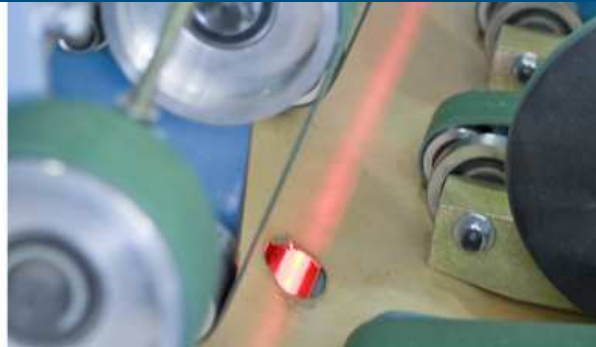




# Interim report January 1–March 31, 2012

May 7, 2012

Tapani Kiiski, President and CEO



## **Business environment:**

- Uncertainty concerning the development of the global economy and the financial markets continues
- Market situation for wood products industry remained uncertain in several market areas
- Several projects for as well single production lines as mill-scale deliveries under planning and negotiation
  - conditional to customers' confidence that the demand has recovered permanently and success in arranging the financing for the projects

## **Raute:**

- Order intake reached a record high
  - an order for the machinery and equipment for a plywood mill in Chile to rebuild a mill burned down in January
- Long-term contract with UPM Plywood for the proactive maintenance and spare parts services

## 1–3 2012 in brief

<b>MEUR</b>	<b>1–3 2012</b>	<b>1–3 2011</b>
Net sales	<b>15,1</b>	<b>14,6</b>
Operating result	<b>-0,5</b>	<b>-1,4</b>
Order intake:		
• Project deliveries	<b>56</b>	<b>22</b>
• Technology services	<b>5</b>	<b>7</b>
Order book	<b>82</b>	<b>48</b>

- Low net sales
  - share of large projects in order book exceptionally high
  - large projects start generate net sales slowly
  - March accounted for almost half of the net sales of the period
- Profitability in line with our estimates relative to the net sales
- Strong order book
  - more than EUR 15 million will be recognized as net sales in 2013

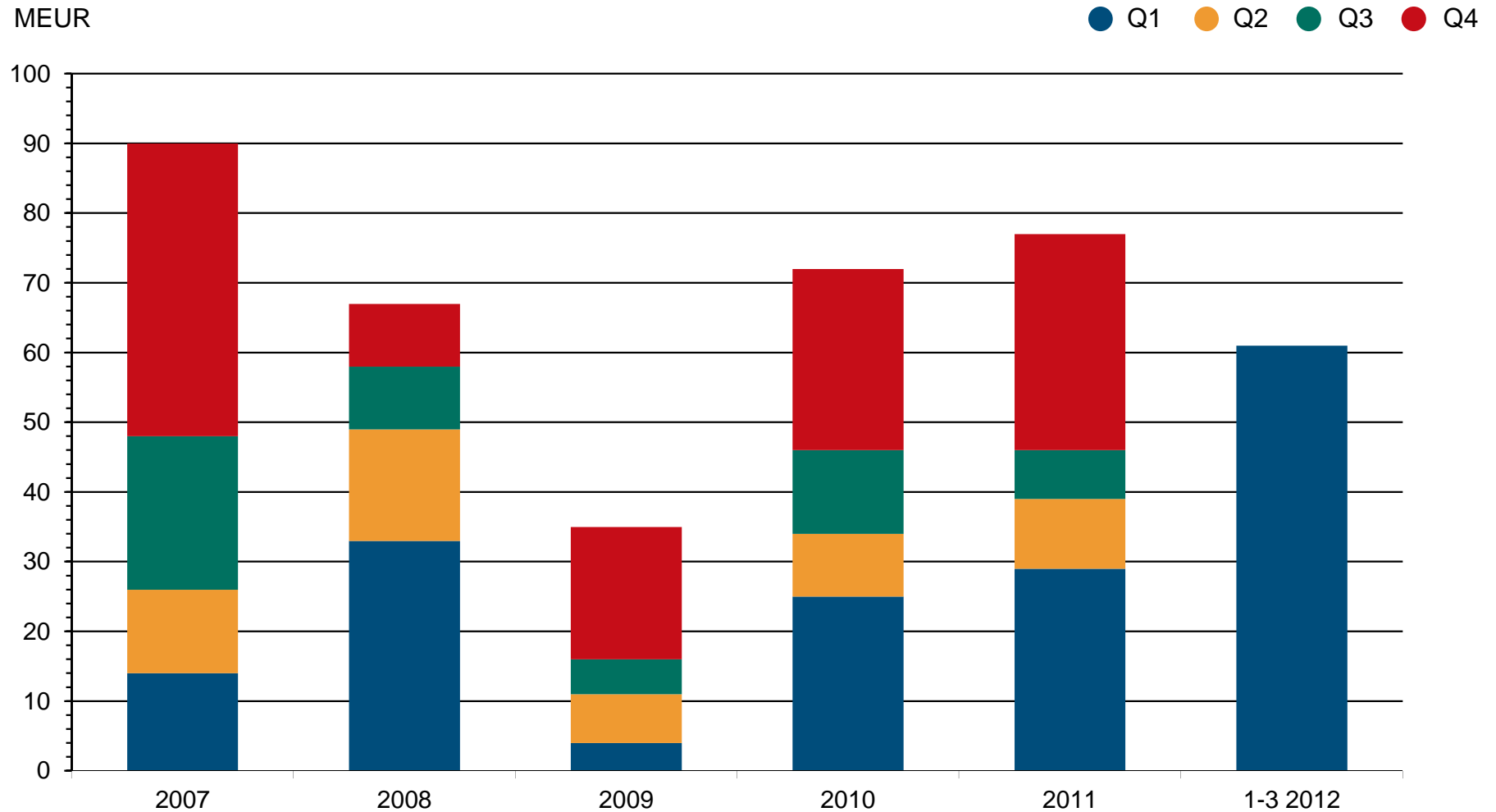
## Income statement and key figures

MEUR	1-3 2012	1-3 2011	2011
<b>Net sales</b>	<b>15,1</b>	<b>14,6</b>	<b>74,3</b>
<b>Operating result</b>	<b>-0,5</b>	<b>-1,4</b>	<b>-0,7</b>
Financial income and expenses	0,0	-0,1	-0,4
<b>Result before taxes</b>	<b>-0,5</b>	<b>-1,6</b>	<b>-1,1</b>
Income taxes	0,0	0,3	0,0
<b>Result for the period</b>	<b>-0,5</b>	<b>-1,3</b>	<b>-1,1</b>
Earnings per share, EUR	-0,12	-0,32	-0,27
Operating cash flow	9,3	1,4	2,5
Return on investment (ROI), %	-3,8	-13,3	-0,1
Gearing, %	-88,1	-47,0	-47,1
Equity ratio, %	45,8	52,4	46,9
Personnel (in books)	469	476	464

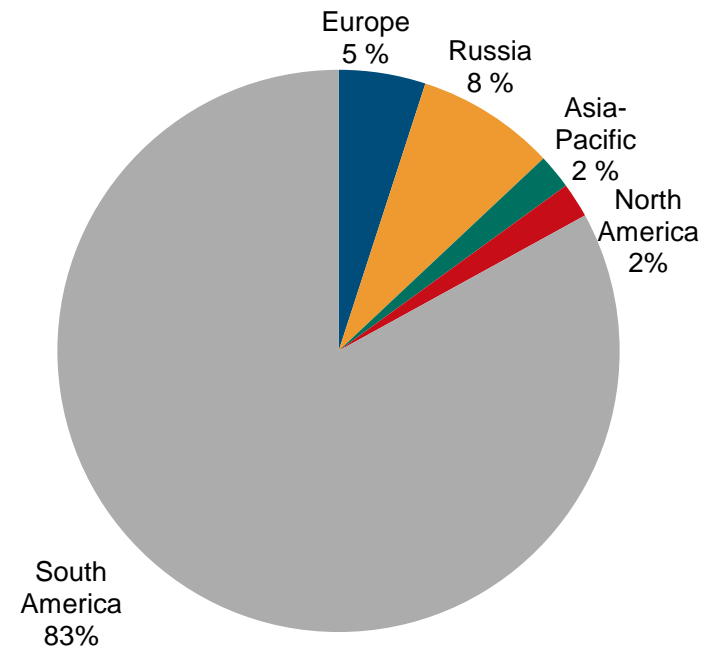
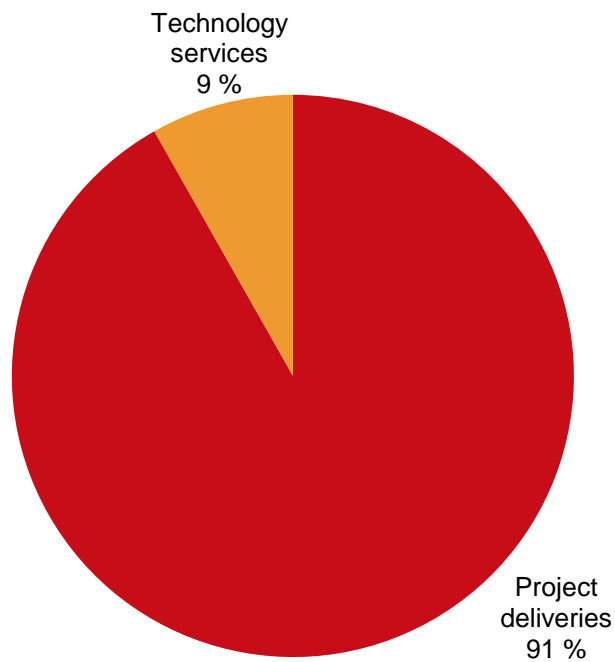
## Balance sheet

