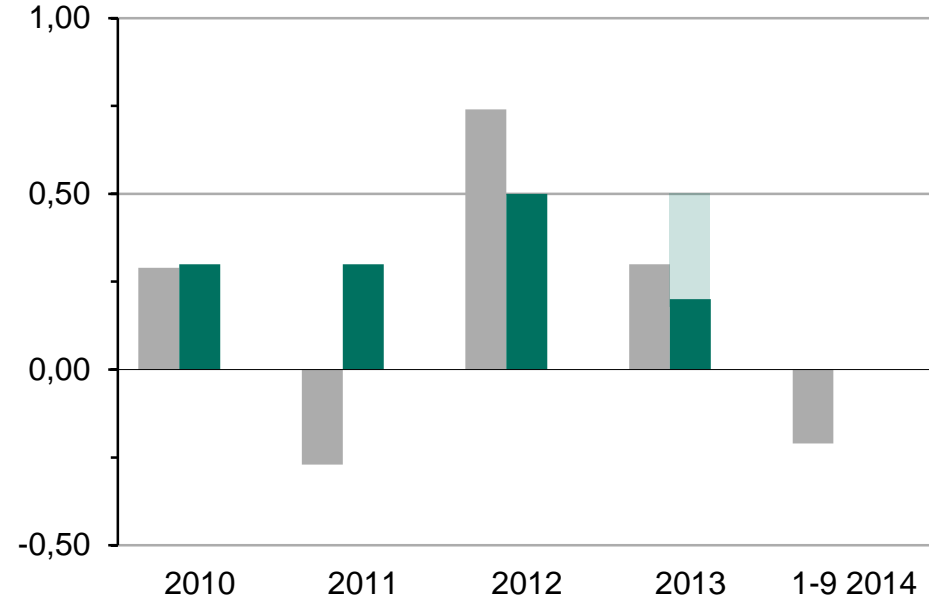
MEUR



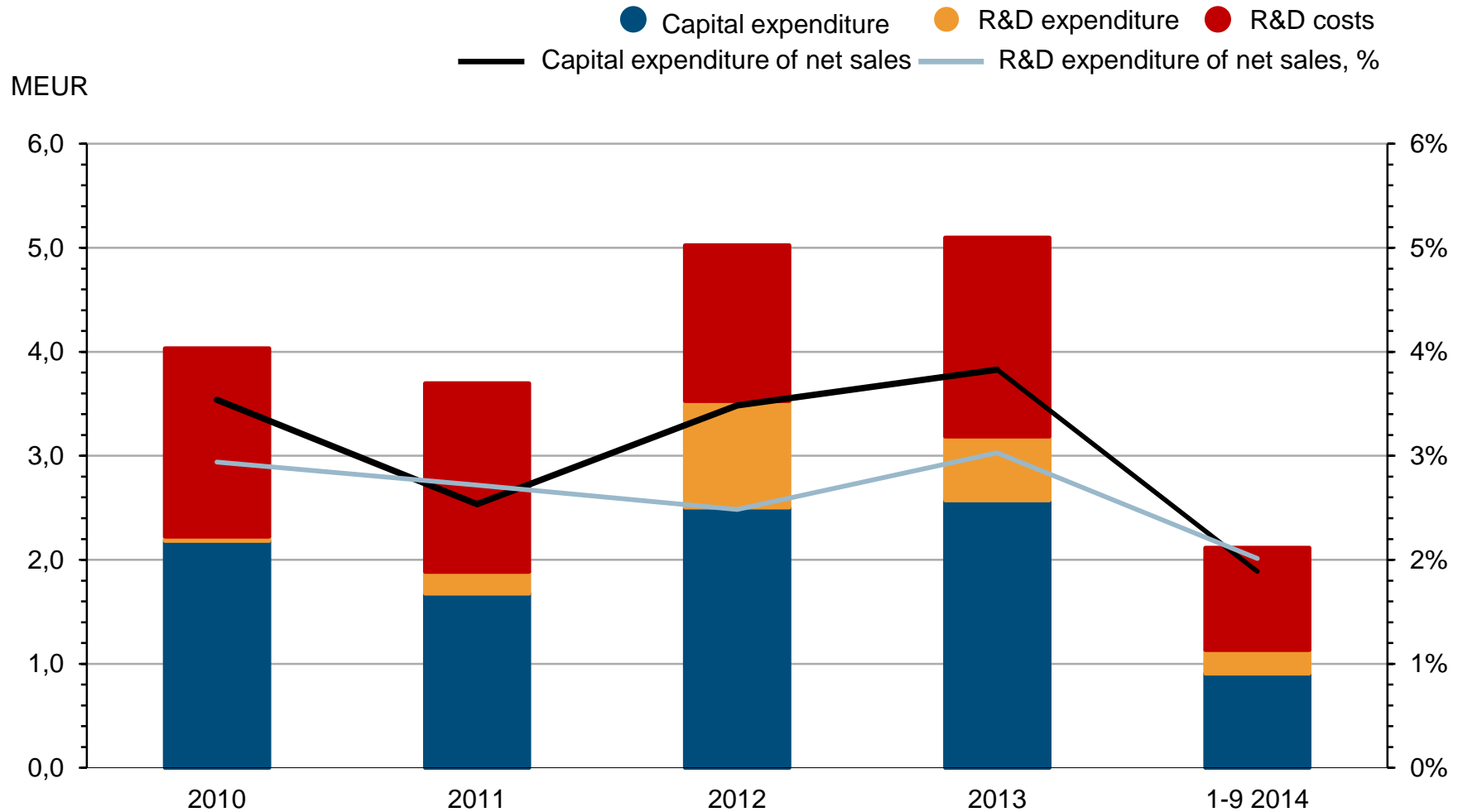
Earnings per share

● Earnings per share
● Dividend
