

INTERIM REPORT

January 1 – September 30, 2015

October 30, 2015



RAUTE CORPORATION – INTERIM REPORT JANUARY 1 – SEPTEMBER 30, 2015

- The Group's net sales, EUR 87.8 million (MEUR 60.0), increased 46% on the comparison period. Order intake was EUR 129 million (MEUR 89).
- Operating profit was EUR 5.3 million (MEUR -1.0). The result before taxes was EUR 5.3 million (MEUR -1.0).
- Earnings per share were EUR 1.07 (EUR -0.21).
- Profit development continued to be stable in the third quarter. Net sales were EUR 31.4 million and operating profit was EUR 1.9 million positive. Order intake was low at EUR 14 million. The order book at the end of the reporting period continued to be strong at EUR 83 million.
- The outlook for financial performance remains unchanged. Raute's net sales are expected to grow clearly in 2015 and operating profit is anticipated to improve clearly from 2014.

TAPANI KIISKI, PRESIDENT AND CEO: CONTINUED STABLE PROFIT DEVELOPMENT

I am satisfied with our success in the third quarter. Our growth was strong according to our plans and correspondingly our result improved clearly from the previous year.

The global economy and market situation in our operating environment have, as a whole, taken a slightly more uncertain direction over the past few months. This trend, together with the timing of customers' investment plans, led to a low order intake in the third quarter. I do not, however, consider a low order intake in one quarter to be a cause for concern. Thanks to a strong order intake in the first half of the year, our net sales increased and our order book remains strong. Demand for our technology services, in particular spare parts, has remained good, which is an indication of the good capacity utilization rates of our customers' production plants. We can thus have confidence in the near future.

Our net sales for the first three quarters are equal to almost the entire net sales for 2014. This is testament to the flexibility and smooth functioning of our delivery organization. Our profitability has developed in line with net sales growth, as expected. We have succeeded in maintaining our cost level according to our estimates despite a high workload at both our mills and in our partner network. The slowing down of economic growth in the emerging markets, China in particular, has also delayed growth in sales of products developed specifically for those markets. In my view, this is just a temporary delay. Our investments in emerging markets will bear fruit and we will continue to implement them.

More than fifty million euros in our order book is scheduled already for next year. Despite the quiet order intake over the past quarter, which I believe to be temporary, I estimate that our outlook for next year is already now strong.

THIRD QUARTER OF 2015

Order intake and order book

The total order intake during the third quarter was low, coming to EUR 14 million (MEUR 22), due to a low volume of project delivery orders. The order intake for technology services was at a good level, totaling EUR 11 million (MEUR 7).

The low order intake in project deliveries resulted primarily from the scheduling of customers' investment projects and, in some cases, from the shift in the market situation in a more uncertain direction.

The order book at the end of the period amounted to EUR 83 million (MEUR 56). The order book fell by EUR 17 million in the third quarter but continued at a strong level at the end of the reporting period.

Net sales

Third-quarter net sales amounted to EUR 31.4 million (MEUR 24.7). Technology services accounted for 32 percent of the Group's total net sales (43%).

Result and profitability

Operating profit was EUR 1.9 million positive (MEUR 0.3 positive) and accounted for 6 percent (1%) of net sales. The result was EUR 1.5 million positive (MEUR 0.3 positive), and earnings per share were EUR +0.36 (EUR +0.06). Profitability reflected the level of net sales.

RAUTE CORPORATION – INTERIM REPORT JANUARY 1 – SEPTEMBER 30, 2015

BUSINESS ENVIRONMENT

Market situation in customer industries

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

During 2015, the situation in the global economy and the financial markets has not yet changed considerably with respect to Raute or Raute's customer base. Over the past few months the uncertainty linked to global economic development has increased, in particular due to weaker than usual economic reports from China and political unrest in a number of regions.

Europe's economy has continued to strengthen slightly. Russia's development has remained weak and according to market data, Russian plywood manufacturers have reduced their prices on the export markets to compensate for a weakening in domestic demand. China's measures to strengthen its economy do not as yet support the financing of investments among Raute's customers. In addition the overheating of the equity markets has steered investments away from production operations in China.

Construction activity has remained at a low level in all market areas, including North America, where the economy in general continues its positive growth. Due to the market situation described above, Raute's customers' order books have remained short, which does not make for an attractive environment for implementing investments.

Demand for wood products technology and technology services

Unusually, altogether three major mill-scale capacity-generating projects were begun in Europe during the past year.

In addition to the projects started up during the first half of the year, several large projects are still in the planning and negotiation phase in various market areas but the requirements for making the investment decisions, i.e. trust in the permanence of demand and the availability of funding, did not yet materialize. The market impact of the projects announced during the first half of the year may also defer the implementation of projects currently at the planning phase. The growth in uncertainty in the economic and market situation following the summer is also slowing down decision-making concerning some investment projects.

Even though the North American economy continued to experience strong growth compared to the rest of the world, the growth of the construction industry has been clearly slower. Among Raute's customers, demand focused on smaller modernization projects and technology services, as well as on individual replacement and efficiency-improving investments.

The political uncertainty resulting from the crisis in Ukraine, the weak economic development resulting from low oil and raw material prices and the difficulty of securing financing due to the economic sanctions have caused investment decisions to be postponed in the Russian markets. However, many investments are still being prepared actively. The normalization of the market situation in Russia is not expected to happen anytime soon.

In South America, Raute's customers continued to focus on ramping up the capacity of the large plywood mill investments they made a few years ago and finding markets for their new production capacity. No new major investment projects were started up. Replacement investments also remained at a low level.

The weakening of China's economic development has slowed down decision-making concerning a number of pending projects. This has also impacted the rest of Asia and even the entire world.

Demand for maintenance and spare parts services continued at a good level. This bears testimony to the fact that the utilization rates of Raute's customers' production facilities remained, for the most part, good.

ORDER INTAKE AND ORDER BOOK

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 comprise complete production machinery for new mills, production lines and individual machines and equipment. 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 order intake amounted to EUR 129 million (MEUR 89) during the reporting period. Of the new orders, 73 percent came from Europe (67%), 12 percent from North America (10%), 8 percent from Russia (15%), 4 percent from Asia-Pacific (2%) and 3 percent from South America (6%). The third quarter accounted for EUR 14 million of the order intake.

The new orders included altogether three capacity-generating mill projects to Europe, which entered into force in the first and second quarters.

Order intake in technology services amounted to EUR 31 million (MEUR 29), 8 percent more than in the comparison period. Spare parts accounted for the majority of the growth. The order intake in modernizations was on a par with the comparison period.

The order book, EUR 83 million (MEUR 56) weakened during the reporting period by EUR 17 million, but finished at a good level at the end of the reporting period. The portion of the order book scheduled for 2016 is unusually large considering the time of year.

COMPETITIVE POSITION

Raute's competitive position has remained good. Raute's solutions help customers in securing their delivery and service capabilities throughout the life cycle of the production process or its part. In such investments, the supplier's overall expertise and extensive and diverse technology offering play a key role. The competitive edge provided by Raute is also a major draw 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.

NET SALES

Net sales for the reporting period, EUR 87.8 million (MEUR 60.0), were up 46 percent on the comparison period. The growth in net sales resulted from a higher initial order book than in the comparison year, a large volume of order intake and the timing of the order book.