MEUR	31.3.2012	31.3.2011	31.12.2011
Intangible assets	2,2	1,2	1,4
Property, plant and equipment	8,2	8,7	8,2
Other non-current assets	3,0	3,0	2,9
Inventories	5,9	5,2	5,1
Accounts receivables and other receivables	11,8	13,6	9,3
Cash and cash equivalents	34,4	23,0	25,7
<b>Total assets</b>	<b>65,5</b>	<b>54,7</b>	<b>52,7</b>
Equity	21,7	22,9	22,1
Non-current liabilities	11,2	9,9	11,1
Advance payments received	18,2	11,0	5,6
Current liabilities	14,4	10,9	13,9
<b>Total equity and assets</b>	<b>65,5</b>	<b>54,7</b>	<b>52,7</b>

# Order intake



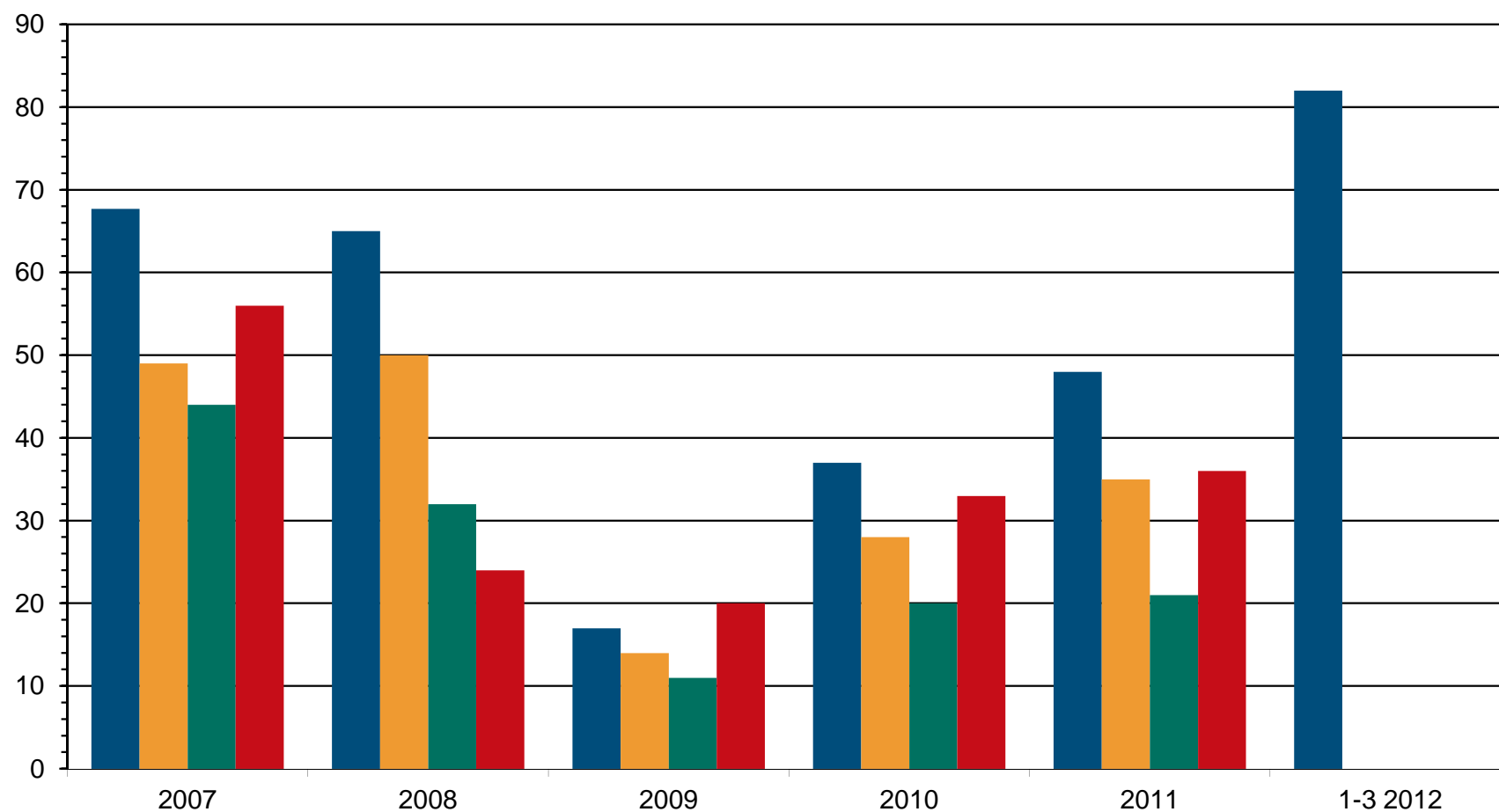
# Order intake 1-3 2012



# Order book

● Q1 ● Q2 ● Q3 ● Q4

MEUR

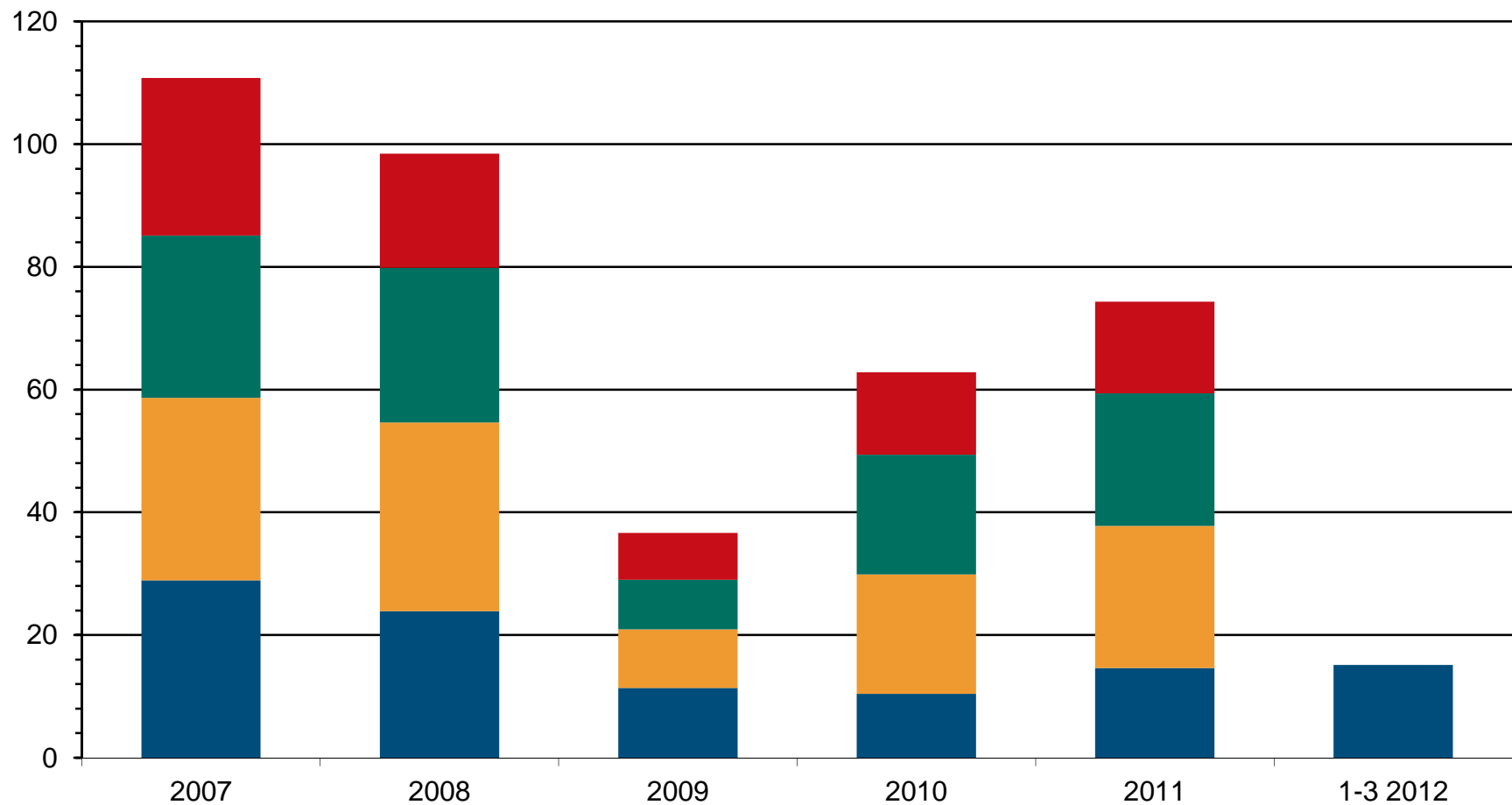




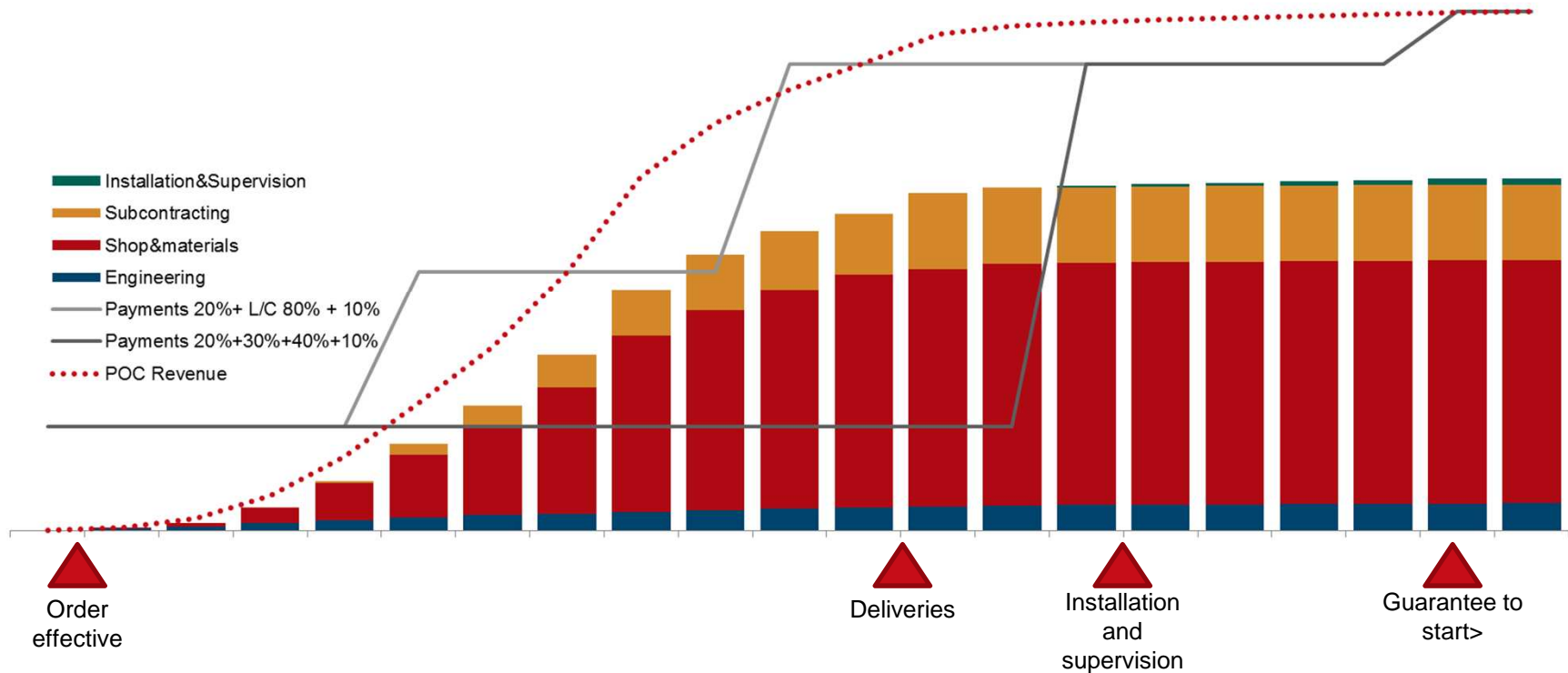
# Net sales

MEUR

● Q1 ● Q2 ● Q3 ● Q4

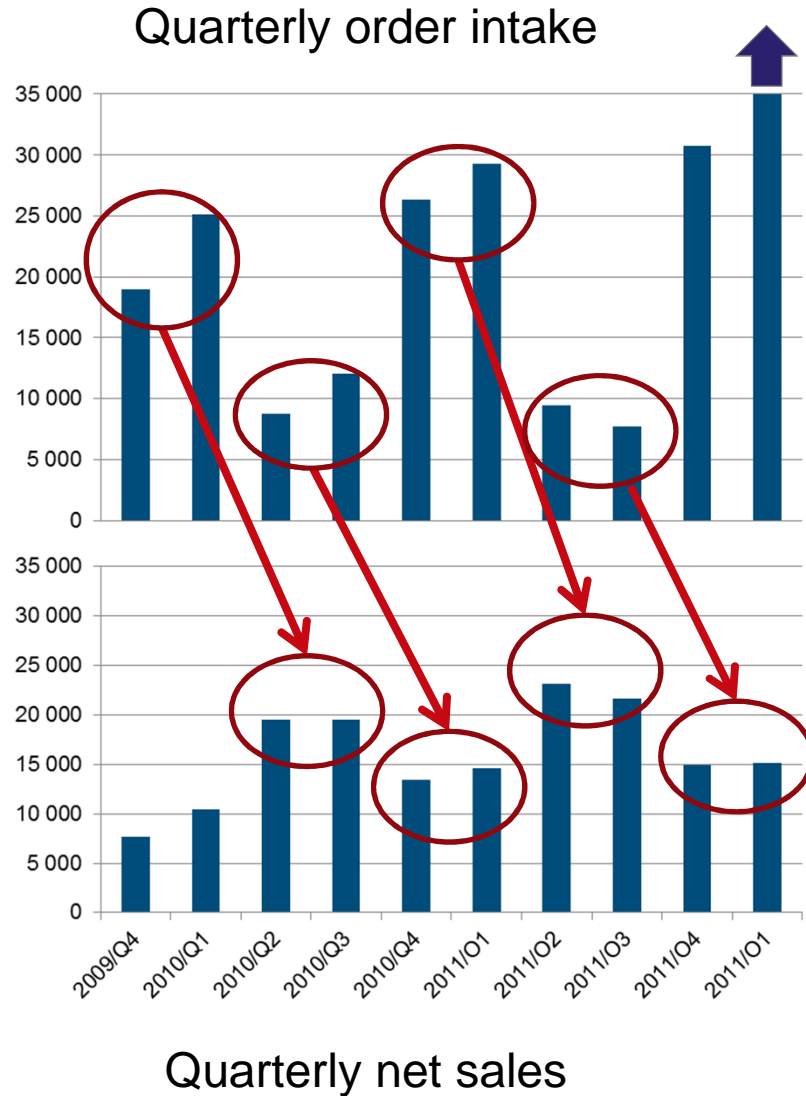


# Large mill-scale project

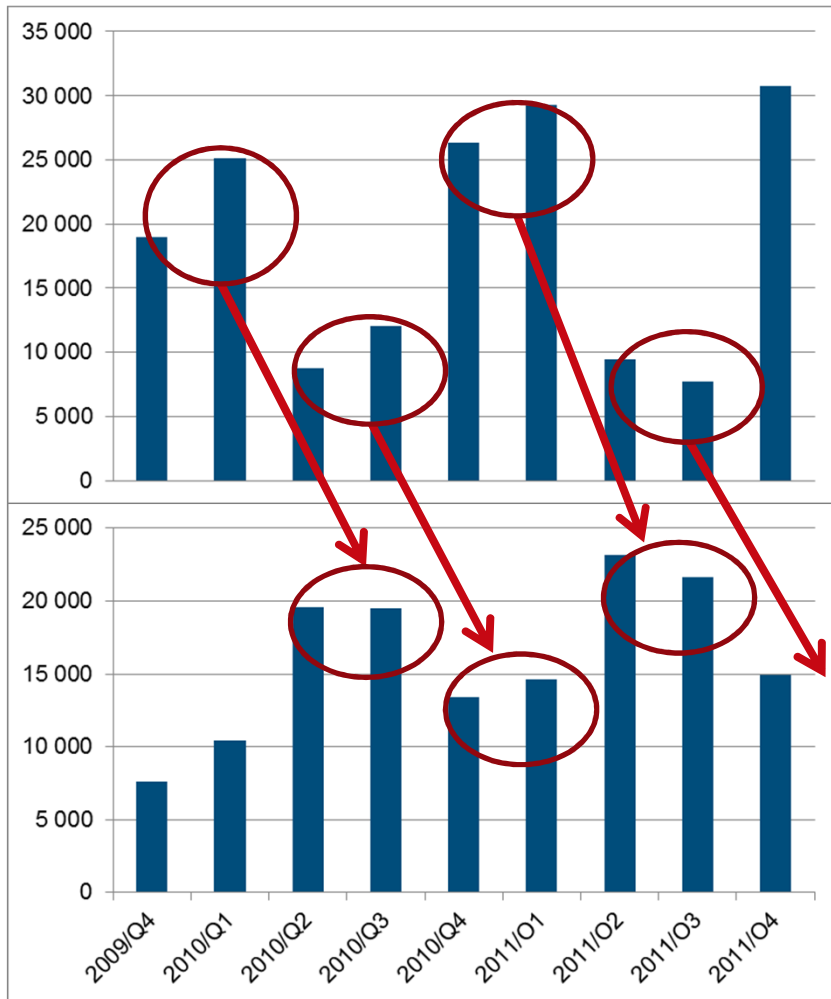


- At the beginning engineering dominates. It is an important part of the project, but does not generate much costs or POC net sales