● Repayment of equity

EUR

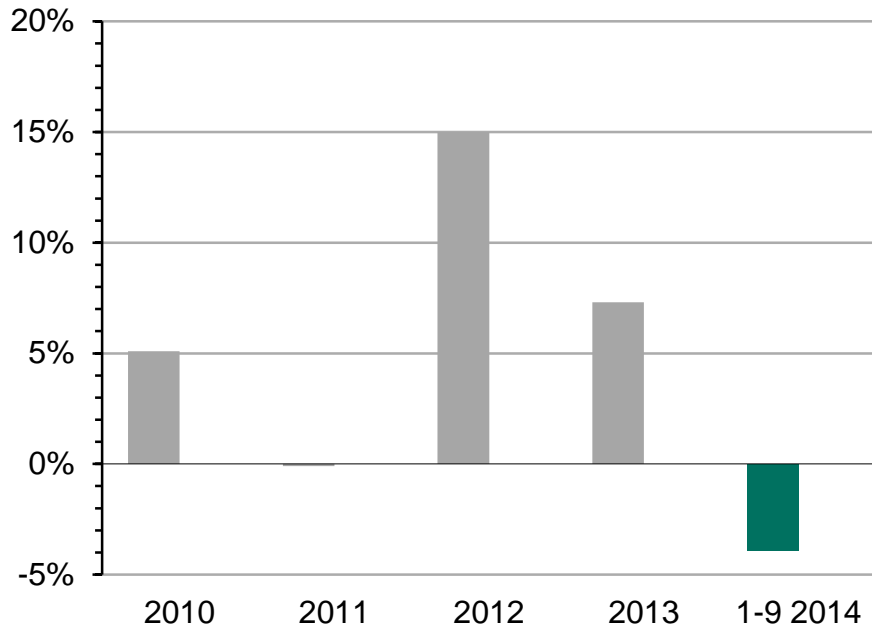


Investing in the future

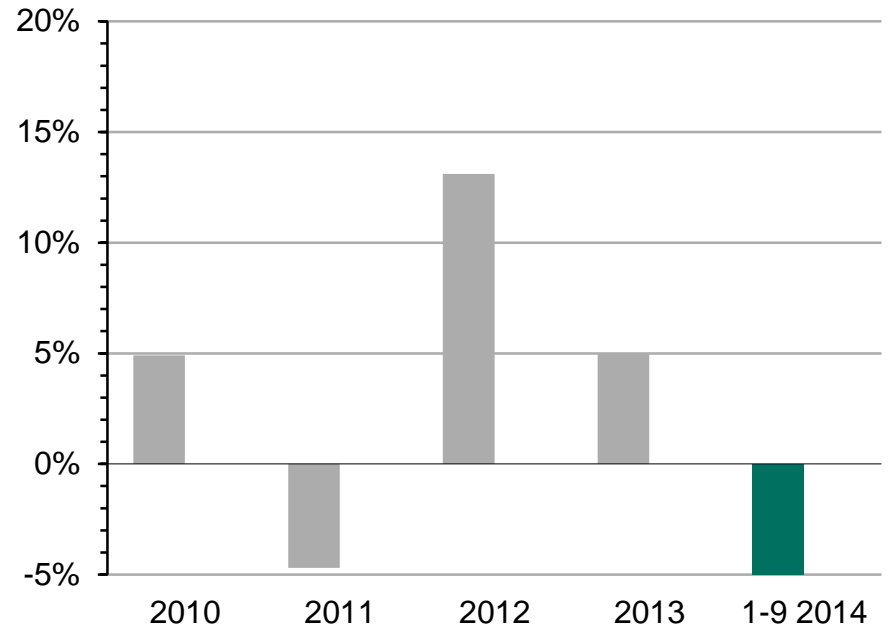