Of the total net sales for the reporting period, Europe accounted for 65 percent (45%), North America for 12 percent (17%), Russia for 10 percent (20%), South America for 8 percent (15%), and Asia-Pacific for 5 percent (3%).

Technology services accounted for 36 percent (44%) and EUR 31.7 million (MEUR 26.7) of the Group's total net sales during

the period. Net sales for technology services grew 19 percent on the comparison period. The growth took place mainly in modernizations and spare parts.

RESULT AND PROFITABILITY

Operating profit for the reporting period was EUR 5.3 million positive (MEUR 1.0 negative) and accounted for 6 percent (-2%) of net sales. Profitability reflected the level of net sales.

The result before taxes for the reporting period was EUR 5.3 million positive (MEUR 1.0 negative). The result for the reporting period was EUR 4.3 million positive (MEUR 0.8 negative). Earnings per share were EUR 1.07 (EUR -0.21).

CASH FLOW AND BALANCE SHEET

The Group's financial position remained good. At the end of the reporting period, gearing was -40 percent (-29%) and the equity ratio 58 percent (55%). 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 13.4 million (MEUR 10.5) at the end of the reporting period. Operating cash flow was EUR 12.2 million positive (MEUR 2.0 positive). Cash flow from investment activities was EUR 0.9 million negative (MEUR 0.7 negative). Cash flow from financing activities was EUR 2.3 million negative (MEUR 3.6 negative), including EUR 2.4 million in dividend payment and repayment of equity from the non-restricted equity reserve and EUR 0.6 million in debt repayments.

Interest-bearing liabilities amounted to EUR 2.5 million (MEUR 4.3) 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 19.9 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:

- March 5, 2015 Raute received an order worth EUR 30 million to Finland
- March 24, 2015 Decisions of Raute's Annual General Meeting
- March 25, 2015 Change in Raute's Executive Board

| | |
|----------------|--|
| March 25, 2015 | Raute received a new order worth EUR 31 million to Estonia - Profit outlook improved |
| March 26, 2015 | Raute Corporation applies for listing of its 2010 stock options |
| April 24, 2015 | Raute received a new order worth EUR 13 million to Estonia |
| May 7, 2015 | Share subscriptions with Raute Corporation's stock options 2010 |
| July 3, 2015 | Share subscriptions with Raute Corporation's stock options 2010 |
| August 4, 2015 | Share subscriptions with Raute Corporation's stock options 2010. |

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 and environmentally friendly manufacturing technology and supporting measurement and machine vision applications.

Research and development costs in the reporting period amounted to EUR 1.7 million (MEUR 1.2), representing 2.0 percent of net sales (2.0%).

Capital expenditure during the period came to EUR 0.9 million (MEUR 1.1) and accounted for 1.0 percent (1.9%) of net sales.

PERSONNEL

At the end of the reporting period, the Group's personnel numbered 642 (568). Group companies outside Finland accounted for 32 percent (32%) of employees.

Converted to full-time employees ("effective headcount"), the average number of employees was 608 (517) during the reporting period.

The increase in the number of employees took place mainly at the Nastola unit where capacity has been raised in order to meet the loading situation.

GROUP STRUCTURE

Raute Corporation's wholly-owned Chinese subsidiary Raute (Shanghai) Trading Co., Ltd. has been discontinued. Operations in China have been consolidated in another of Raute's wholly-owned subsidiaries Raute (Shanghai) Machinery Co., Ltd.

SHARES

The number of Raute Corporation's shares at the end of the reporting period totaled 4,063,953, of which 991,161 were series K shares (ordinary share, 20 votes/share) and 3,072,792 series A shares (1 vote/share). The shares have a nominal value of two euros. 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 OMX Helsinki Ltd. The trading code is RUTAV. Raute Corporation has signed a market making agreement with Nordea Bank Finland Plc in compliance with the Liquidity Providing (LP) requirements issued by NASDAQ OMX Helsinki Ltd.

The company's market capitalization at the end of the reporting period was EUR 52.8 million (MEUR 31.9), with series K shares valued at the closing price of series A shares on September 30, 2015, i.e. EUR 13.00 (EUR 7.97).

STOCK OPTIONS

At the end of the reporting period, altogether 32,625 of the company's series A 2010 stock options, 73,900 series B stock options and 67,000 series C stock options were unexercised.

Raute Corporation's 2010 stock options are listed on NASDAQ OMX Helsinki Ltd under the trading codes RUTAVEW110, RUTAVEW210 and RUTAVEW310. The subscription period for series A stock options is March 1, 2013 to March 31, 2016 and for series B stock options March 1, 2014 to March 31, 2017 and the subscription period for series C stock options is March 1, 2015 to March 31, 2018. The respective subscription prices were EUR 5.44, EUR 7.93 and EUR 6.80 and the closing prices were EUR 6.99, EUR 5.00 and EUR 6.10.

Altogether 47,375 series A shares have been subscribed for with Raute's series A 2010 stock options, 6,100 with series B stock options and 8,000 with series C stock options.

REMUNERATION

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

Share-based incentive plan 2014-2018

The Group has a valid long-term share-based incentive plan for the years 2014 to 2018 based on performance. The terms and conditions of the incentive plan 2014–2018 are available on the company's website.

SHAREHOLDERS

The number of shareholders stood at 1,991 at the beginning of the year and 2,318 at the end of the reporting period. Series K shares were held by 50 private individuals (47) at the end of the reporting period. Nominee-registered shares accounted for 3.2 percent (3.2%) 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 239,179 company shares, equaling 5.9 percent (5.9%) of the company shares and 11.2 percent (11.2%) of the votes at the end of the reporting period.

CORPORATE GOVERNANCE

Raute Corporation complies with the Finnish Corporate Governance Code 2010 for listed companies issued by the Securities Market Association on June 15, 2010.

EXECUTIVE BOARD

Raute Group's Executive Board and the members' areas of responsibility as of April 1, 2015:

Tapani Kiiski, President and CEO, Chairman – Sales
Arja Hakala, Group Vice President, Finance, CFO – Finance and administration
Marko Hjelt, Group Vice President, Human Resources – Human resources and competence development
Mika Hyysti, Group Vice President, Technology – Technology, products and R&D
Timo Kangas, Group Vice President, Customer Care, Technology Services – Customer relationships and marketing, technology services, market area EMEA
Petri Strengell, Group Vice President, Supply Chain – Sourcing and production.

ANNUAL GENERAL MEETING 2015

Raute Corporation's Annual General Meeting was held on March 24, 2015. A stock exchange release on the decisions of the Annual General Meeting was published on March 24, 2015.

DISTRIBUTION OF PROFIT FOR THE 2014 FINANCIAL YEAR

The company distributed a dividend of EUR 0.40 per share for the 2014 financial year. The total amount of dividends was EUR 1.6 million, series A shares accounting for EUR 1,209,626.80 (EUR 603,133.40) and series K shares for EUR 396,464.40 (EUR 198,232.20). The dividend payment date was April 2, 2015.

The company has distributed assets from the invested non-restricted equity reserve in the amount of EUR 0.20 per share, i.e. a total of EUR 803,045.60, as a repayment of equity. The date of repayment of equity was April 2, 2015.

