

Interim report 1 January - 31 March 2006

27 April 2006



€m	Q1/ 2006	Q1/ 2005	2005
Net sales	26.5	18.5	108.6
Operating profit	1.1	0.4	4.4
New orders:			
• Projects	4	38	109
• Technology services	5	7	23
Order book	39	56	55
Personnel (in books)	531	521	533

- Net sales up by 43%
- Operating profit more than doubled
- Shift in the focus of demand to larger projects, which can be seen in the number of new project orders
- Order book at a good level
- First orders for new decorative veneer technology
- The changed market situation has also affected the growth rate of technology services

Financial key figures

€m	Q1 2006	Q /2005	2005
Net sales	26.5	18.5	108.6
Operating profit	1.1	0.4	4.4
New project orders	4	38	109
Order book	39	56	55
Personnel (in books)	531	521	533
Profit before taxes	1.4	0.7	5.5
Return on investment, %	23.4	9.9	20.7
Balance sheet	54.4	53.7	55.4
Net interest bearing debts	-6.6	-15.2	-10.9
Equity ratio, %	52.9	56.3	55.7

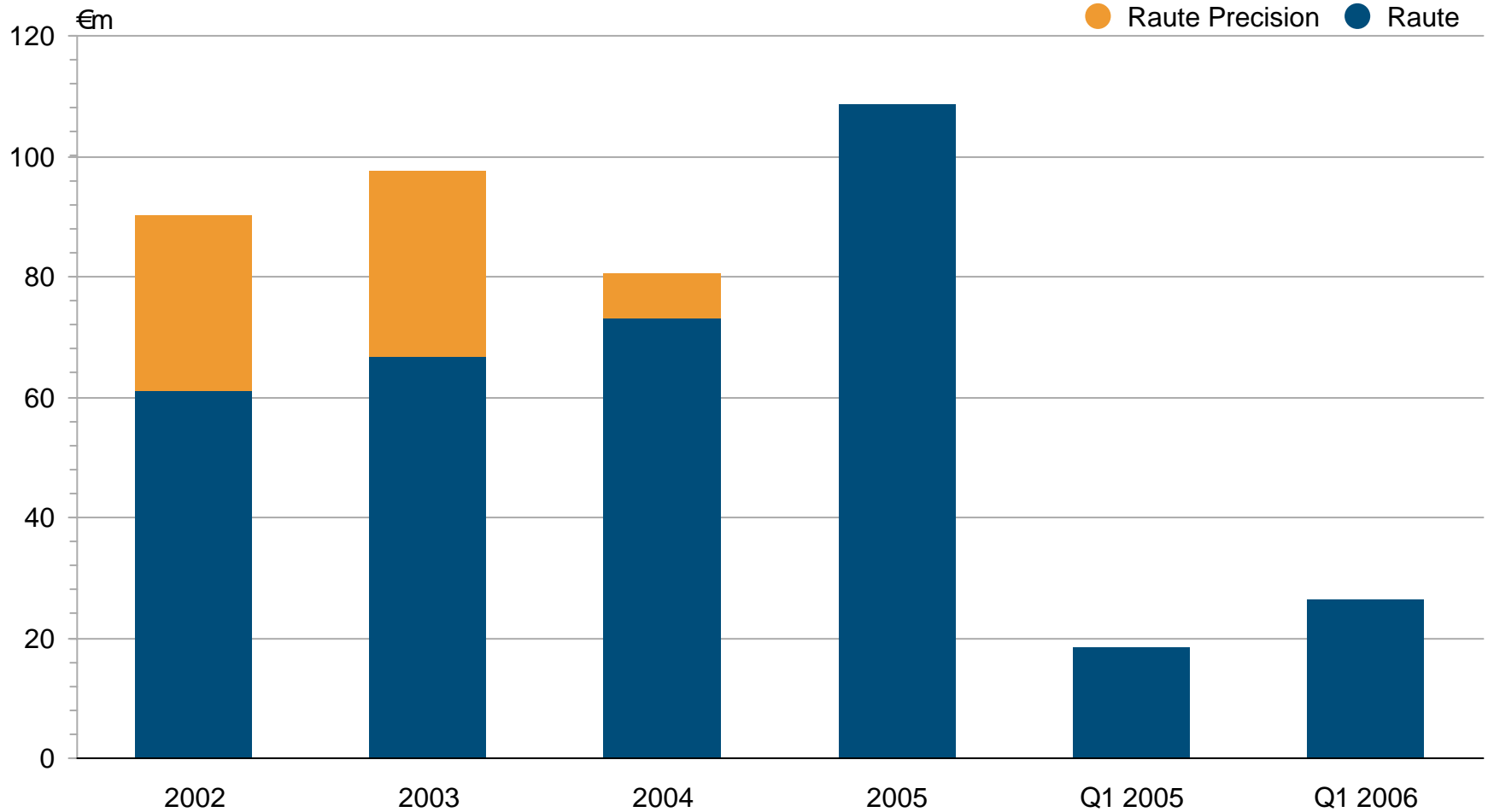
Income statement

€m	Q1 2006	Q1 2005	2005
Net sales	26.5	18.5	108.6
Other operating income	0.0	0.5	0.7
Operating expenses	-24.8	-17.7	-102.1
Depreciation	-0.6	-0.8	-2.9
Operating profit	1.1	0.4	4.4
Financial income and expenses	0.2	0.3	1.1
Profit before taxes	1.4	0.7	5.5
Income taxes	-0.4	-0.3	-1,4
Net profit	0.9	0.4	4.0

Balance sheet

€m	31.03.2006	31.03.2005	31.12.2005
Intangible	2.7	2.9	2.8
Tangible	13.8	13.0	13.9
Other non-current assets	0.5	0.7	0.7
Inventories	5.4	5.0	5.0
Receivables	24.7	16.5	21.6
Cash	7.3	15.6	11.4
Assets	54.4	53.7	55.4
Equity	24.8	23.3	25.9
Minority interest	0.2	0.7	0.2
Non-current liabilities	2.0	1.8	2.1
Customer deposits	7.1	11.1	8.5
Current assets	20.3	16.8	18.7
Equity and liabilities	54.4	53,7	55.4