- Purchases, production and subcontracting generate most of the net sales
- Every large project has its own special characters

# Typically high fluctuations

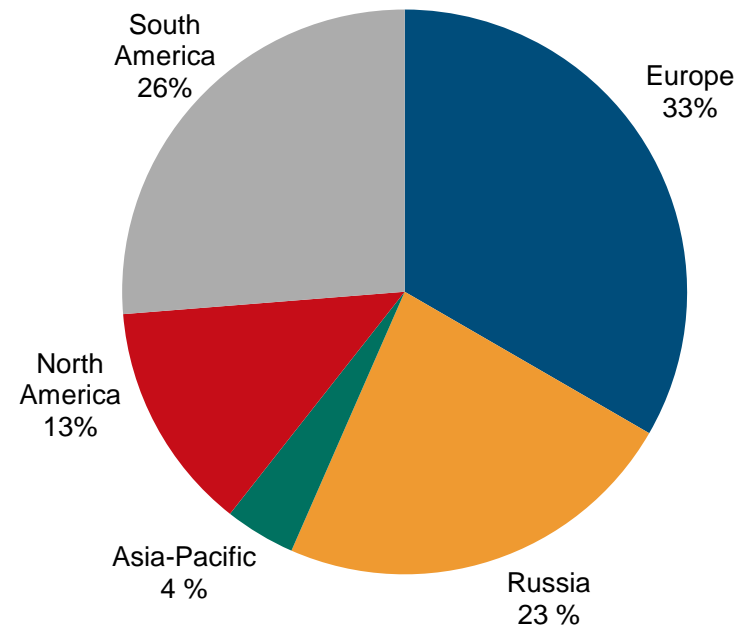
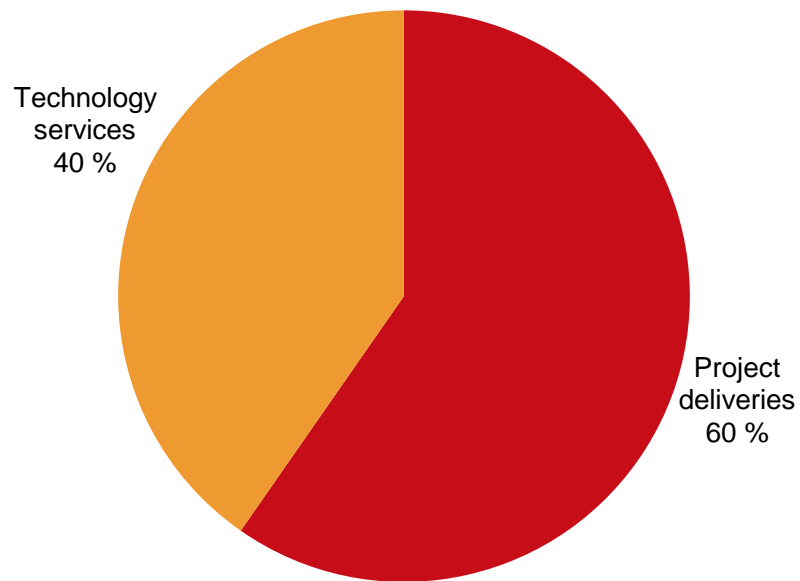


- In the near history:
  - big fluctuations in order intake in periods of two quarters
  - delay from a period with good order intake to a period with high net sales also around two quarters