BOARD OF DIRECTORS AND BOARD COMMITTEES

At the AGM on March 24, 2015 Mr. Erkki Pehu-Lehtonen was elected Chairman of the Board, Mr. Mika Mustakallio Vice-Chair, and Mr. Joni Bask, Mr. Risto Hautamäki, Ms. Päivi Leiwo, and Mr. Pekka Suominen were elected Board members. The Board of Directors' term of office will continue until the 2016 Annual General Meeting.

Based on the evaluation of independence, Chairman Mr. Erkki Pehu-Lehtonen and members Mr. Joni Bask, Mr. Risto Hautamäki, Ms. Päivi Leiwo, Mr. Mika Mustakallio, and Mr. Pekka Suominen are independent of the company. The Chairman of the Board (Mr. Erkki Pehu-Lehtonen) and two Board members (Ms. Päivi Leiwo and Mr. Risto Hautamäki) are independent of major shareholders.

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

AUDITOR

At the Annual General Meeting on March 24, 2015, the authorized public accounting company PricewaterhouseCoopers was chosen as auditor, with Authorized Public Accountant Janne Rajalahti as the principal auditor.

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 2014 Board of Directors' Report and Financial Statements, apart from the impact of the growth in the order book on the profit outlook.

The most significant risks for Raute in the near term are related to the implementation of a high order book and work load, and the development of the order intake.

OUTLOOK FOR 2015

The actual development of net sales and profit, and the order book scheduled for 2015 support Raute's profit outlook. Raute's net sales are expected to grow clearly in 2015 and operating profit is anticipated to improve clearly from the previous year.

TABLES SECTION OF THE INTERIM REPORT

The figures for the financial year 2014 presented in the tables section of the interim report have been audited.
The presented interim financial report figures have not been audited.

| CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR 1 000) | Note | 1.7.– 30.9.2015 | 1.7.– 30.9.2014 | 1.1.– 30.9.2015 | 1.1.– 30.9.2014 | 1.1.– 31.12.2014 |
|---|-------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| NET SALES | 3,4,5 | 31 391 | 24 693 | 87 757 | 60 042 | 94 021 |
| Change in inventories of finished goods and work in progress | | 1 161 | 631 | 942 | 962 | 1 672 |
| Other operating income | | 7 | 67 | 361 | 100 | 72 |
| Materials and services | | -18 623 | -14 850 | -46 676 | -32 201 | -51 775 |
| Employee benefits expense | 13 | -8 357 | -7 117 | -25 375 | -21 281 | -29 304 |
| Depreciation and amortization | | -565 | -554 | -1 828 | -1 494 | -2 018 |
| Other operating expenses | | -3 102 | -2 562 | -9 841 | -7 109 | -10 062 |
| Total operative expenses | | -30 646 | -25 083 | -83 720 | -62 085 | -93 160 |
| OPERATING PROFIT (LOSS) | | 1 912 | 308 | 5 339 | -980 | 2 605 |
| % of net sales | | 6 | 1 | 6 | -2 | 3 |
| Financial income | | -42 | 92 | 214 | 362 | 605 |
| Financial expenses | | -99 | -128 | -271 | -398 | -400 |
| PROFIT (LOSS) BEFORE TAX | | 1 772 | 273 | 5 281 | -1 016 | 2 810 |
| % of net sales | | 6 | 1 | 6 | -2 | 3 |
| Income taxes | | -300 | -22 | -976 | 184 | -449 |
| PROFIT (LOSS) FOR THE PERIOD | | 1 472 | 251 | 4 305 | -832 | 2 361 |
| % of net sales | | 5 | 1 | 5 | -1 | 3 |
| Other comprehensive income items: | | | | | | |
| Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurement of defined benefit obligations | | - | - | 2 | 2 | 2 |
| Items that may be subsequently reclassified to profit or loss | | | | | | |
| Exchange differences on translating foreign operations | | -7 | 50 | 185 | 43 | 201 |
| Cash flow hedges | | -104 | - | 29 | - | - |
| Comprehensive income items for the period, net of tax | | -112 | 50 | 215 | 45 | 203 |
| COMPREHENSIVE PROFIT (LOSS) FOR THE PERIOD | | 1 360 | 301 | 4 521 | -787 | 2 564 |
| Profit (loss) for the period attributable to | | | | | | |
| Equity holders of the Parent company | | 1 472 | 251 | 4 305 | -832 | 2 361 |
| Comprehensive profit (loss) for the period attributable to | | | | | | |
| Equity holders of the Parent company | | 1 360 | 301 | 4 521 | -787 | 2 564 |
| Earnings per share for profit (loss) attributable to | | | | | | |
| Equity holders of the Parent company, EUR | | | | | | |
| Undiluted earnings per share | | 0,36 | 0,06 | 1,07 | -0,21 | 0,59 |
| Diluted earnings per share | | 0,36 | 0,06 | 1,07 | -0,21 | 0,59 |
| Shares, 1 000 pcs | | | | | | |
| Adjusted average number of shares | | 4 053 | 4 007 | 4 031 | 4 007 | 4 010 |
| Adjusted average number of shares diluted | | 4 065 | 4 008 | 4 042 | 4 008 | 4 011 |

| CONSOLIDATED BALANCE SHEET | | | | |
|---|-------------|------------------|------------------|-------------------|
| (EUR 1 000) | | | | |
| | Note | 30.9.2015 | 30.9.2014 | 31.12.2014 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Intangible assets | 8 | 2 836 | 3 545 | 3 492 |
| Property, plant and equipment | 8 | 7 665 | 7 853 | 7 930 |
| Other financial assets | | 490 | 500 | 500 |
| Deferred tax assets | | 173 | 26 | 185 |
| Total non-current assets | | 11 164 | 11 924 | 12 107 |
| Current assets | | | | |
| Inventories | | 11 326 | 7 008 | 7 855 |
| Accounts receivables and other receivables | 5 | 27 066 | 19 117 | 27 568 |
| Income tax receivable | | 40 | 1 130 | 684 |
| Cash and cash equivalents | | 13 367 | 10 469 | 4 431 |
| Total current assets | | 51 798 | 37 724 | 40 539 |
| TOTAL ASSETS | | 62 962 | 49 648 | 52 646 |
| EQUITY AND LIABILITIES | | | | |
| Equity attributable to Equity holders of the Parent company | | | | |
| Share capital | | 8 128 | 8 014 | 8 031 |
| Share issue | | 78 | 17 | 51 |
| Fair value reserve and other reserves | | 5 703 | 5 983 | 6 001 |
| Exchange differences | | 405 | 62 | 220 |
| Retained earnings | | 8 477 | 7 721 | 7 722 |
| Profit (loss) for the period | | 4 305 | -832 | 2 361 |
| Share of shareholders' equity that belongs to the owners of the Parent company | | 27 096 | 20 965 | 24 334 |
| Total equity | | 27 096 | 20 965 | 24 334 |
| Non-current liabilities | | | | |
| Non-current provisions | | 285 | 314 | 314 |
| Deferred tax liability | | 220 | 137 | 238 |
| Non-current interest-bearing liabilities | 9 | 983 | 1 875 | 1 250 |
| Pension obligations | | - | 2 | 2 |
| Total non-current liabilities | | 1 488 | 2 327 | 1 804 |
| Current liabilities | | | | |
| Current provisions | | 2 449 | 963 | 2 201 |
| Current interest-bearing liabilities | 9 | 1 530 | 2 467 | 1 512 |
| Current advance payments received | 5 | 15 829 | 11 422 | 9 072 |
| Income tax liability | | 1 002 | 7 | 67 |
| Trade payables and other liabilities | | 13 568 | 11 497 | 13 656 |
| Total current liabilities | | 34 379 | 26 356 | 26 508 |
| Total liabilities | | 35 866 | 28 683 | 28 312 |
| TOTAL EQUITY AND LIABILITIES | | 62 962 | 49 648 | 52 646 |