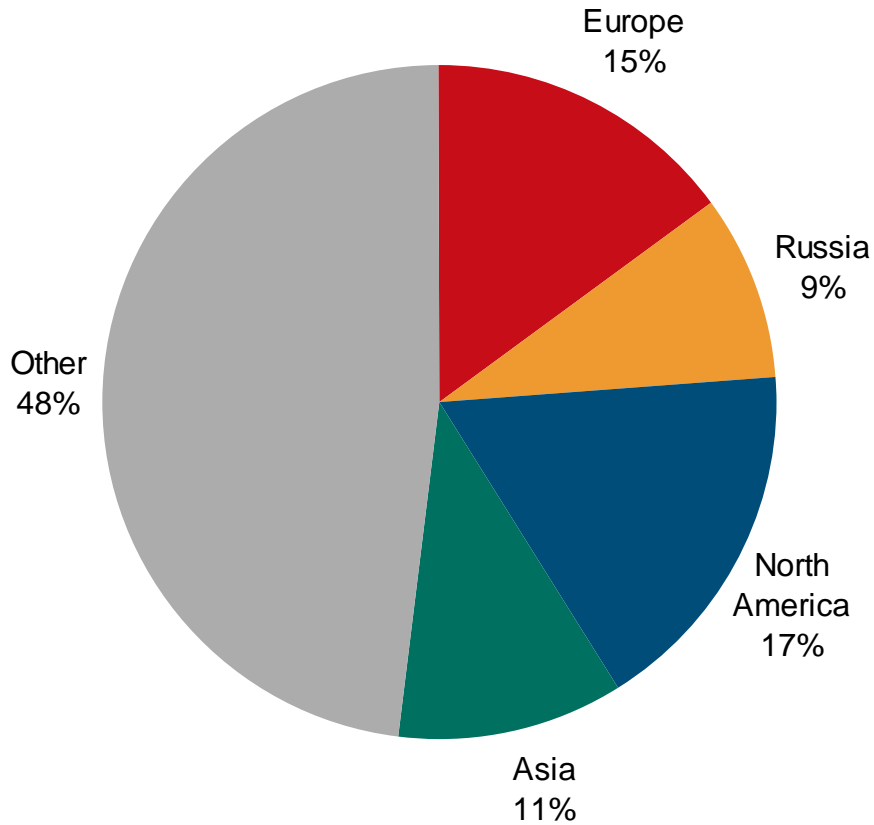
Net sales



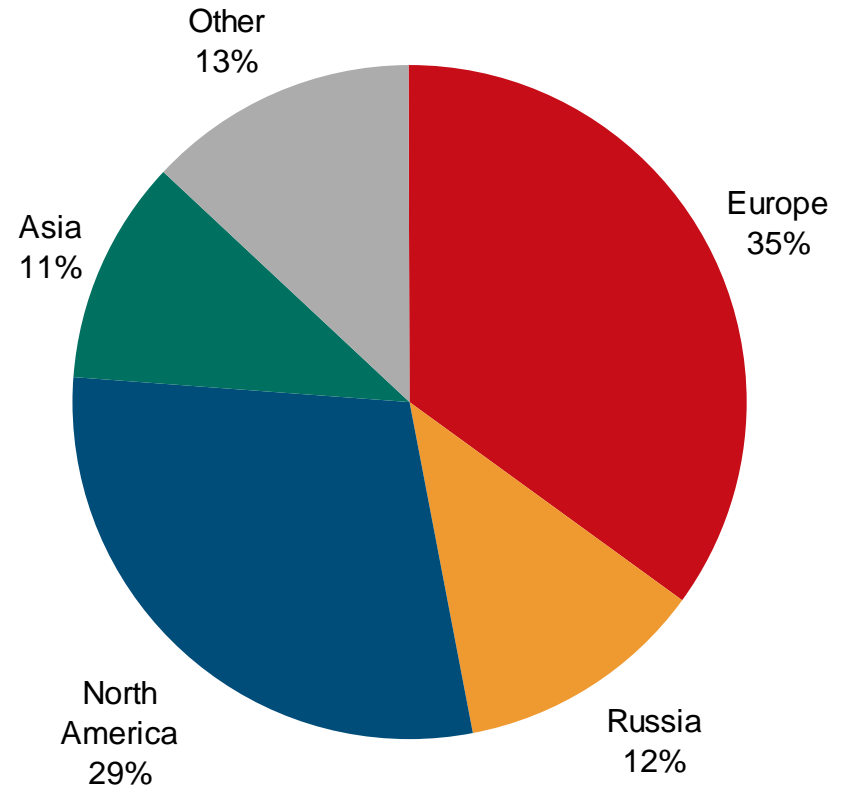
Figures 2002-2003 FAS, figures 2004-2006 IFRS

Net sales by area, %

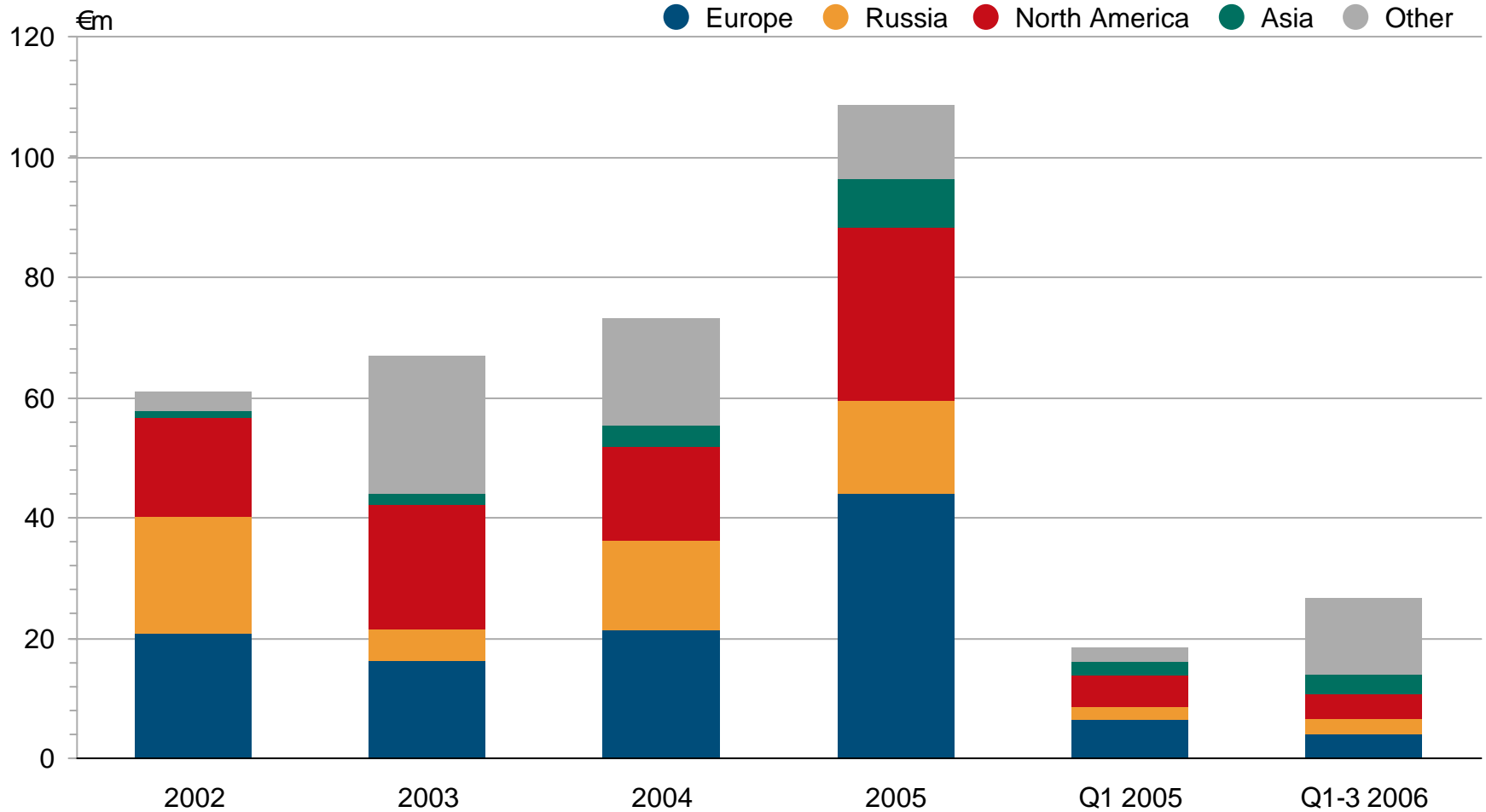
Q1 2006



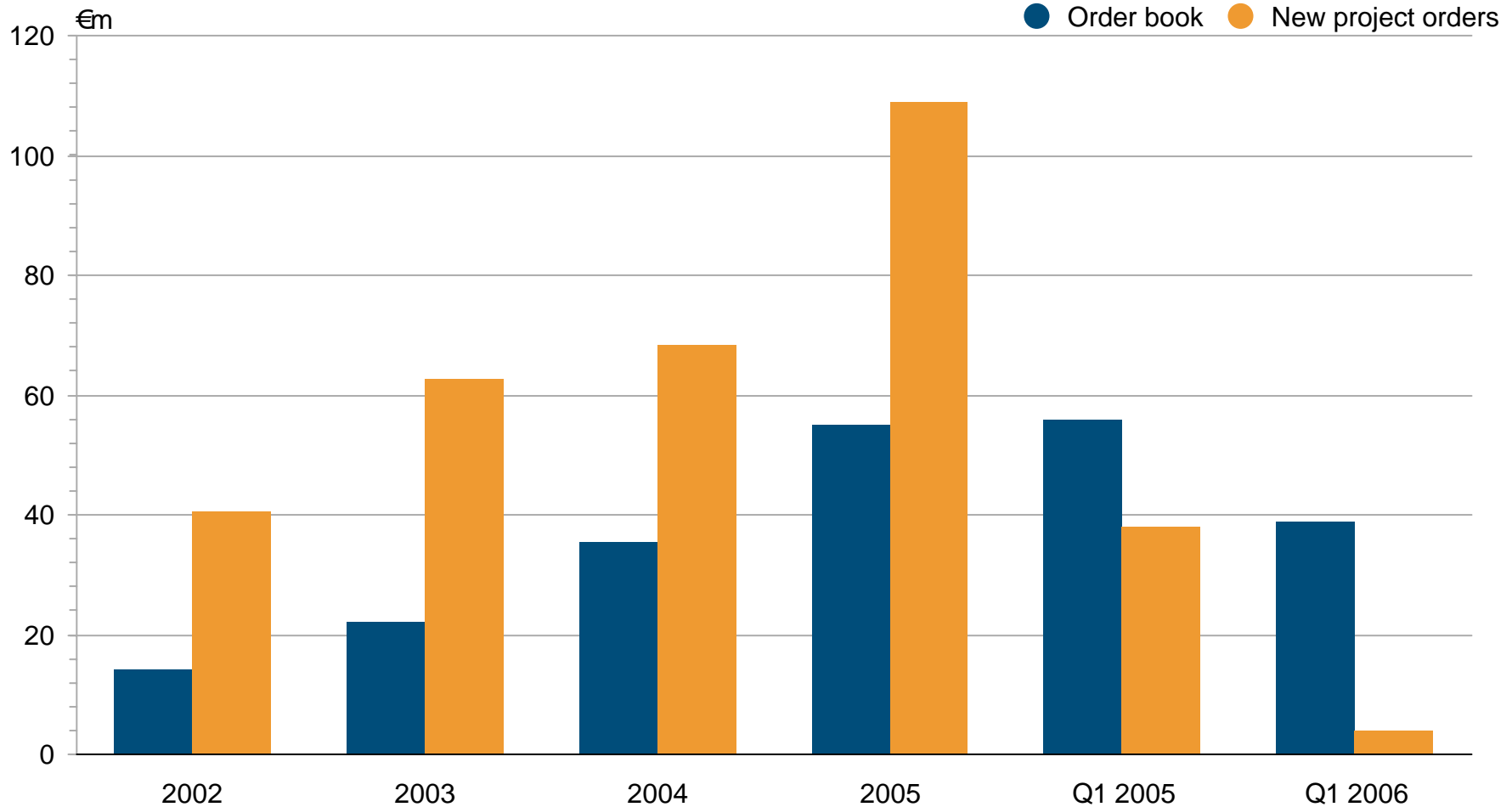
Q1 2005



Net sales by market area, €m

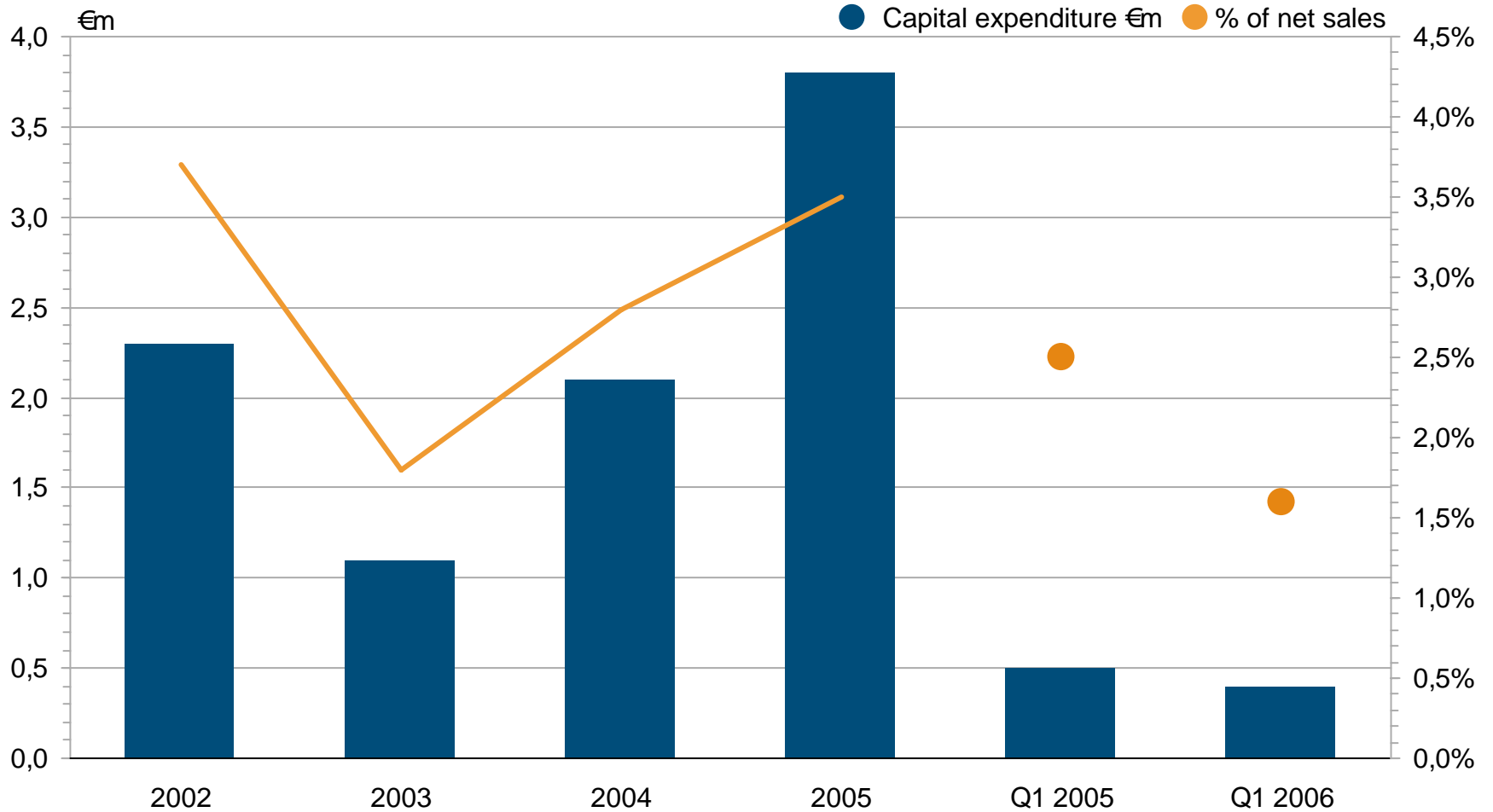


Order book and new project orders



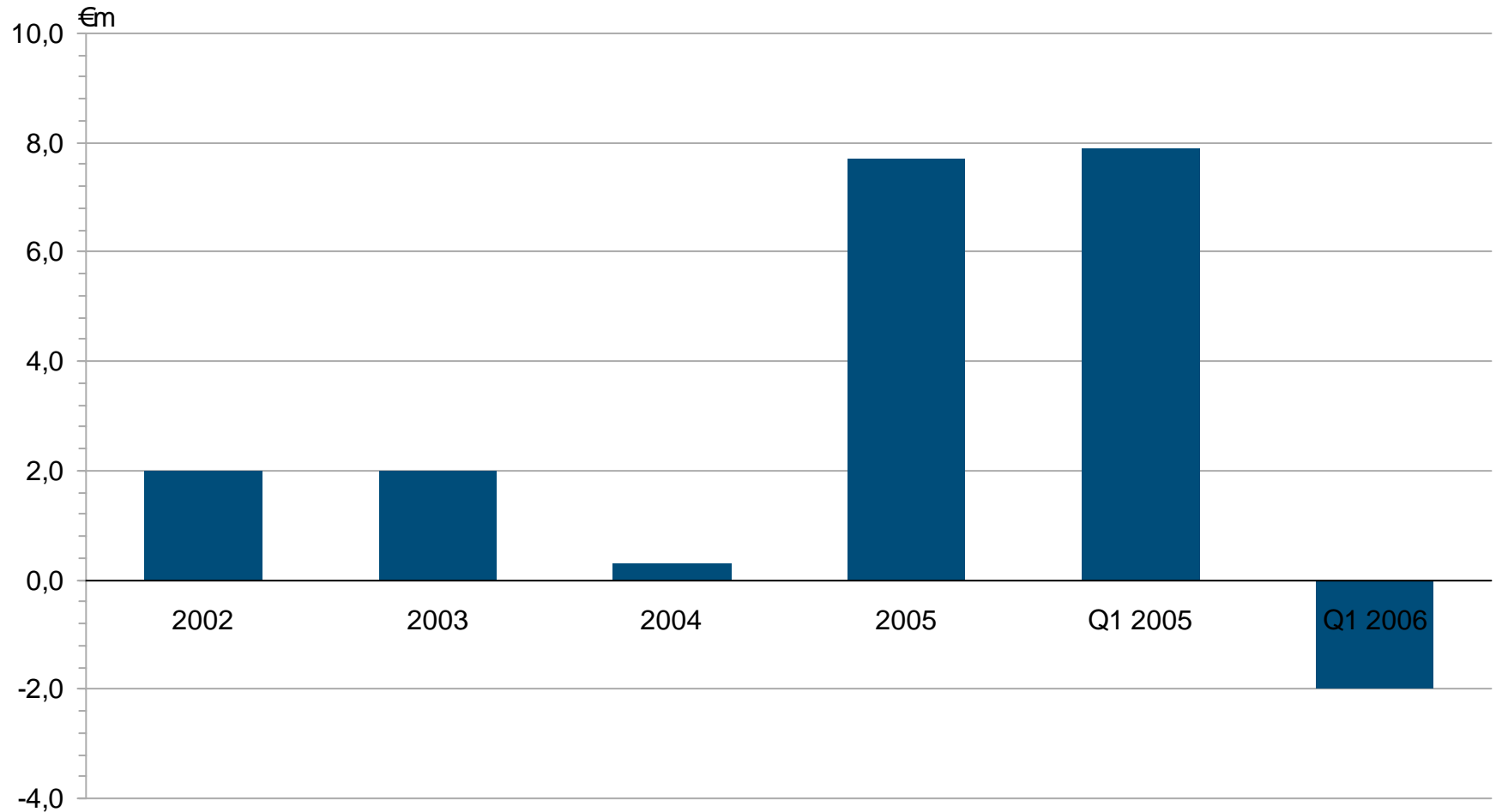
Figures 2002-2003 FAS, figures 2004-2006 IFRS