Return on investment (ROI) Return on equity (ROE)

Return on investment (ROI)

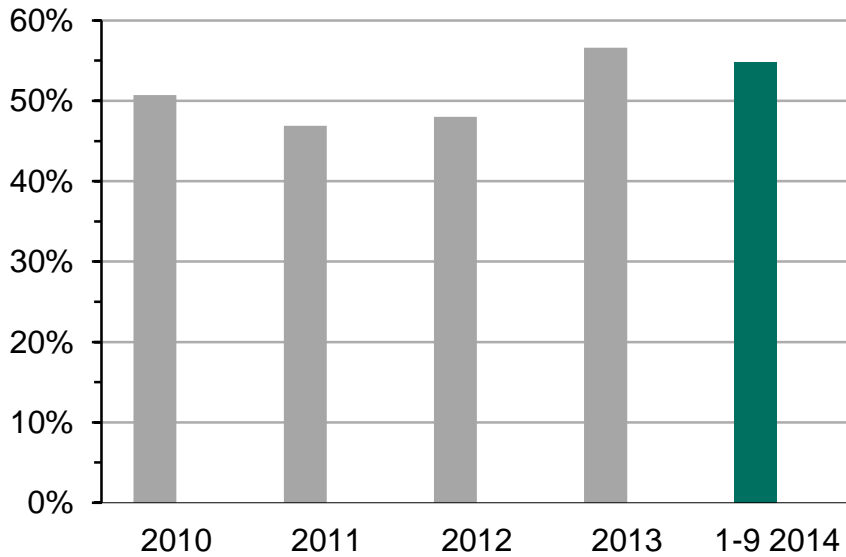


Return on equity (ROE)