| CONSOLIDATED STATEMENT OF CASH FLOWS (EUR 1 000) | 1.1.–30.9.2015 | 1.1.–30.9.2014 | 1.1.–31.12.2014 |
|---|-----------------------|-----------------------|------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Proceeds from customers | 85 399 | 61 171 | 89 032 |
| Other operating income | 361 | 100 | 95 |
| Payments to suppliers and employees | -73 337 | -58 283 | -90 193 |
| Cash flow before financial items and taxes | 12 423 | 2 989 | -1 066 |
| Interest paid from operating activities | -66 | -134 | -217 |
| Dividends received from operating activities | 97 | 100 | 100 |
| Interests received from operating activities | 2 | 4 | 35 |
| Other financing items from operating activities | -32 | -25 | 260 |
| Income taxes paid from operating activities | -249 | -943 | -969 |
| NET CASH FLOW FROM OPERATING ACTIVITIES (A) | 12 175 | 1 990 | -1 858 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment and intangible assets | -996 | -984 | -1 461 |
| Proceeds from sale of property, plant and equipment and intangible assets | 49 | 321 | 361 |
| NET CASH FLOW FROM INVESTING ACTIVITIES (B) | -947 | -663 | -1 101 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Proceeds from issue of share capital | 360 | 64 | 64 |
| Repayments of current borrowings | - | - | -2 000 |
| Proceeds of non-current borrowings | 358 | - | - |
| Repayments of non-current borrowings | -625 | -1 625 | -1 250 |
| Dividends paid and repayment of equity | -2 409 | -2 003 | -2 003 |
| NET CASH FLOW FROM FINANCING ACTIVITIES (C) | -2 316 | -3 564 | -5 189 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C) | 8 911 | -2 237 | -8 148 |
| increase (+)/decrease (-) | | | |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD* | 4 431 | 12 658 | 12 658 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | 8 911 | -2 237 | -8 148 |
| EFFECTS OF EXCHANGE RATE CHANGES ON CASH | 24 | 49 | -79 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD* | 13 367 | 10 469 | 4 431 |
| CASH AND CASH EQUIVALENTS IN THE BALANCE SHEET AT THE END OF THE PERIOD* | | | |
| Cash and cash equivalents | 13 367 | 10 469 | 4 431 |
| TOTAL | 13 367 | 10 469 | 4 431 |

*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

| (EUR 1 000) | Share capital | Share issue Invested | non-restricted equity reserve | Other reserves | Exchange differences | Retained earnings | To the owners of the Parent company | TOTAL |
|---|---------------|-------------------------|----------------------------------|----------------|-------------------------|----------------------|---|---------------|
| EQUITY at Jan. 1, 2015 | 8 031 | 0 | 5 339 | 662 | 220 | 10 083 | 24 334 | 24 334 |
| Comprehensive profit (loss) for the period | | | | | | | | |
| Profit (loss) for the period | - | - | - | - | - | 4 305 | 4 305 | 4 305 |
| Other comprehensive income items: | | | | | | | | |
| Hedging reserve | - | - | - | 29 | - | - | 29 | 29 |
| Exchange differences on translating foreign operations | - | - | - | - | 185 | - | 185 | 185 |
| Total comprehensive profit (loss) for the period | 0 | 0 | 0 | 29 | 185 | 4 305 | 4 519 | 4 519 |
| Transactions with owners | | | | | | | | |
| Share-options exercised | 97 | 78 | 185 | - | - | - | 360 | 360 |
| Equity-settled share-based transactions | - | - | - | 292 | - | - | 292 | 292 |
| Dividends and repayment of equity | - | - | -803 | - | - | -1 606 | -2 409 | -2 409 |
| Total transactions with owners | 97 | 78 | -618 | 292 | 0 | -1 606 | -1 757 | -1 757 |
| EQUITY at September 30, 2015 | 8 128 | 78 | 4 722 | 982 | 405 | 12 782 | 27 096 | 27 096 |

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| (EUR 1 000) | Share capital | Share issue Invested | non-restricted equity reserve | Other reserves | Exchange differences | Retained earnings | To the owners of the Parent company | TOTAL |
|---|---------------|-------------------------|----------------------------------|----------------|-------------------------|----------------------|---|---------------|
| EQUITY at Jan. 1, 2014 | 8 010 | 0 | 6 498 | 563 | 19 | 8 523 | 23 613 | 23 613 |
| Comprehensive profit (loss) for the period | | | | | | | | |
| Profit (loss) for the period | - | - | - | - | - | -832 | -832 | -832 |
| Other comprehensive income items: | | | | | | | | |
| Hedging reserve | - | - | - | - | - | - | - | - |
| Exchange differences on translating foreign operations | - | - | - | - | 43 | - | 43 | 43 |
| Total comprehensive profit (loss) for the period | 0 | 0 | 0 | 0 | 43 | -832 | -789 | -789 |
| Transactions with owners | | | | | | | | |
| Share-options exercised | 4 | 17 | 43 | - | - | - | 64 | 64 |
| Equity-settled share-based transactions | - | - | - | 81 | - | - | 81 | 81 |
| Dividends and repayment of equity | - | - | -1 202 | - | - | -801 | -2 003 | -2 003 |
| Total transactions with owners | 4 | 17 | -1 159 | 81 | 0 | -801 | -1 859 | -1 859 |
| EQUITY at September 30, 2014 | 8 014 | 17 | 5 339 | 644 | 62 | 6 890 | 20 965 | 20 965 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Raute Group is a globally operating technology and service company. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood and LVL. Raute's technology offering covers machinery and equipment for the entire production process. Raute's full-service concept is based on product life-cycle management. In addition to a broad range of machines and equipment, our solutions cover technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations. Raute's head office is located in Nastola, Finland. Its other production plants are in the Vancouver area in Canada, in the Shanghai area in China, and in Kajaani, Finland. The company's sales network has a global reach.

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 OMX 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.

Raute Corporation's consolidated financial statement information is available online at www.raute.com or at the head office of the Parent company, Rautetie 2, FI-15550 Nastola, Finland.

Raute Corporation's Board of Directors has on October 30, 2015 reviewed the Interim financial report for January 1 - September 30, 2015, and approved it to be published in compliance with this release.

2. Accounting principles

Raute Corporation's Interim financial report for January 1 - September 30, 2015 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 2014.

Raute Corporation's Interim financial report for January 1 - September 30, 2015 has been prepared in accordance with the International Financial Reporting Standards, IFRS, accepted for application in the EU. Preparations have complied with the IAS and IFRS standards, as well as SIC and IFRIC interpretations, effective on September 30, 2015. The notes to the Interim financial statements also comply with Finnish accounting legislation.