Capital expenditure

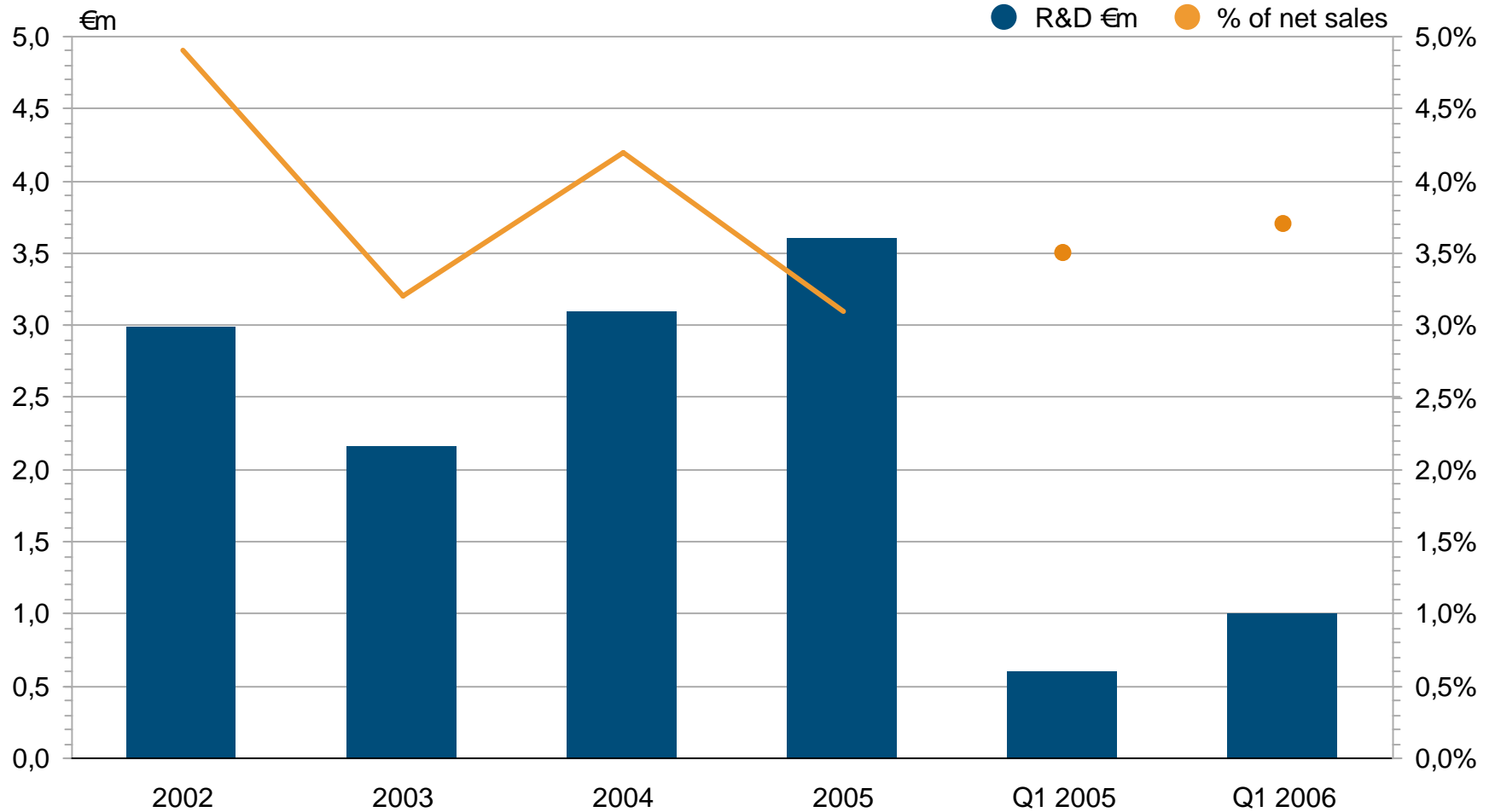


Figures 2002-2003 FAS, figures 2004-2006 IFRS

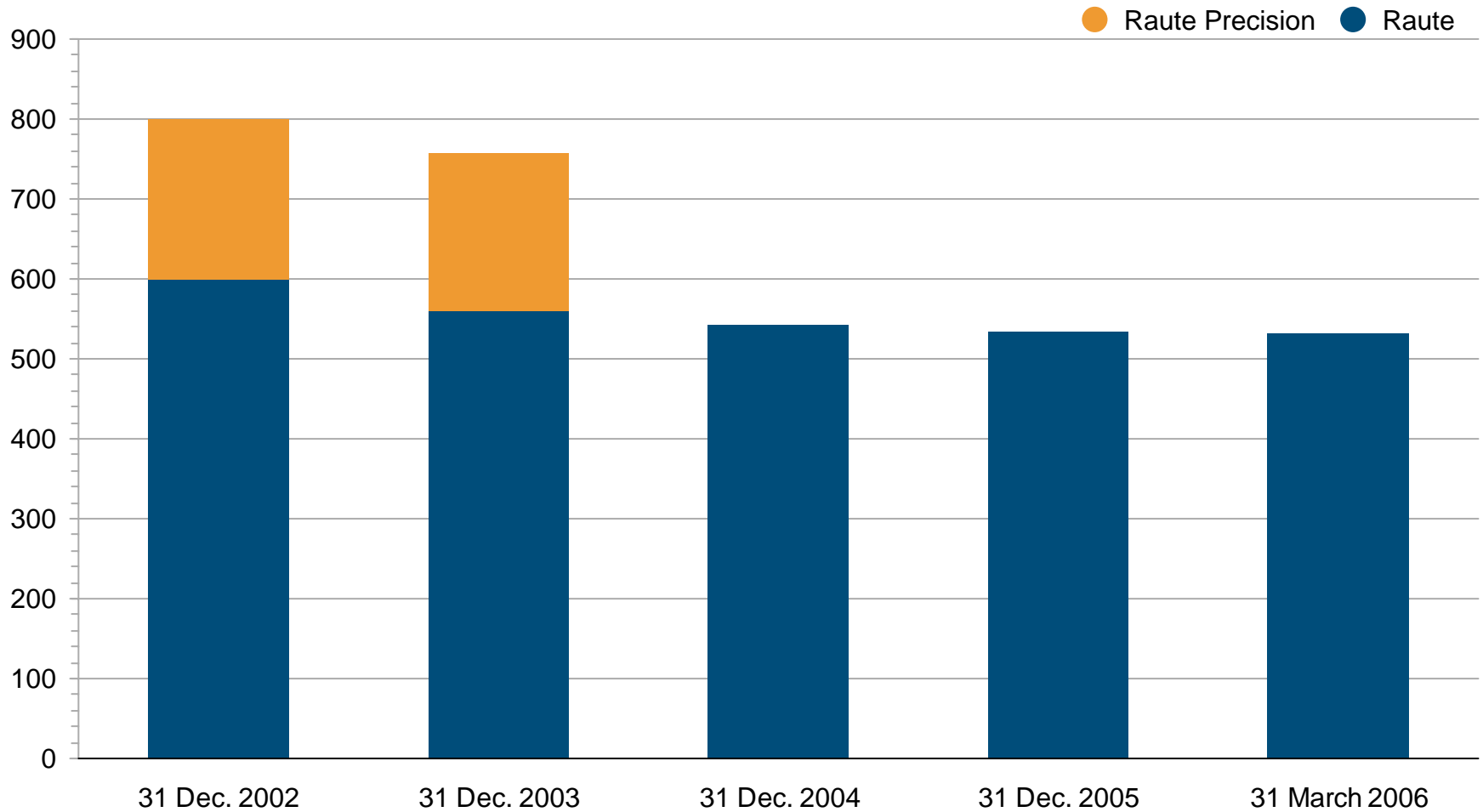
Operating cash flow

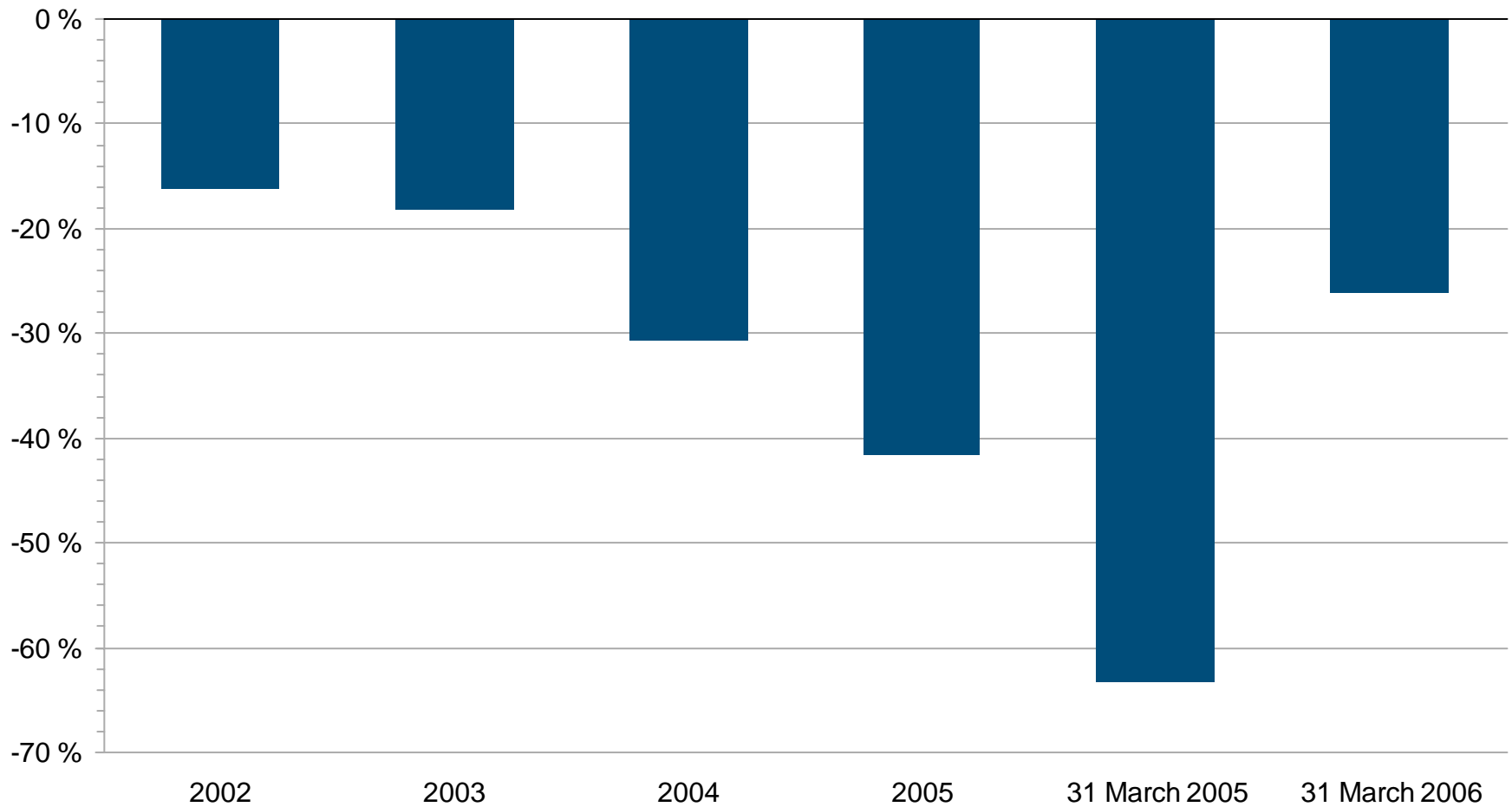


R&D Expenditure



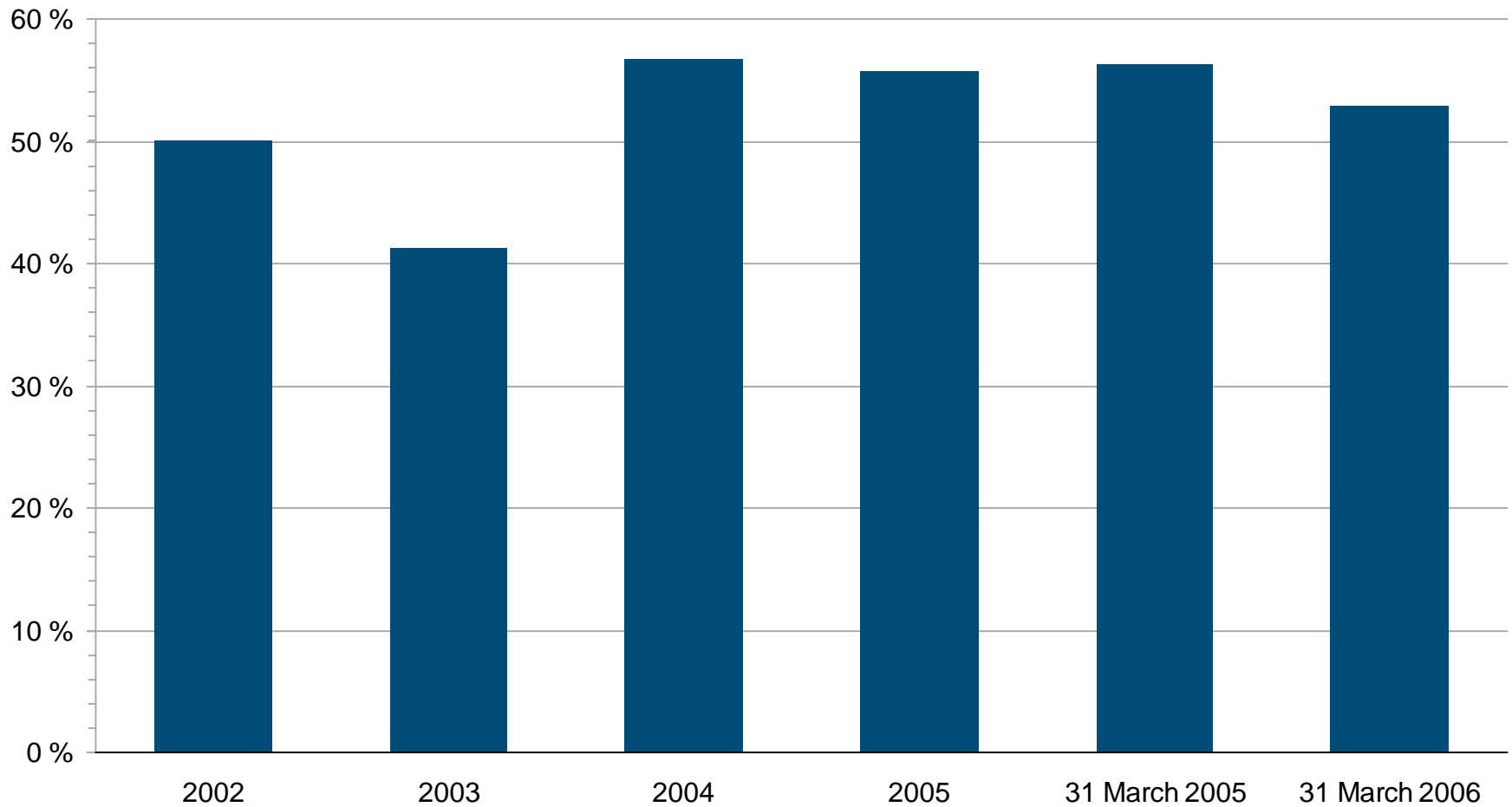
Figures 2002-2003 FAS, figures 2004-2006 IFRS





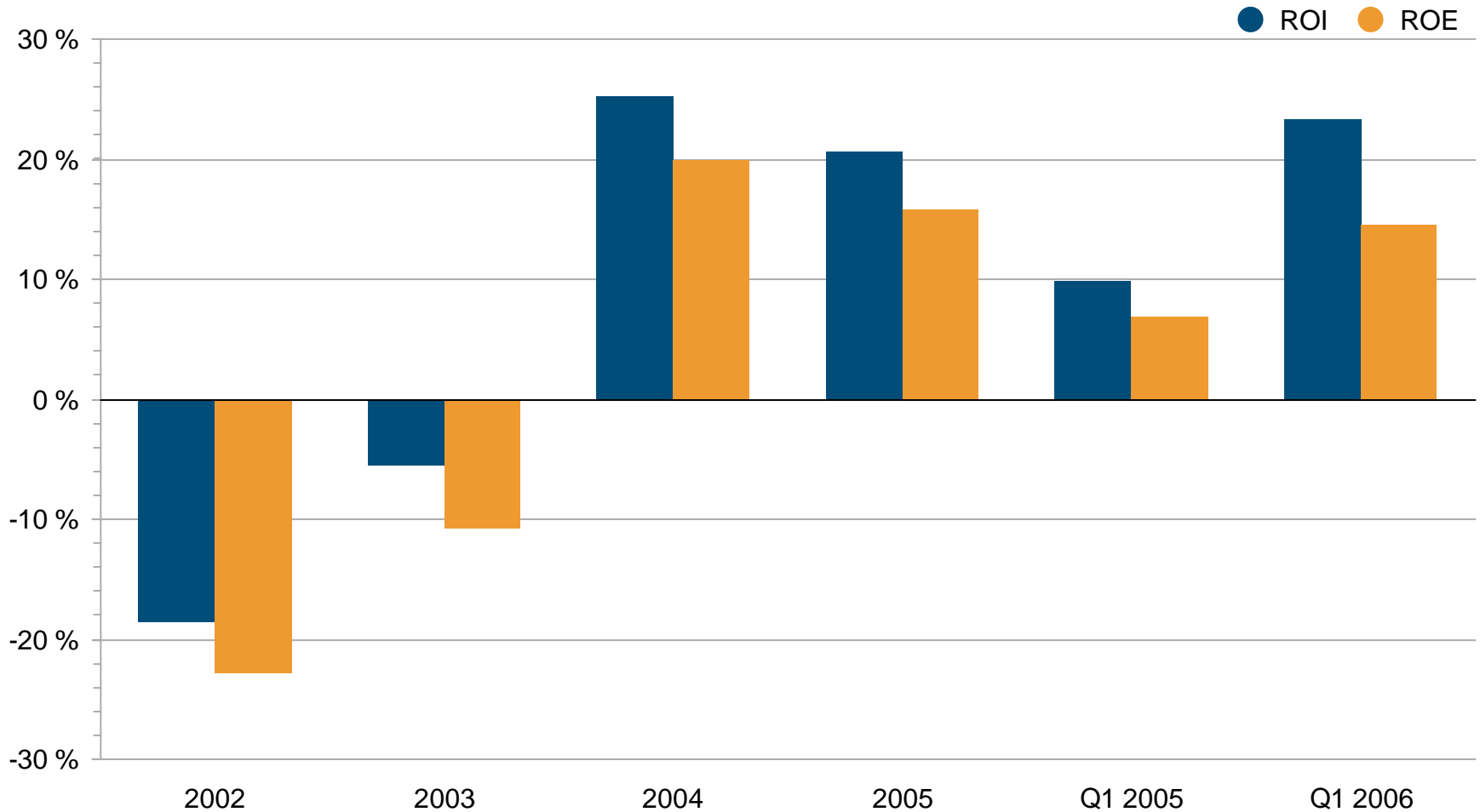
Figures 2002-2003 FAS, figures 2004-2006 IFRS