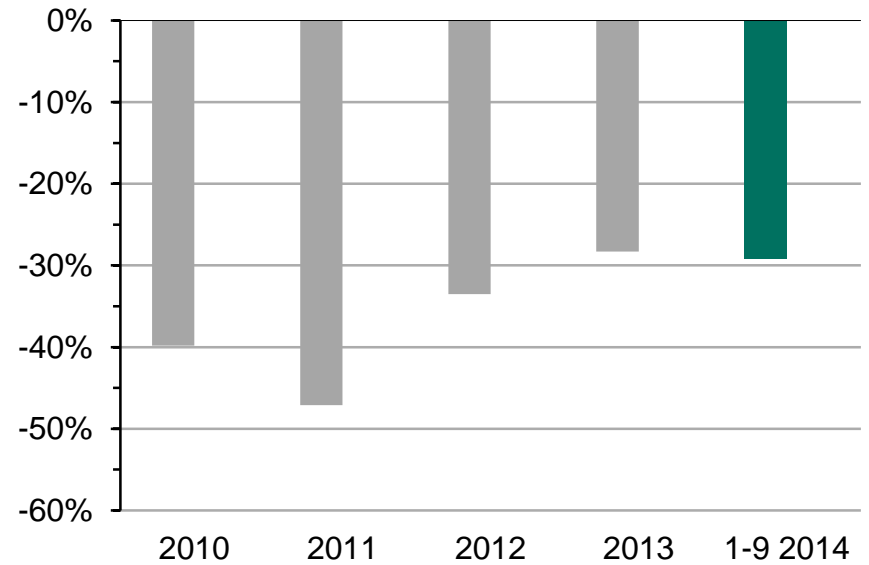


Equity ratio and Gearing

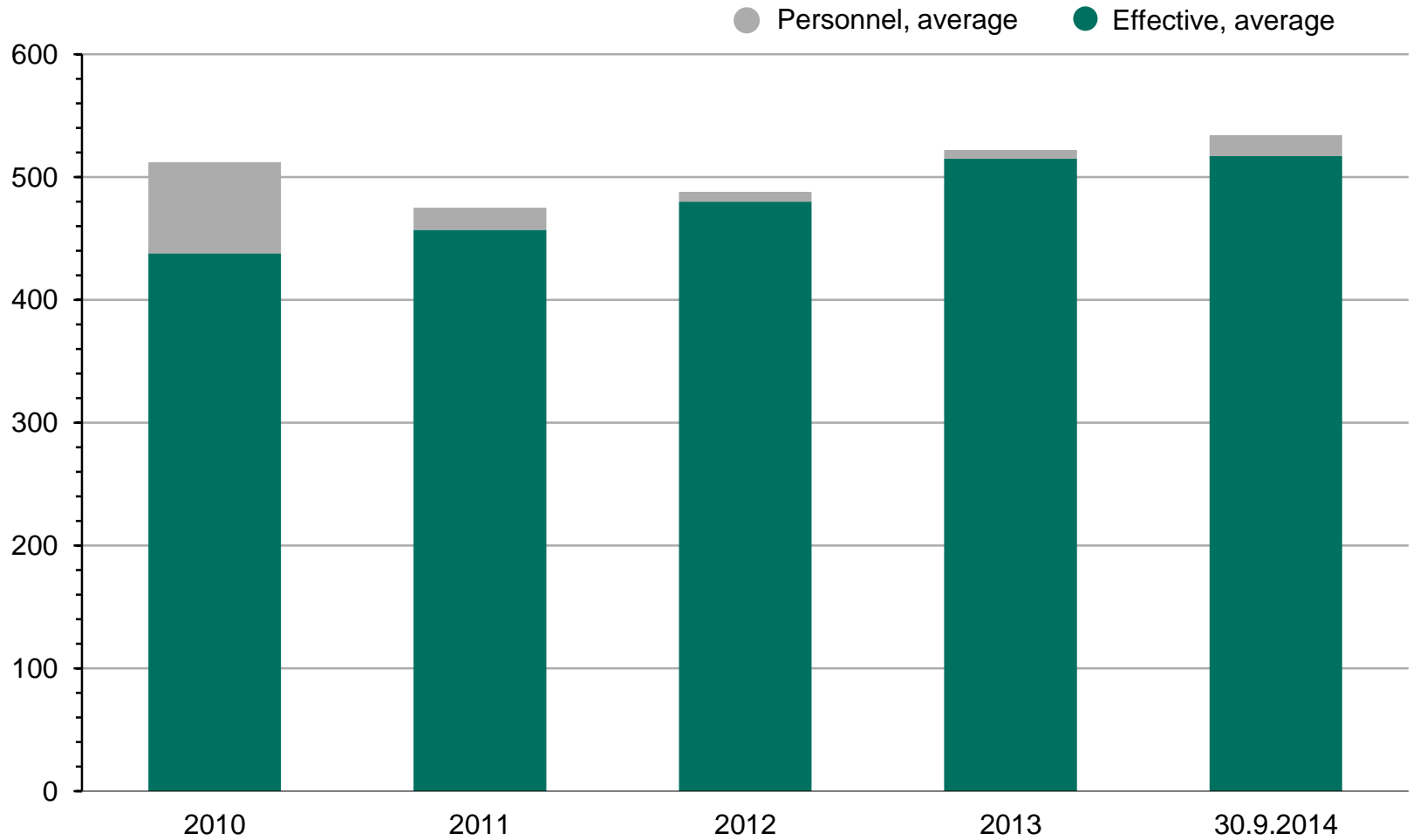
Equity ratio



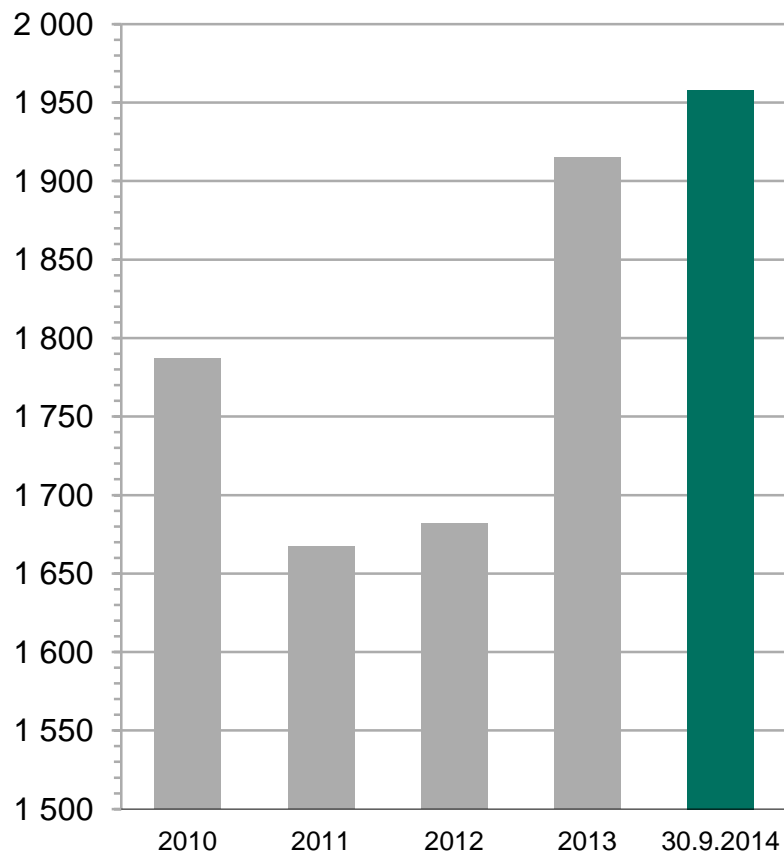
Gearing



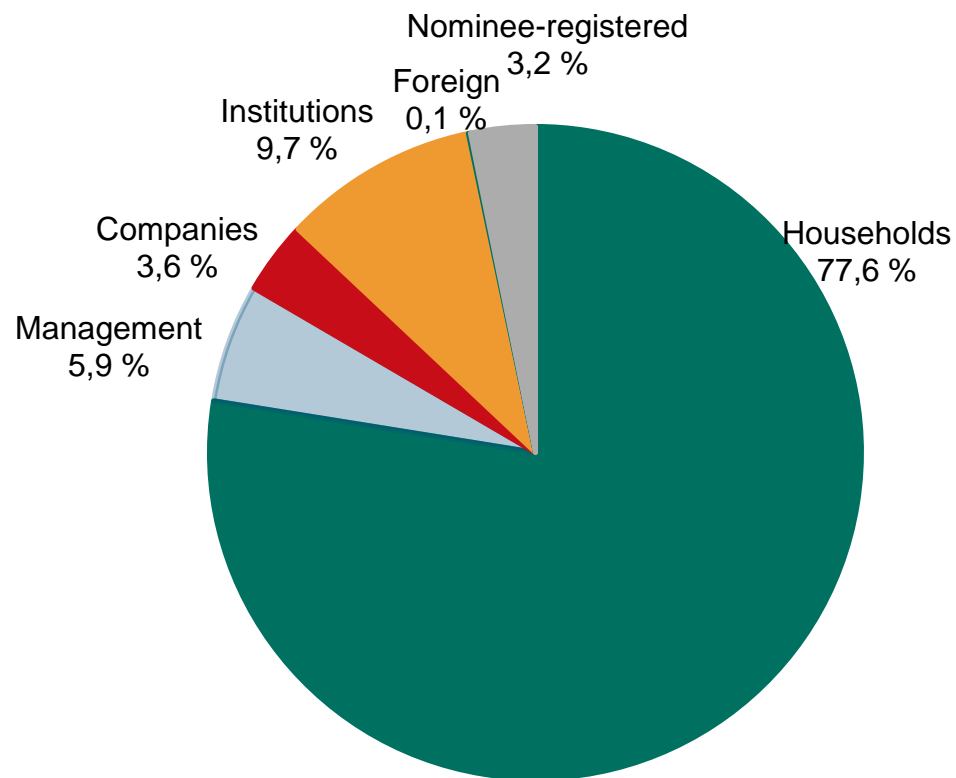
Number of personnel



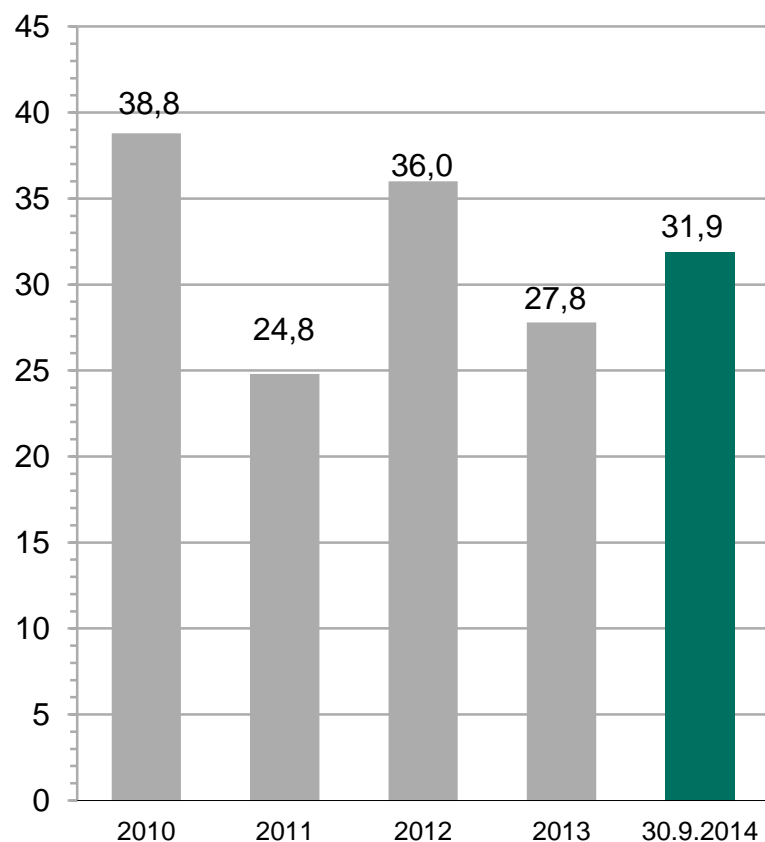
Number of shareholders



Ownership at September 30, 2014