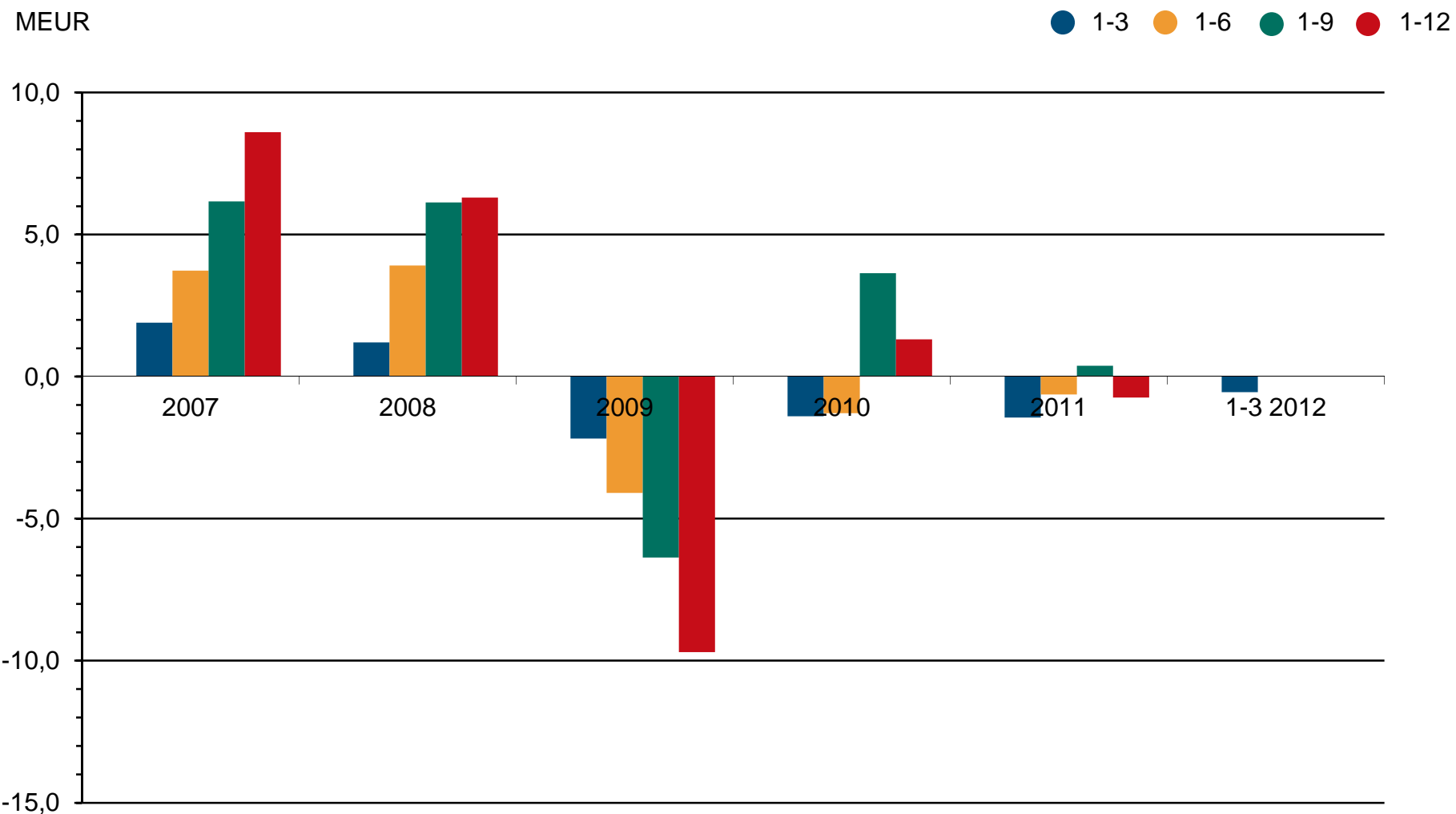


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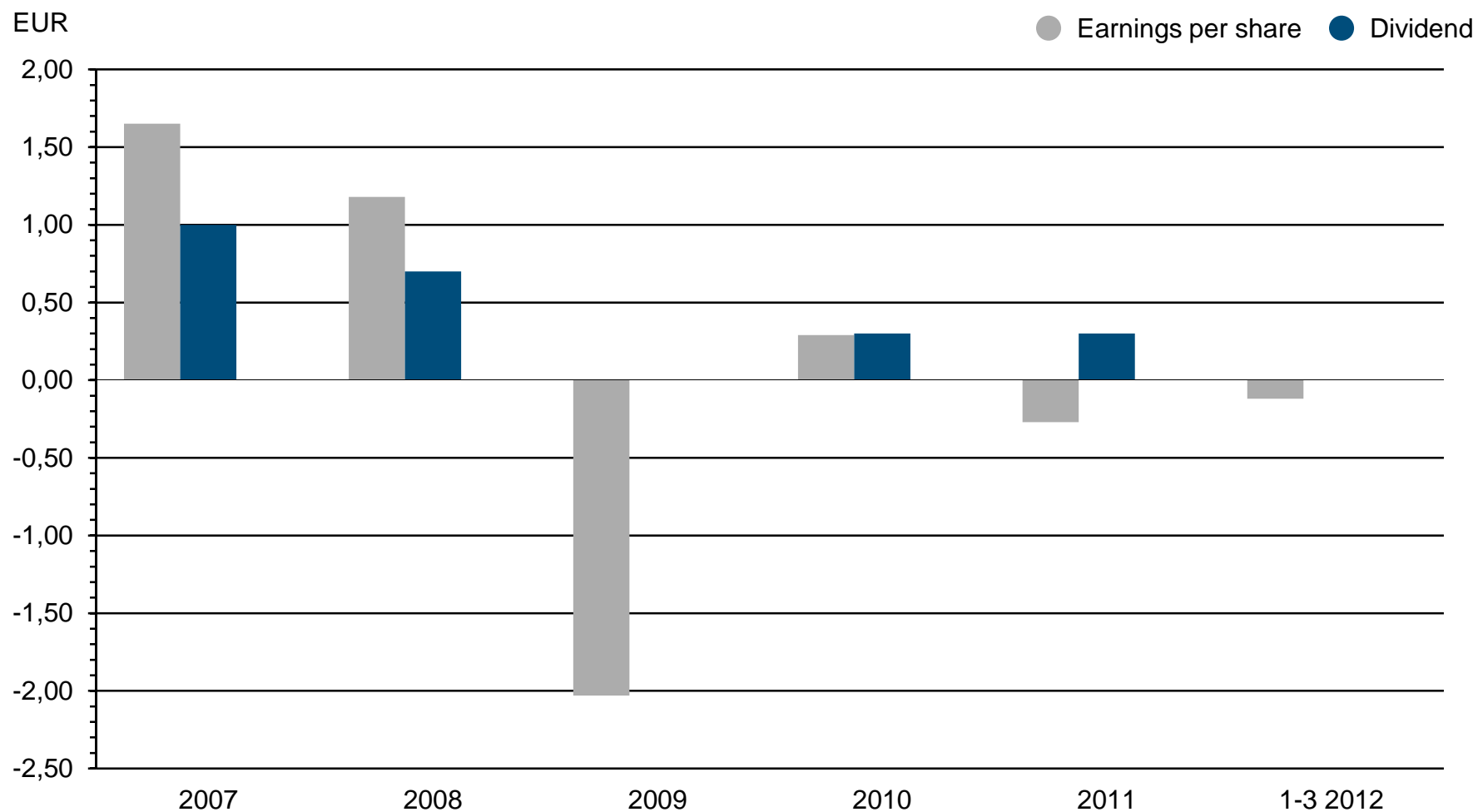
# Net sales 1-3 2012