Equity ratio



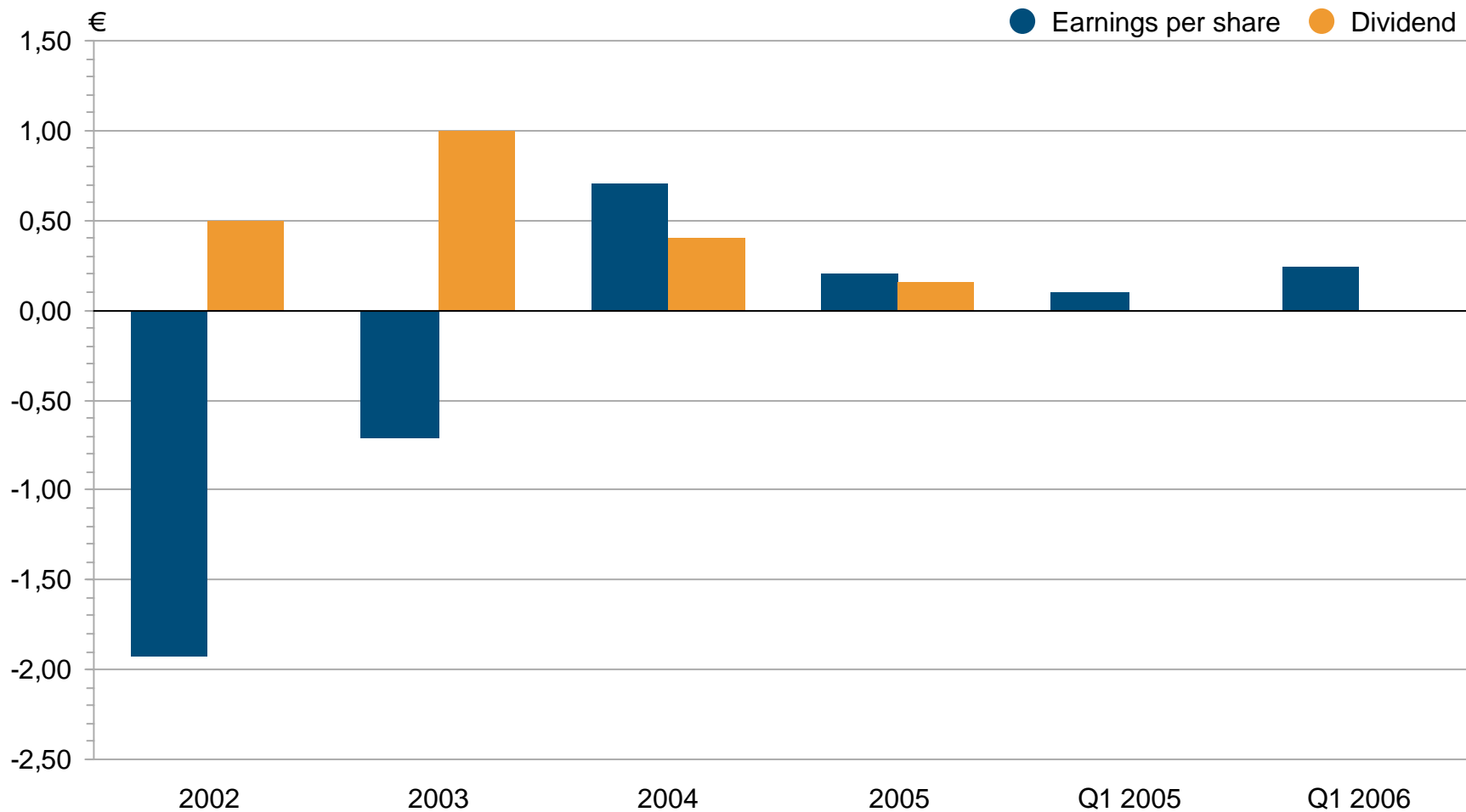
Figures 2002-2003 FAS, figures 2004-2006 IFRS

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



Total of continuing and discontinued operations, Figures 2002-2003 FAS, figures 2004-2006 IFRS

Earnings per share, continuing operations



Figures 2002-2003 FAS, figures 2004-2006 IFRS

- In customer industries, good market situation and investment activity continue
 - Focus of demand shifted to larger projects, several ongoing negotiations
 - Signs of recovery in investment demand in Asia
 - Investment demand in North America picking up, mostly focused on small investments and modernizations
 - Development and growth of maintenance services continue
- Order book at a good level
- The shifted focus of demand strengthens Raute's competitive position but increases the risk of significant fluctuations in order intake
- Product development mainly directed at finalizing new technologies and the execution of first deliveries
- Net sales on the same level as in 2005
- Operating profit to improve

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