The Interim financial report has been prepared according to the same accounting principles as those applied in the Annual financial statement for 2014, with the exception of certain new or revised standards, interpretations and amendments to existing standards which the Group has applied as of January 1, 2015. The impact of the new and revised standards has been presented in the Annual financial statements for 2014. The adoption of these standards has not had an impact on the Interim financial report.

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.

The preparation of Interim financial report in conformity with IFRS standards requires management to make certain critical accounting estimates and to exercise its judgment in applying the Group's accounting policies. Because the forward-looking estimates and assumptions are based on management's best knowledge at the reporting date, they comprise risks and uncertainties. The actual results may differ from these estimates.

3. Segment information

Operational segment

Continuing operations of Raute Group belong to the wood products technology segment.

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.

| Wood products technology | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|--------------------------|-----------|-----------|------------|
| Net sales | 87 757 | 60 042 | 94 021 |
| Operating profit (loss) | 5 339 | -980 | 2 605 |
| Assets | 62 962 | 49 648 | 52 646 |
| Liabilities | 35 866 | 28 683 | 28 312 |
| Capital expenditure | 867 | 1 134 | 1 675 |

| Assets of the wood products technology segment by geographical location | 30.9.2015 | % | 30.9.2014 | % | 31.12.2014 | % |
|--|------------------|------------|------------------|------------|-------------------|------------|
| Finland | 50 962 | 81 | 39 253 | 79 | 41 532 | 79 |
| China | 5 712 | 9 | 5 245 | 11 | 4 672 | 9 |
| North America | 4 580 | 7 | 3 415 | 7 | 5 222 | 10 |
| Russia | 1 329 | 2 | 1 398 | 3 | 886 | 2 |
| South America | 226 | 0 | 169 | 0 | 192 | 0 |
| Other | 153 | 0 | 170 | 0 | 141 | 0 |
| TOTAL | 62 962 | 100 | 49 648 | 100 | 52 646 | 100 |

| Capital expenditure of the wood products technology segment by geographical location | 30.9.2015 | % | 30.9.2014 | % | 31.12.2014 | % |
|---|------------------|------------|------------------|------------|-------------------|------------|
| Finland | 777 | 90 | 973 | 86 | 1 402 | 84 |
| China | 47 | 5 | 96 | 8 | 139 | 8 |
| North America | 35 | 4 | 56 | 5 | 118 | 7 |
| Russia | - | - | 3 | 0 | 2 | 0 |
| South America | 8 | 1 | 2 | 0 | 3 | 0 |
| Other | - | - | 4 | 0 | 12 | 1 |
| TOTAL | 867 | 100 | 1 134 | 100 | 1 675 | 100 |

4. Net sales

The main part of the net sales is comprised of project deliveries related to wood products technology and modernizations in technology services, which are treated as long-term projects. The rest of the net sales is comprised of technology services provided to the wood products industry such as spare parts and maintenance services as well as services provided to the development of customers' business.

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 delivery projects can temporarily increase the shares of various customers of the Group's net sales to more than ten percent. At the end of the period, the Group had two customers (2), whose customized share of the Group's net sales temporarily exceeded ten percent. The sales share of these customers was 27 percent.

| Net sales by market area | 1.1.–30.9.2015 | % | 1.1.–30.9.2014 | % | 1.1.–31.12.2014 | % |
|---------------------------------|-----------------------|------------|-----------------------|------------|------------------------|------------|
| EMEA (Europe and Africa) | 56 715 | 65 | 26 951 | 45 | 48 737 | 52 |
| NAM (North America) | 10 792 | 12 | 9 817 | 17 | 13 167 | 14 |
| CIS (Russia) | 8 577 | 10 | 12 212 | 20 | 16 813 | 18 |
| LAM (South America) | 7 379 | 8 | 9 153 | 15 | 12 689 | 13 |
| APAC (Asia-Pacific) | 4 294 | 5 | 1 910 | 3 | 2 616 | 3 |
| TOTAL | 87 757 | 100 | 60 042 | 100 | 94 021 | 100 |

Finland accounted for 19 percent (7 %) of net sales.

| | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|---|---------------|---------------|---------------|
| 5. Long-term projects | | | |
| Net sales | | | |
| Net sales by percentage of completion | 70 403 | 44 063 | 74 413 |
| Other net sales | 17 354 | 15 979 | 19 608 |
| TOTAL | 87 757 | 60 042 | 94 021 |
| Project revenues entered as income from currently undelivered long-term projects recognized by percentage of completion | 100 945 | 107 926 | 71 178 |
| Amount of long-term project revenues not yet entered as income (order book) | 81 977 | 55 228 | 42 001 |
| Projects for which the value by percentage of completion exceeds advance payments invoiced | | | |
| - aggregate amount of costs incurred and recognized profits less recognized losses | 57 810 | 71 669 | 51 832 |
| - advance payments received | 40 393 | 60 034 | 33 709 |
| Gross amount due from customers | 17 417 | 11 635 | 18 123 |
| Projects for which advance payments invoiced exceed the value by percentage of completion | | | |
| - aggregate amount of costs incurred and recognized profits less recognized losses | 42 973 | 36 030 | 19 233 |
| - advance payments received | 58 090 | 46 645 | 27 153 |
| Gross amount due to customers | 15 117 | 10 615 | 7 920 |
| Advance payments included in the current liabilities in the balance sheet | | | |
| Gross amount due to customers | 15 117 | 10 615 | 7 920 |
| Other advance payments received, not under percentage of completion | 712 | 807 | 1 152 |
| Total | 15 829 | 11 422 | 9 072 |
| Specification of combined asset and liability items | | | |
| Advance payments paid | 2 009 | 768 | 891 |
| Advance payments included in inventories in the balance sheet | 2 009 | 768 | 891 |
| 6. Number of personnel, persons | | | |
| Effective, on average | 608 | 517 | 530 |
| In books, on average | 617 | 534 | 545 |
| In books, at the end of the period | 642 | 568 | 587 |
| - of which personnel working abroad | 205 | 183 | 193 |
| 7. Research and development costs | | | |
| Research and development costs for period | -1 736 | -1 209 | -1 767 |
| Amortization of previously capitalized development costs | -428 | -156 | -239 |
| Development costs recognized as an asset in the balance sheet | 220 | 227 | 292 |
| Research and development costs entered as expense for the period | -1 944 | -1 138 | -1 714 |