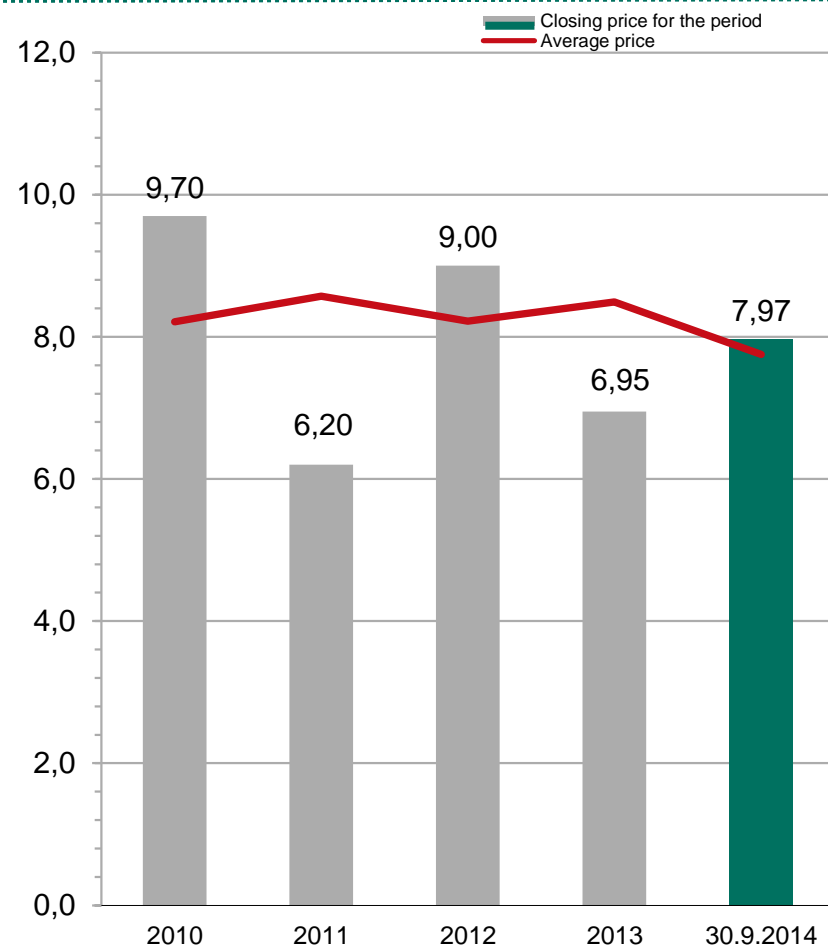


Market cap, MEUR



Series K shares valued at the value of series A shares.

Share price, EUR



Business environment:

- Uncertainty with the market development continues and reflects to investments.
- In North America and in some parts of Europe, market situation for construction expected to continue improving.
- Several big projects under preparation.
- Growth outlook in Russia weakened.
 - Uncertainty related to implementing investments increased due to weakened economic outlook.

Raute:

- No change in profit outlook.
- Compared to the year 2013, Raute's 2014
 - net sales will grow
 - operating result will improve.

Contacts

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