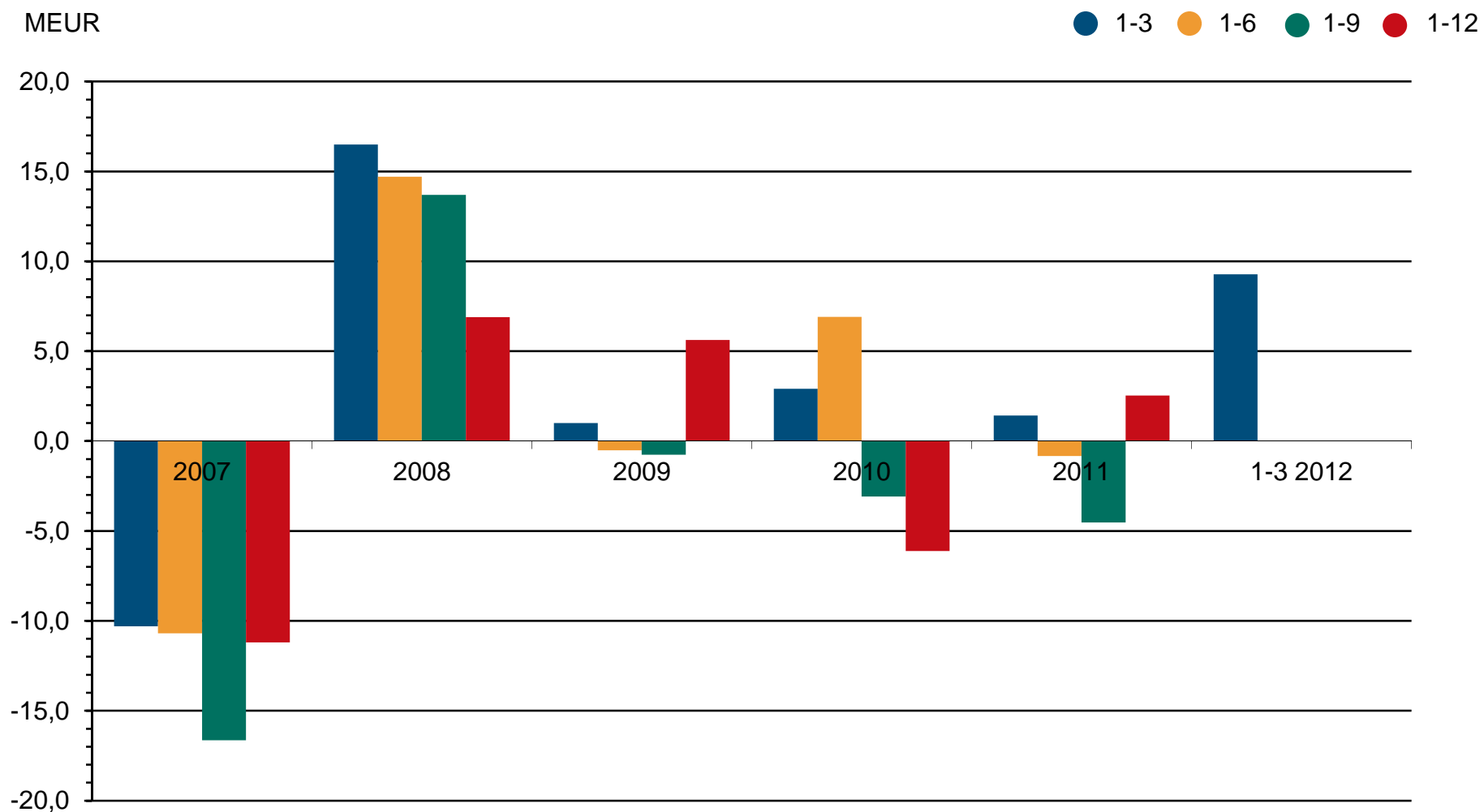
# Operating result



# Earnings per share

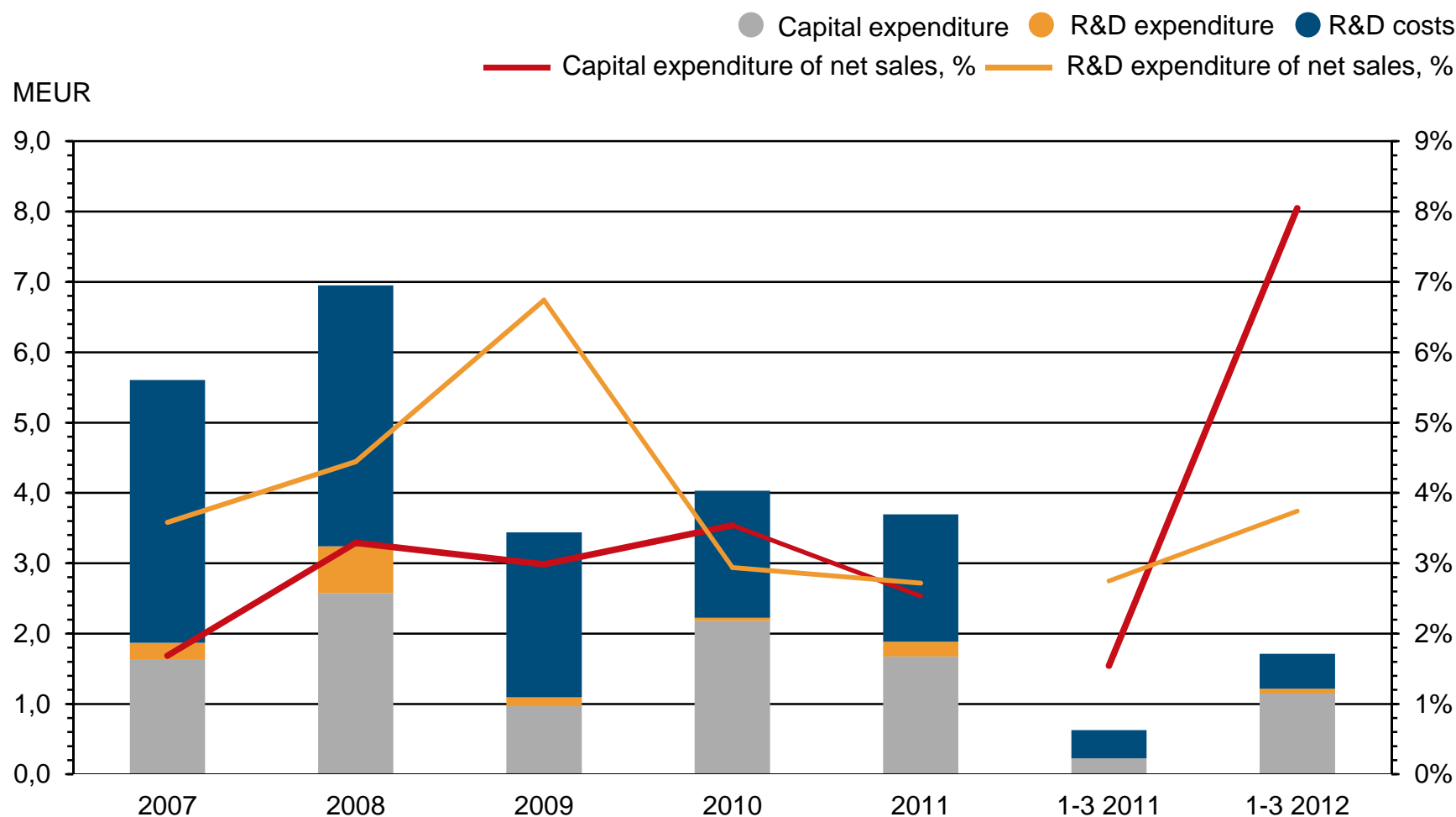


# Operating cash flow

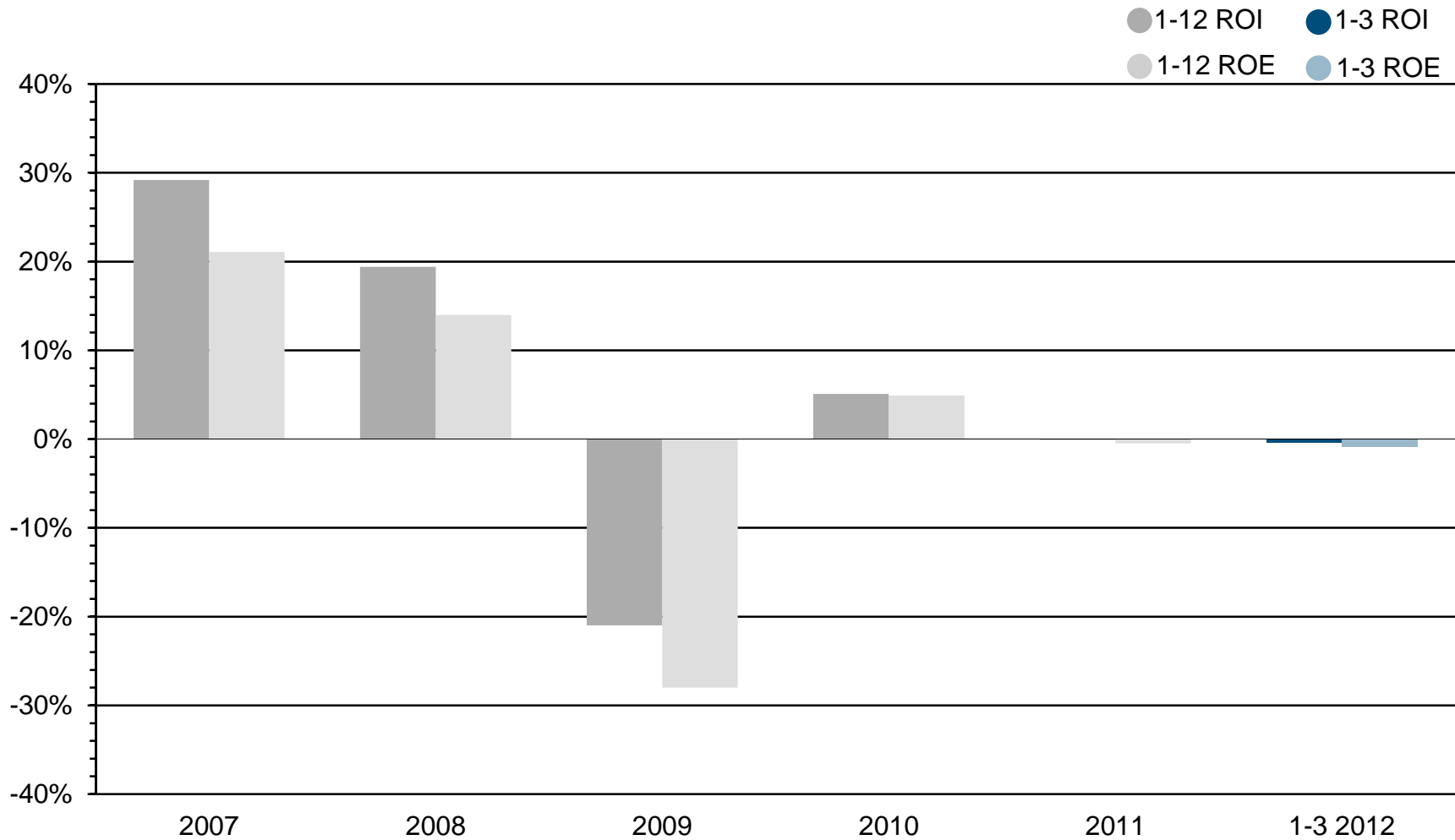