| 8. Changes in Intangible assets and in Property, plant and equipment | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|--|------------------|------------------|-------------------|
| Intangible assets | | | |
| Carrying amount at the beginning of the period | 13 826 | 13 372 | 13 372 |
| Exchange rate differences | 47 | 37 | 65 |
| Additions | 318 | 382 | 497 |
| Reclassification between items | 97 | -104 | -109 |
| Carrying amount at the end of the period | 14 289 | 13 687 | 13 826 |
| Accumulated depreciation and amortization at the beginning of the period | -10 334 | -9 799 | -9 799 |
| Exchange rate differences | -24 | -23 | -34 |
| Accumulated depreciation and amortization of disposals and reclassifications | -350 | 125 | 129 |
| Depreciation and amortization for the period | -745 | -445 | -630 |
| Accumulated depreciation and amortization at the end of the period | -11 453 | -10 142 | -10 334 |
| Book value of Intangible assets, at the beginning of the period | 3 492 | 3 574 | 3 574 |
| Book value of Intangible assets, at the end of the period | 2 836 | 3 545 | 3 492 |
| Property, plant and equipment | | | |
| Carrying amount at the beginning of the period | 43 944 | 42 670 | 42 670 |
| Exchange rate differences | -446 | 410 | 451 |
| Additions | 899 | 752 | 1 178 |
| Disposals | -24 | -288 | -324 |
| Reclassification between items | -97 | -31 | -31 |
| Carrying amount at the end of the period | 44 275 | 43 513 | 43 944 |
| Accumulated depreciation and amortization at the beginning of the period | -36 014 | -34 274 | -34 274 |
| Exchange rate differences | 486 | -346 | -356 |
| Accumulated depreciation and amortization of disposals and reclassifications | - | 9 | 9 |
| Depreciation and amortization for the period | -1 083 | -1 049 | -1 394 |
| Accumulated depreciation and amortization at the end of the period | -36 610 | -35 660 | -36 014 |
| Book value of Property, plant and equipment, at the beginning of the period | 7 930 | 8 396 | 8 396 |
| Book value of Property, plant and equipment, at the end of the period | 7 665 | 7 852 | 7 930 |

| 9. Interest-bearing liabilities | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|---|------------------|------------------|-------------------|
| Non-current interest-bearing liabilities recognized at amortized cost | 983 | 1 875 | 1 250 |
| Current interest-bearing liabilities | 1 530 | 2 467 | 1 512 |
| TOTAL | 2 513 | 4 342 | 2 762 |

Maturities of the interest-bearing financial liabilities at September 30, 2015

| Financial liability | Current | Non-current | Total |
|-----------------------------------|--------------|-------------|--------------|
| Loans from financial institutions | 1 530 | 983 | 2 513 |
| Total | 1 530 | 983 | 2 513 |

| 10. Pledged assets and contingent liabilities | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|---|------------------|------------------|-------------------|
| On behalf of the Parent company | | | |
| Business mortgages | 6 897 | 3 620 | 7 011 |
| Loans from financial institutions | 1 875 | 4 089 | 2 500 |
| Business mortgages | 1 875 | 4 125 | 2 500 |
| Mortgage agreements on behalf of subsidiaries | | | |
| Loans from financial institutions | 280 | 253 | 262 |
| Other obligations | 558 | 2 002 | 227 |
| Business mortgages | 1 196 | 2 255 | 489 |
| Commercial bank guarantees on behalf of the Parent company and subsidiaries | 12 908 | 11 571 | 13 999 |
| Other own obligations | | | |
| Rental liabilities maturing within one year | 889 | 593 | 717 |
| Rental liabilities maturing in one to five years | 1 514 | 1 768 | 1 674 |
| Rental liabilities maturing more than five years | - | 52 | 13 |
| Total | 2 404 | 2 413 | 2 404 |

11. Related party transactions

No loans are granted to the company's management. On September 30, 2015, the Parent Company Raute Corporation had loan receivables from its subsidiary Raute Shanghai Machinery Co., Ltd EUR 650 thousand.

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

| 12. Derivatives | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|--|------------------|------------------|-------------------|
| Nominal values of forward contracts in foreign currency | | | |
| Economic hedging | | | |
| - Related to financing | 36 | 506 | 348 |
| - Related to the hedging of net sales | 6 565 | 4 296 | 2 785 |
| Hedge accounting | | | |
| - Related to the hedging of net sales | 2 419 | - | - |
| Fair values of forward contracts in foreign currency | | | |
| Economic hedging | | | |
| - Related to financing | -4 | -5 | -7 |
| - Related to the hedging of net sales | -216 | -34 | -136 |
| Hedge accounting | | | |
| - Related to the hedging of net sales | -24 | - | - |
| Interest rate and currency swap agreements | | | |
| - Nominal value | - | 964 | - |
| - Fair value | - | -51 | - |

13. Share-based payments

An expense of EUR 12 thousand (EUR 45 thousand) was recognized for the options to the income statement during the interim period. A total of 48 725 Raute's series A new shares have been subscribed for with Raute's stock options 2010 A, 2010 B and 2010 C during the interim period. The new shares have been registered in the Trade Register on May 7, 2015, on July 3, 2015 and on August 8, 2015.

The company's share capital is EUR 8 127 906 and the number of company's series A shares 4 063 953 pieces .

During the interim period, no share rewards were delivered based on the long-term share-based incentive program 2014-2018 directed to the top management. An expense of EUR 280 thousand was recognized for the share rewards to the income statement during the interim period.

14. Dividend distribution and repayment of equity

Raute Corporation's Annual General Meeting held on March 24, 2015, decided, according to the Board of Directors' proposal, to distribute a dividend of EUR 0,40 per share to be paid for series A and K shares, a total of EUR 1 606 thousand. The dividend payment date was April 2, 2015.

Raute Corporation's Annual General Meeting held on March 24, 2015, decided, according to the Board of Directors' proposal, to distribute a repayment of equity EUR 0,20 per share to be paid for series A and K shares, a total of EUR 803 thousand. The payment date was April 2, 2015.

15. Financial assets and liabilities that are measured at fair value

At the end of the reporting period September 30, 2015, the fair value of the financial assets categorized at fair value on hierarchy level 3 was EUR 500 thousand. The methods of fair value determination correspond the valuation principles presented in the Annual financial statements for 2014. There were no transfers between the hierarchy levels 1 and 2 during the reporting period.

16. Exchange rates used

| Income statement, euros | 1.1.–30.9.2015 | 1.1.–30.9.2014 | 1.1.–31.12.2014 |
|-------------------------|----------------|----------------|-----------------|
| CNY (Chinese yuan) | 6,9647 | 8,3579 | 8,1883 |
| RUB (Russian rouble) | 66,5540 | 48,0390 | 51,0113 |
| CAD (Canadian dollar) | 1,4031 | 1,4829 | 1,4669 |
| USD (US dollar) | 1,1145 | 1,3554 | 1,3288 |
| SGD (Singapore dollar) | 1,5197 | 1,7047 | 1,6831 |
| CLP (Chilean peso) | 712,5336 | 760,1944 | 756,9608 |

| Balance sheet, euros | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|------------------------|-----------|-----------|------------|
| CNY (Chinese yuan) | 7,1462 | 7,9207 | 7,6330 |
| RUB (Russian rouble) | 73,2416 | 49,7653 | 72,3370 |
| CAD (Canadian dollar) | 1,5034 | 1,4058 | 1,4063 |
| USD (US dollar) | 1,1203 | 1,2583 | 1,2141 |
| SGD (Singapore dollar) | 1,5921 | 1,6063 | 1,6058 |
| CLP (Chilean peso) | 774,5492 | 766,4816 | 756,4665 |

17. Events after the reporting period

A total of 12 750 Raute's series A new shares have been subscribed for with Raute's stock options 2010 A, 2010 B and 2010 C. The new shares have been registered in the Trade Register on October 7, 2015. Raute Corporation's share capital is EUR 8 153 406 and the total amount of shares is 4 076 703 pieces after the Trade Register registration.

| FINANCIAL DEVELOPMENT | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|---|------------------|------------------|-------------------|
| Change in net sales, % | 46,2 | 2,2 | 12,9 |
| Exported portion of net sales, % | 80,8 | 92,8 | 94,3 |
| Return on investment (ROI), % | 25,9 | -3,9 | 10,9 |
| Return on equity, ROE, % | 22,3 | -5,0 | 9,8 |
| Interest-bearing net liabilities, EUR million | -10,9 | -6,1 | -1,7 |
| Gearing, % | -40,1 | -29,2 | -6,9 |
| Equity ratio, % | 57,5 | 54,8 | 55,8 |
| Gross capital expenditure, EUR million | 0,9 | 1,1 | 1,7 |
| % of net sales | 1,0 | 1,9 | 1,8 |
| Research and development costs, EUR million | 1,7 | 1,2 | 1,8 |
| % of net sales | 2,0 | 2,0 | 1,9 |
| Order book, EUR million | 83 | 56 | 44 |
| Order intake, EUR million | 129 | 89 | 112 |

| SHARE-RELATED DATA | 30.9.2015 | 30.9.2014 | 31.12.2014 |
|--|------------------|------------------|-------------------|
| Earnings per share, (EPS), undiluted, EUR | 1,07 | -0,21 | 0,59 |
| Equity to share, EUR | 6,67 | 5,23 | 6,06 |
| Dividend per share, EUR | - | - | 0,40 |
| Dividend per profit, % | - | - | 68,0 |
| Effective dividend return, % | - | - | 5,50 |
| Repayment of equity from invested non-restricted equity reserve, EUR | - | - | 0,20 |
| Development in share price (series A shares) | | | |
| Lowest share price for the period, EUR | 7,17 | 6,90 | 6,90 |
| Highest share price for the period, EUR | 13,74 | 8,60 | 8,60 |
| Average share price for the period, EUR | 11,56 | 7,75 | 7,69 |
| Share price at the end of the period, EUR | 13,00 | 7,97 | 7,30 |
| Market value of capital stock | | | |
| - Series K shares, EUR million* | 12,9 | 7,9 | 7,2 |
| - Series A shares, EUR million | 39,9 | 24,0 | 22,1 |
| Total, EUR million | 52,8 | 31,9 | 29,3 |

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

| | | | |
|--|------------------|------------------|------------------|
| Trading of the company's shares (series A shares) | | | |
| Trading of shares, pcs | 879 766 | 465 532 | 593 682 |
| Trading of shares, EUR million | 10,2 | 3,6 | 4,6 |
| Number of shares | | | |
| - Series K shares, ordinary shares (20 votes, share) | 991 161 | 991 161 | 991 161 |
| - Series A shares (1 vote/share) | 3 072 792 | 3 015 667 | 3 024 067 |
| Total | 4 063 953 | 4 006 828 | 4 015 228 |
| Number of shares, weighted average, 1 000 pcs | 4 031 | 4 007 | 4 009 |
| Number of shares, diluted, 1 000 pcs | 4 042 | 4 008 | 4 015 |
| Number of shareholders | 2 318 | 1 958 | 1 991 |

| DEVELOPMENT OF QUARTERLY RESULTS | | | | | | |
|---|----------------|----------------|----------------|----------------|-------------------------|-------------------------|
| | Q4 | Q1 | Q2 | Q3 | Rolling | Rolling |
| (EUR 1 000) | 2014 | 2015 | 2015 | 2015 | 1.10.2014– 30.9.2015 | 1.10.2013– 30.9.2014 |
| NET SALES | 33 978 | 24 606 | 31 759 | 31 391 | 121 735 | 84 554 |
| Change in inventories of finished goods and work in progress | 710 | 312 | -532 | 1 161 | 1 651 | 290 |
| Other operating income | -28 | 40 | 314 | 7 | 333 | 258 |
| Materials and services | -19 574 | -11 856 | -16 197 | -18 623 | -66 251 | -43 722 |
| Employee benefits expense | -8 023 | -8 140 | -8 878 | -8 357 | -33 398 | -28 668 |
| Depreciation and amortization | -524 | -548 | -716 | -565 | -2 352 | -1 973 |
| Other operating expenses | -2 953 | -3 211 | -3 529 | -3 102 | -12 795 | -10 207 |
| Total operating expenses | -31 075 | -23 754 | -29 320 | -30 646 | -114 795 | -84 571 |
| OPERATING PROFIT (LOSS) | 3 585 | 1 204 | 2 222 | 1 912 | 8 923 | 533 |
| % of net sales | 11 | 5 | 7 | 6 | 7 | 1 |
| Financial income | 244 | 266 | -10 | -42 | 457 | 572 |
| Financial expenses | -2 | -112 | -61 | -99 | -274 | -911 |
| PROFIT (LOSS) BEFORE TAX | 3 826 | 1 359 | 2 151 | 1 772 | 9 107 | 194 |
| % of net sales | 11 | 6 | 7 | 6 | 7 | 0 |
| Income taxes | -633 | -276 | -400 | -300 | -1 609 | -110 |
| PROFIT (LOSS) FOR THE PERIOD | 3 193 | 1 083 | 1 750 | 1 472 | 7 498 | 84 |
| % of net sales | 9 | 4 | 6 | 5 | 6 | 0 |
| Attributable to | | | | | | |
| Equity holders of the Parent company | 3 193 | 1 083 | 1 750 | 1 472 | 7 498 | 84 |
| Earnings per share, EUR | | | | | | |
| Undiluted earnings per share | 0,80 | 0,27 | 0,43 | 0,36 | 1,86 | 0,02 |
| Diluted earnings per share | 0,80 | 0,27 | 0,43 | 0,36 | 1,86 | 0,02 |
| Shares, 1 000 pcs | | | | | | |
| Adjusted average number of shares | 4 015 | 4 015 | 4 025 | 4 053 | 4 031 | 4 007 |
| Adjusted average number of shares diluted | 4 017 | 4 043 | 4 036 | 4 065 | 4 042 | 4 008 |
| FINANCIAL DEVELOPMENT QUARTERLY | | | | | | |
| | Q4 | Q1 | Q2 | Q3 | Rolling | Rolling |
| | 2014 | 2015 | 2015 | 2015 | 1.10.2014– 30.9.2015 | 1.10.2013– 30.9.2014 |
| Order intake during the period, EUR million | 23 | 84 | 31 | 14 | 152 | 111 |
| Order book at the end of the period, EUR million | 44 | 101 | 100 | 83 | 83 | 56 |