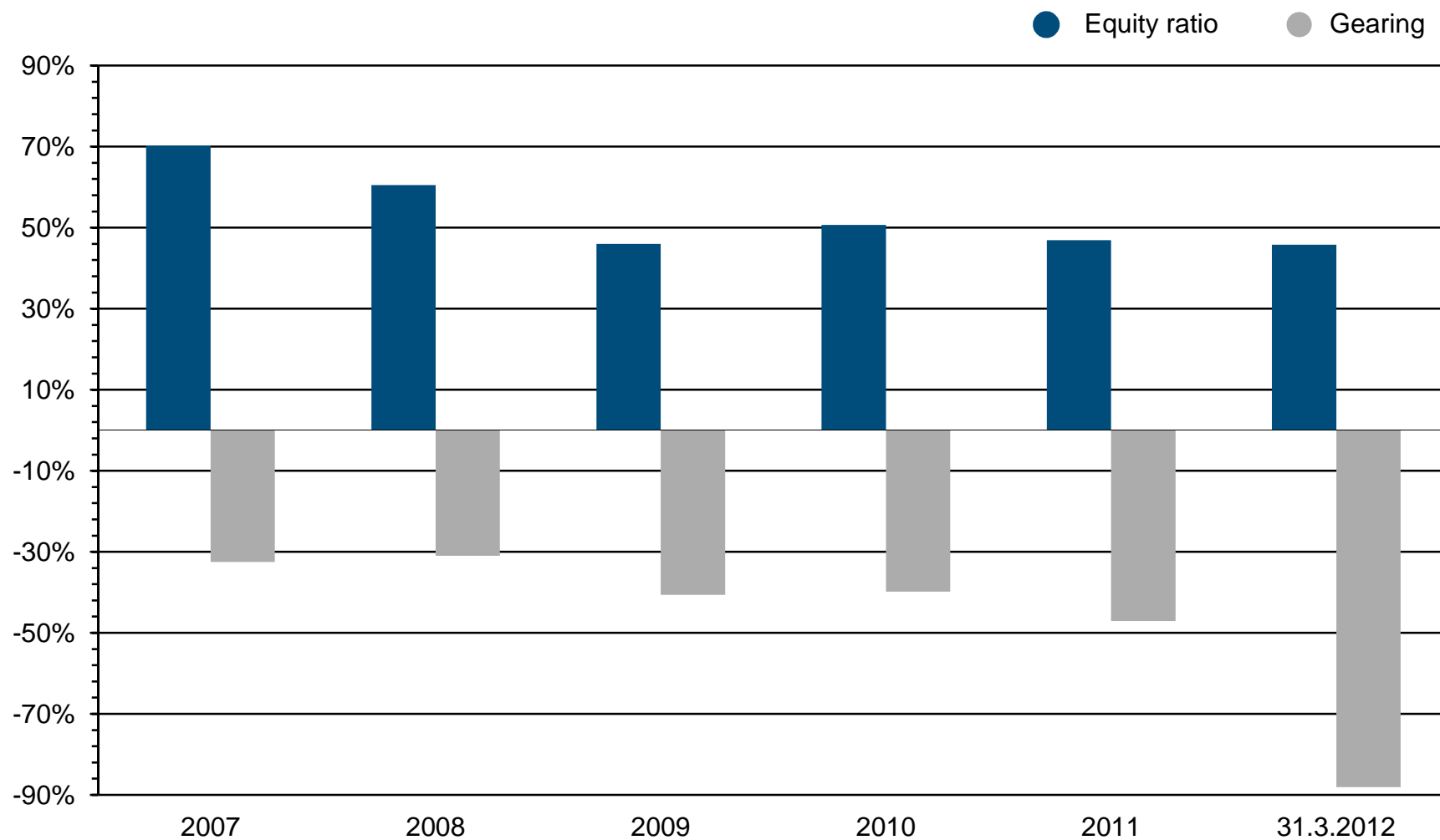
# Investing in the future



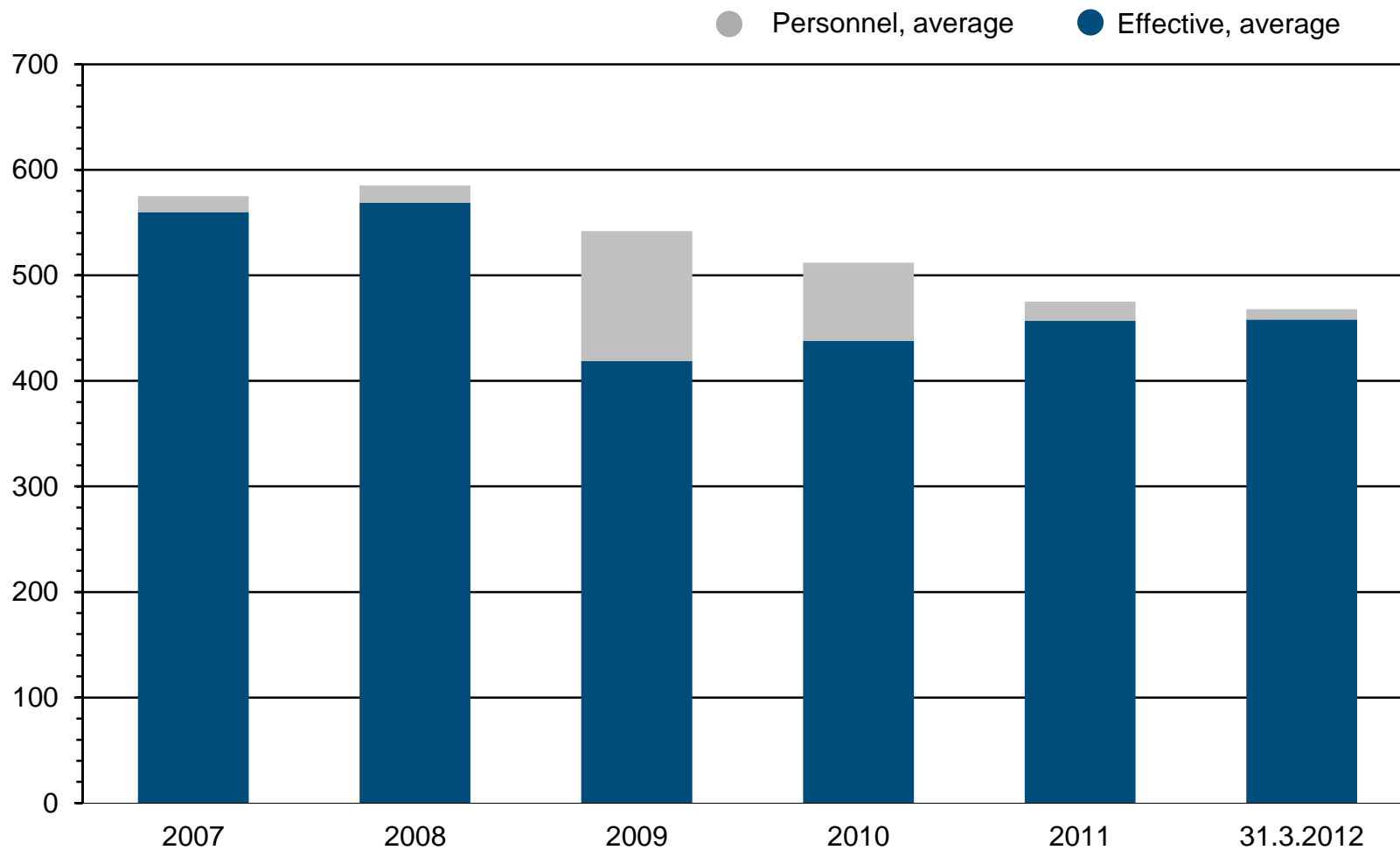
# Return on investment (ROI) Return on equity (ROE)



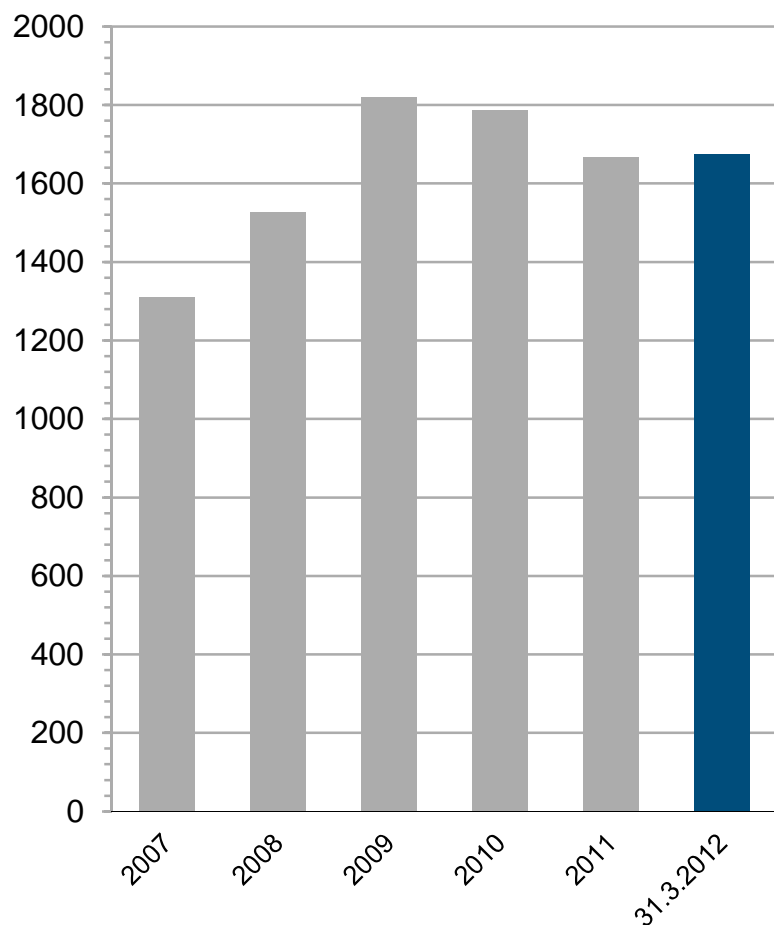
# Equity ratio and gearing



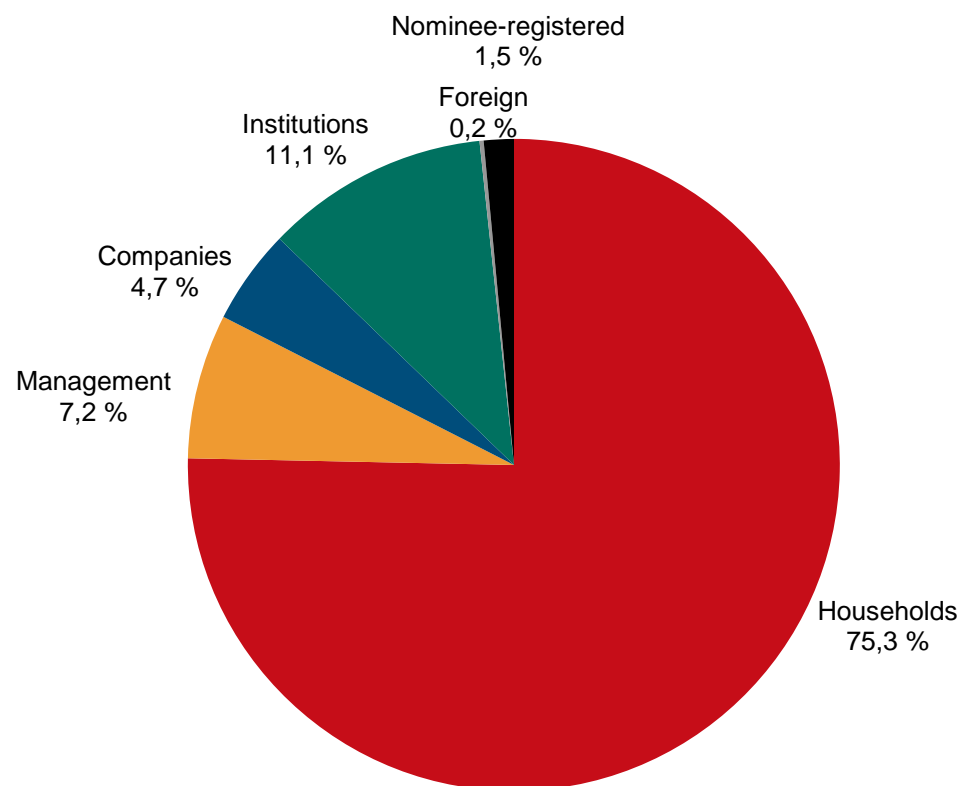
# Number of personnel



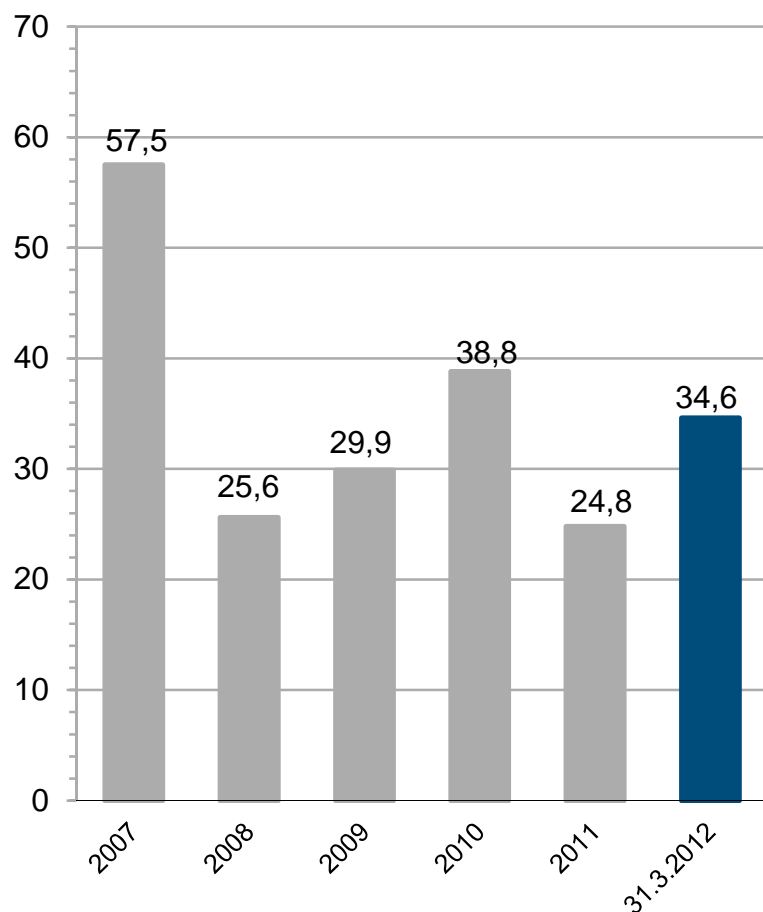
## Number of shareholders



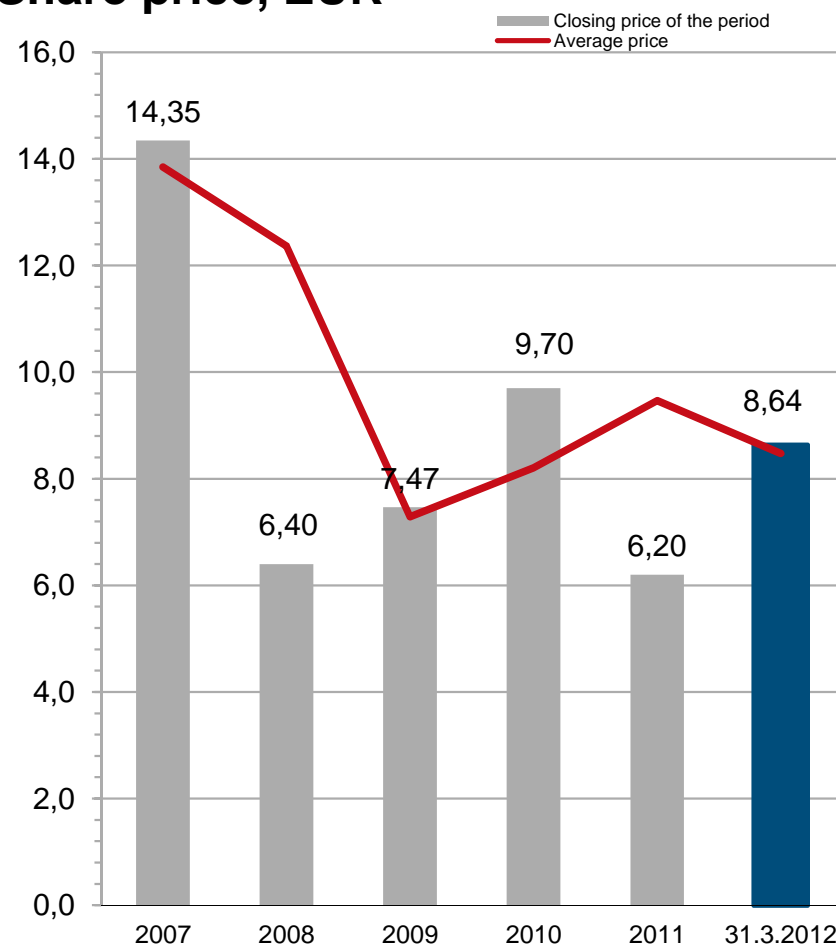
## Ownership at March 31, 2012



## Market value, MEUR



## Share price, EUR



Series K shares appreciated to the value of series A shares.

## **Business environment:**

- Uncertainty still continues with the development of the global economy and financial markets
- Market situation for Raute's customers also estimated to remain uncertain
- Improvement investments in the plywood industry remain at a reasonable level in the near future, provided that the economic uncertainty does not spiral into a new crisis

## **Raute:**

- Strong order book
- New projects of different size in the negotiation phase
- Net sales in 2012 will increase significantly and the operating profit will be clearly positive

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