20 LARGEST SHAREHOLDERS AT SEPTEMBER 30, 2015

| | Number of series K shares | Number of series A shares | Total number of shares | % of total shares | Total number of votes | % of voting rights |
|---|---------------------------------|---------------------------------|------------------------------|----------------------|-----------------------------|--------------------------|
| By number of shares | | | | | | |
| 1. Sundholm Göran Wilhelm | - | 623 423 | 623 423 | 15,3 | 623 423 | 2,7 |
| 2. Mandatum Life Unit-Linked | - | 181 900 | 181 900 | 4,5 | 181 900 | 0,8 |
| 3. Laakkonen Mikko | - | 119 919 | 119 919 | 3,0 | 119 919 | 0,5 |
| 4. Suominen Pekka | 48 000 | 62 429 | 110 429 | 2,7 | 1 022 429 | 4,5 |
| 5. Siivonen Osku Pekka | 50 640 | 53 539 | 104 179 | 2,6 | 1 066 339 | 4,7 |
| 6. Kirmo Kaisa Marketta | 55 680 | 48 341 | 104 021 | 2,6 | 1 161 941 | 5,1 |
| 7. Suominen Tiina Sini-Maria | 48 000 | 54 316 | 102 316 | 2,5 | 1 014 316 | 4,4 |
| 8. Relander Harald Bertel | - | 85 000 | 85 000 | 2,1 | 85 000 | 0,4 |
| 9. Keskiaho Kaija Leena | 33 600 | 51 116 | 84 716 | 2,1 | 723 116 | 3,2 |
| 10. Mustakallio Mika Tapani | 57 580 | 26 270 | 83 850 | 2,1 | 1 177 870 | 5,1 |
| 11. Särkijärvi Anna Riitta | 60 480 | 22 009 | 82 489 | 2,0 | 1 231 609 | 5,4 |
| 12. Mustakallio Kari Pauli | 60 480 | 500 | 60 980 | 1,5 | 1 210 100 | 5,3 |
| 13. Mustakallio Marja Helena | 43 240 | 16 047 | 59 287 | 1,5 | 880 847 | 3,8 |
| 14. Särkijärvi Timo Juha | 12 000 | 43 256 | 55 256 | 1,4 | 283 256 | 1,2 |
| 15. Särkijärvi-Martinez Anu Riitta | 12 000 | 43 256 | 55 256 | 1,4 | 283 256 | 1,2 |
| 16. Mustakallio Ulla Sinikka | 53 240 | - | 53 240 | 1,3 | 1 064 800 | 4,7 |
| 17. Suominen Jukka Matias | 24 960 | 27 964 | 52 924 | 1,3 | 527 164 | 2,3 |
| 18. Keskinäinen työeläkevakuutusyhtiö Varma | - | 51 950 | 51 950 | 1,3 | 51 950 | 0,2 |
| 19. Suominen Jussi Matias | 48 000 | - | 48 000 | 1,2 | 960 000 | 4,2 |
| 20. Keskiaho Ilta Marjaana | 24 780 | 19 809 | 44 589 | 1,1 | 515 409 | 2,3 |
| TOTAL | 632 680 | 1 531 044 | 2 163 724 | 53,2 | 14 184 644 | 62,0 |

| | Number of series K shares | Number of series A shares | Total number of shares | % of total shares | Total number of votes | % of voting rights |
|---------------------------------------|---------------------------------|---------------------------------|------------------------------|----------------------|-----------------------------|--------------------------|
| By number of votes | | | | | | |
| 1. Särkijärvi Anna Riitta | 60 480 | 22 009 | 82 489 | 2,0 | 1 231 609 | 5,4 |
| 2. Mustakallio Kari Pauli | 60 480 | 500 | 60 980 | 1,5 | 1 210 100 | 5,3 |
| 3. Mustakallio Mika Tapani | 57 580 | 26 270 | 83 850 | 2,1 | 1 177 870 | 5,1 |
| 4. Kirmo Kaisa Marketta | 55 680 | 48 341 | 104 021 | 2,6 | 1 161 941 | 5,1 |
| 5. Siivonen Osku Pekka | 50 640 | 53 539 | 104 179 | 2,6 | 1 066 339 | 4,7 |
| 6. Mustakallio Ulla Sinikka | 53 240 | - | 53 240 | 1,3 | 1 064 800 | 4,7 |
| 7. Suominen Pekka | 48 000 | 62 429 | 110 429 | 2,7 | 1 022 429 | 4,5 |
| 8. Suominen Tiina Sini-Maria | 48 000 | 54 316 | 102 316 | 2,5 | 1 014 316 | 4,4 |
| 9. Suominen Jussi Matias | 48 000 | - | 48 000 | 1,2 | 960 000 | 4,2 |
| 10. Mustakallio Marja Helena | 43 240 | 16 047 | 59 287 | 1,5 | 880 847 | 3,8 |
| 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 | 2,1 | 723 116 | 3,2 |
| 13. Sundholm Göran Wilhelm | - | 623 423 | 623 423 | 15,3 | 623 423 | 2,7 |
| 14. Keskiaho Vesa Heikki | 29 680 | - | 29 680 | 0,7 | 593 600 | 2,6 |
| 15. Keskiaho Juha-Pekka | 27 880 | 6 416 | 34 296 | 0,8 | 564 016 | 2,5 |
| 16. Kirmo Lasse Antti | 27 645 | 6 321 | 33 966 | 0,8 | 559 221 | 2,4 |
| 17. Suominen Jukka Matias | 24 960 | 27 964 | 52 924 | 1,3 | 527 164 | 2,3 |
| 18. Keskiaho Ilta Marjaana | 24 780 | 19 809 | 44 589 | 1,1 | 515 409 | 2,3 |
| 19. Kultanen Leea Annikka | 22 405 | 8 031 | 30 436 | 0,7 | 456 131 | 2,0 |
| 20. Molander Sole | 20 160 | - | 20 160 | 0,5 | 403 200 | 1,8 |
| TOTAL | 778 690 | 1 026 531 | 1 805 221 | 44,4 | 16 600 331 | 72,5 |

MANAGEMENT'S AND PUBLIC INSIDERS' 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 total voting rights |
|---|---------------------------------|---------------------------------|------------------------------|----------------------|-----------------------------|--------------------------------|
| Management's and Public insiders' holding at September 30, 2015 | | | | | | |
| The Board of Directors, The Group's President and CEO and Executive Board* | 122 830 | 116 349 | 239 179 | 5,9 | 2 572 949 | 11,2 |
| TOTAL | 122 830 | 116 349 | 239 179 | 5,9 | 2 572 949 | 11,2 |

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

| | | | | | | |
|--|---|---------|---------|-----|---------|-----|
| Nominee-registered shares at September 30, 2015 | - | 130 969 | 130 969 | 3,2 | 130 969 | 0,6 |
|--|---|---------|---------|-----|---------|-----|

RAUTE CORPORATION
 Board of Directors

BRIEFING ON OCTOBER 30, 2015 AT 2 P.M.:

A briefing will be organized for analysts, investors and the media on October 30, 2015 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 Ms. Arja Hakala, CFO.

FINANCIAL RELEASES IN 2016:

Raute Corporation will publish a release on its financial statements for 2015 on Tuesday, February 16, 2016.

Raute's interim reports will be published as follows:

- January–March on Friday, April 29, 2016
- January–June on Wednesday, July 27, 2016
- January–September on Wednesday, October 26, 2016.

Raute Corporation's Annual General Meeting is scheduled to be held in Lahti on Thursday, March 31, 2016.

FURTHER INFORMATION:

Mr. Tapani Kiiski, President and CEO, Raute Corporation, tel. +358 3 829 3500, mobile phone +358 400 814 148
 Ms. Arja Hakala, CFO, Raute Corporation, tel. +358 3 829 3293, mobile phone +358 400 710 387

DISTRIBUTION:

NASDAQ OMX 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 and LVL (Laminated Veneer Lumber). The technology offering covers machinery and equipment for the entire production process. 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 Nastola, Finland. Its other production plants are in the Vancouver area of Canada, in the Shanghai area of China, and in Kajaani, Finland. Raute's net sales in 2014 were EUR 94.0 million. The Group's headcount at the end of 2014 was 587.

More information about the company can be found at www.raute.com.



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More information on Raute as an investment:

