



# Interim report January 1 - March 31, 2010

April 29, 2010

Tapani Kiiski, President and CEO



# Difficult market situation not over yet

## Operating environment:

- Weak market situation of construction and transportation industries continued due to the economic recession
- Demand for plywood and LVL products remained generally at a low level
- Production volumes of plywood and LVL were adapted to correspond with the lowered demand, production was still shut down at the least profitable mills

## Raute:

- Order intake was at a good level considering the market situation
  - A mill-scale project was launched in the Asia-Pacific region, and Raute will supply a significant part of the equipment
  - Also a few new orders for single production lines were booked
- Negotiations for other mill-scale projects continue
- Demand for technology services remained at a low level
  - The demand is not expected to improve until the capacity utilization rates of plywood mills recover permanently

## 1-3/2010 in brief

MEUR	1-3 2010	1-3 2009
Net sales	10,4	11,4
Operating profit	-1,4	-2,2
New orders:		
• project deliveries	22	2
• technology services	3	2
Order book	37	17

- Order intake at a good level considering the market situation
  - Significant mill-scale order from the Asia-Pacific region
- Order book grew by EUR 15 million during the report period
- Net sales down 8% due to the low order book
  - Two new significant orders received in December and January didn't start to show in net sales growth until March, which accounted for over half of the net sales
- Adjustment measures concerning the personnel were continued
  - Production operations of the Jyväskylä plant will be moved to Nastola. A panel handling technology centre remains at Jyväskylä

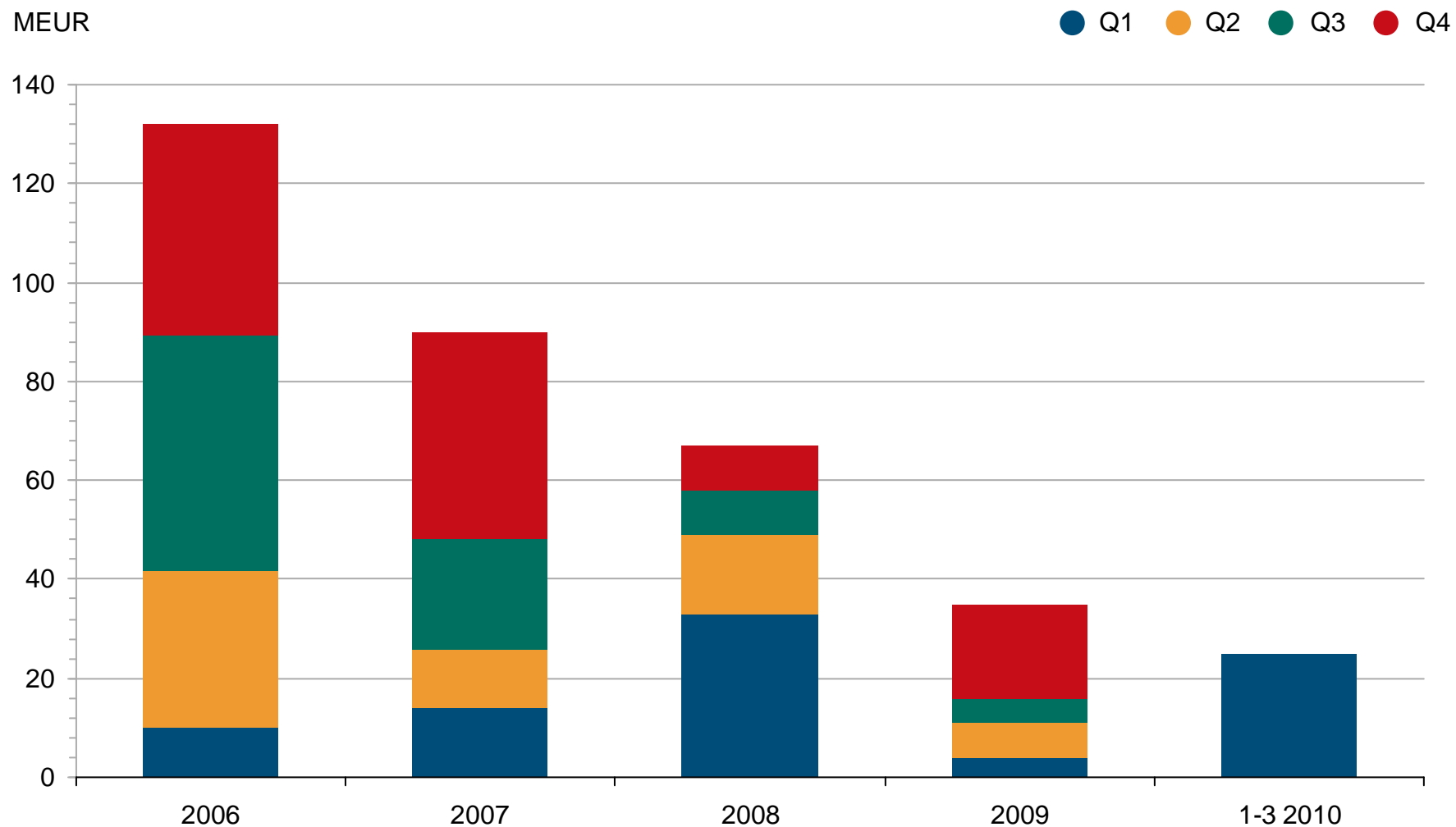
## Income statement and key figures

MEUR	1-3 2010	1-3 2009	2009
<b>Net sales</b>	<b>10.4</b>	<b>11.4</b>	<b>36.6</b>
<b>Operating profit</b>	<b>-1.4</b>	<b>-2.2</b>	<b>-9.7</b>
Financial income and expenses	0.0	0.1	-0.2
<b>Profit (loss) before taxes</b>	<b>-1.4</b>	<b>-2.1</b>	<b>-9.9</b>
Income tax	0.4	0.2	1.7
<b>Profit (loss) for the period</b>	<b>-1.0</b>	<b>-1.9</b>	<b>-8.1</b>
Earnings per share, EUR	-0.24	-0.47	-2.03
Operating cash flow	2.9	1.0	5.6
Return on investment, % (ROI)	-9.9	-17.6	-21.6
Gearing, %	-54.3	-35.5	-40.6
Equity ratio, %	44.1	60.2	46.0
Personnel (in books)	506	547	524

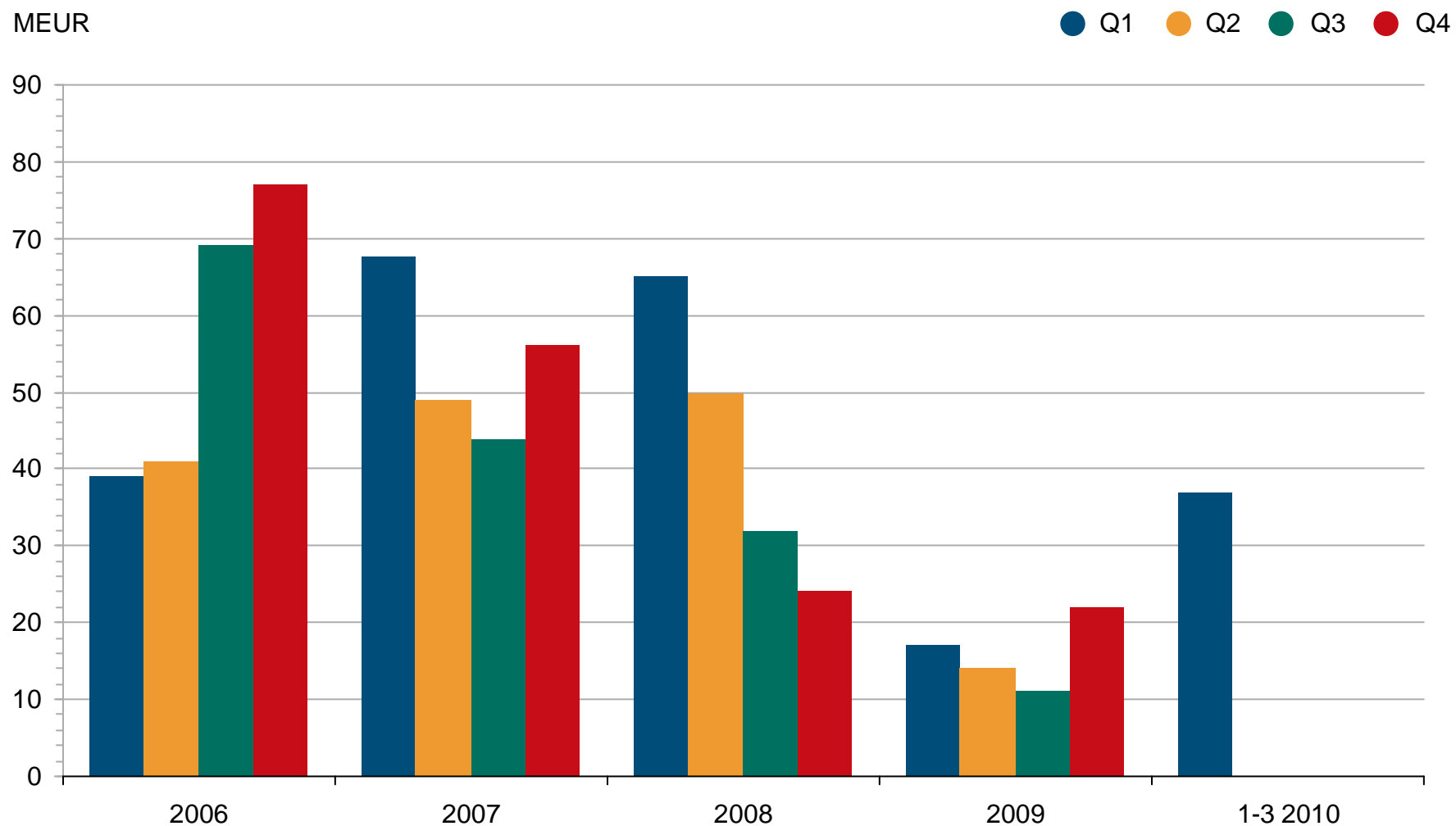
## Balance sheet

MEUR	31.3.2010	31.3.2009	31.12.2009
Intangible	1.7	2.4	1.8
Tangible	8.8	11.1	10.3
Other non-current assets	3.6	0.6	3.2
Inventories	4.8	4.2	4.3
Receivables	11.5	16.8	9.8
Cash	30.4	21.8	27.9
Long-term liabilities	1.6	0	0
<b>Assets</b>	<b>62.4</b>	<b>56.9</b>	<b>57.4</b>
Equity	22.1	32.3	23.1
Non-current liabilities	14.6	9.0	14.8
Advance payments received	12.3	3.2	7.2
Short-term liabilities	13.4	12.3	12.3
<b>Equity and liabilities</b>	<b>62.4</b>	<b>56.9</b>	<b>57.4</b>

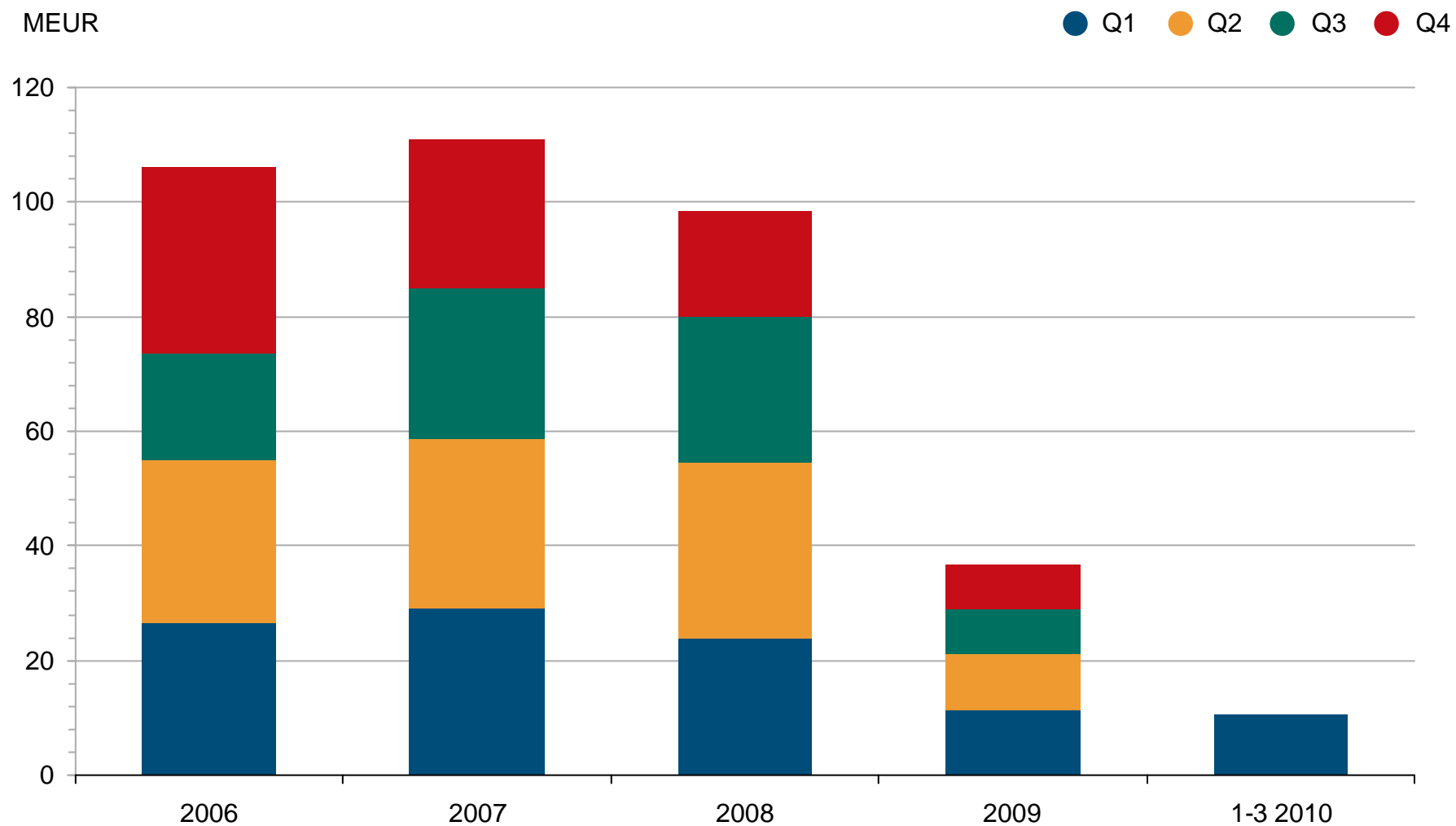
# New orders



# Order book



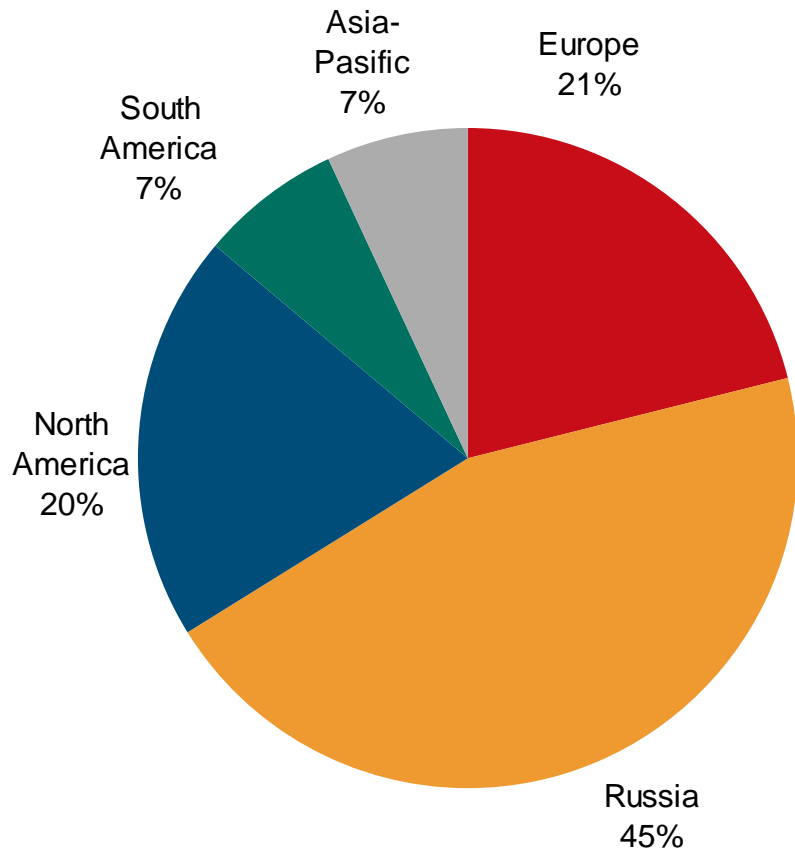
# Net sales



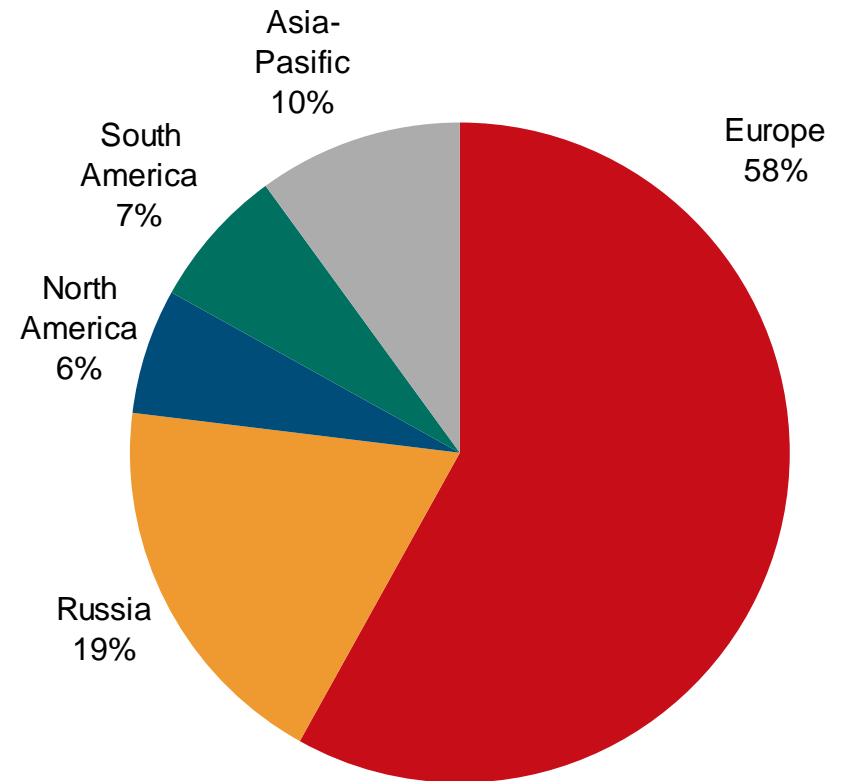


# Net sales by market area, %

## 1-3 2010

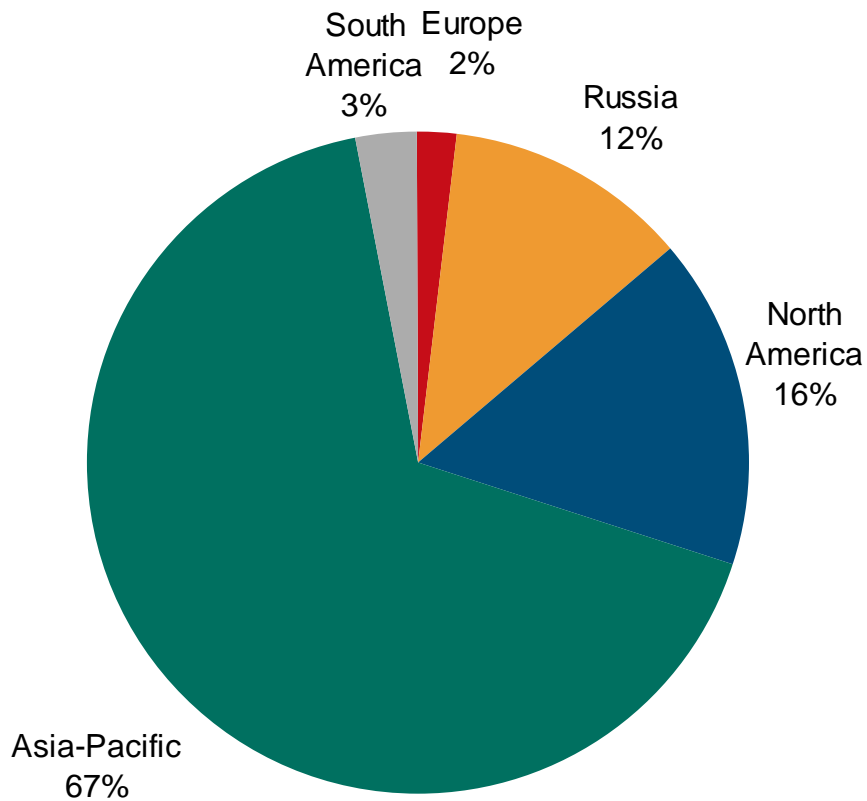


## 1-3 2009

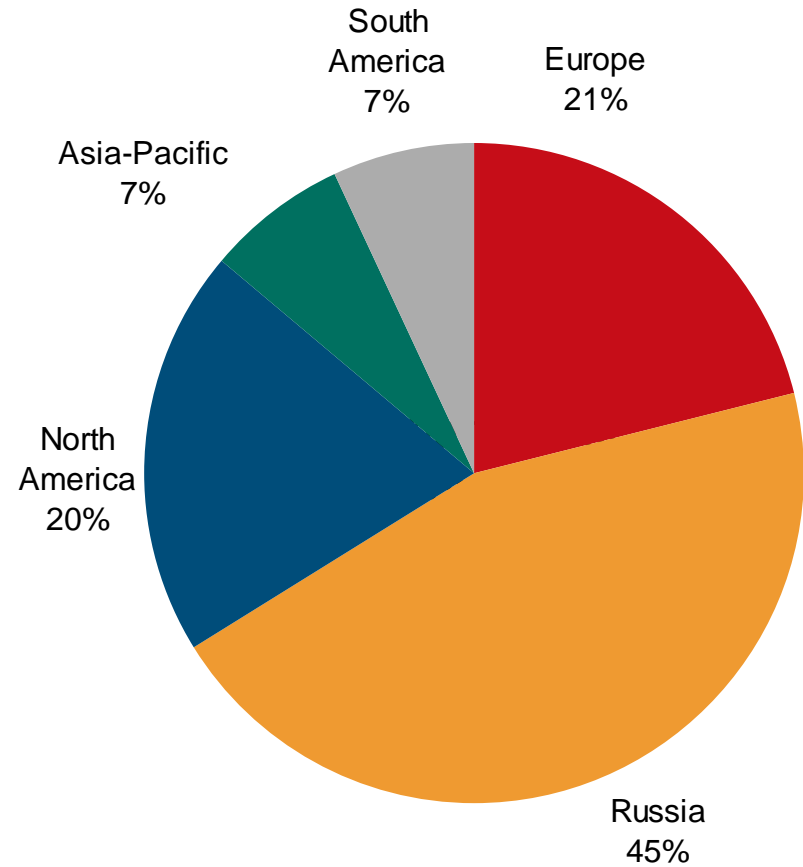


# 1-3 2010 by market area

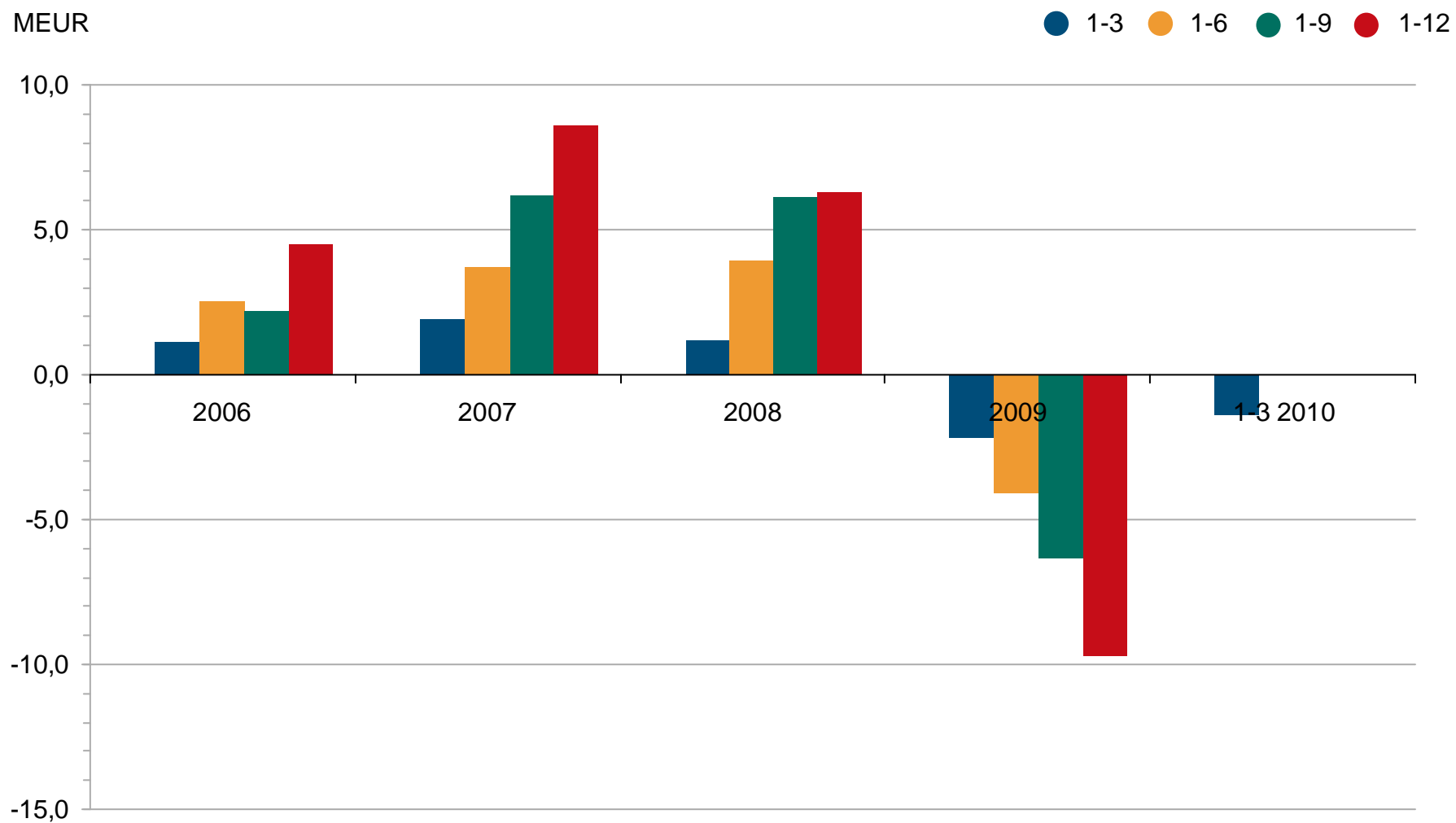
## New orders



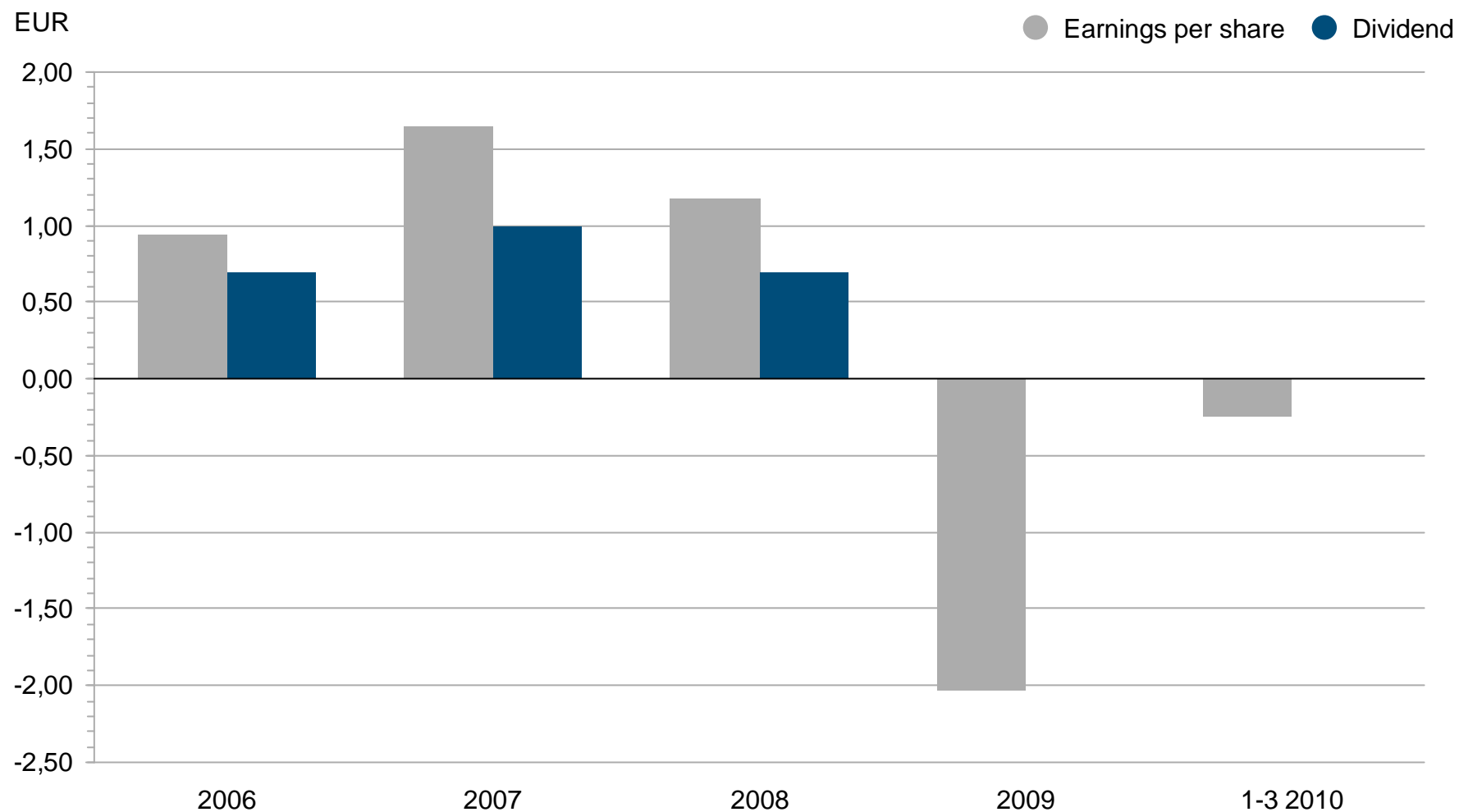
## Net sales



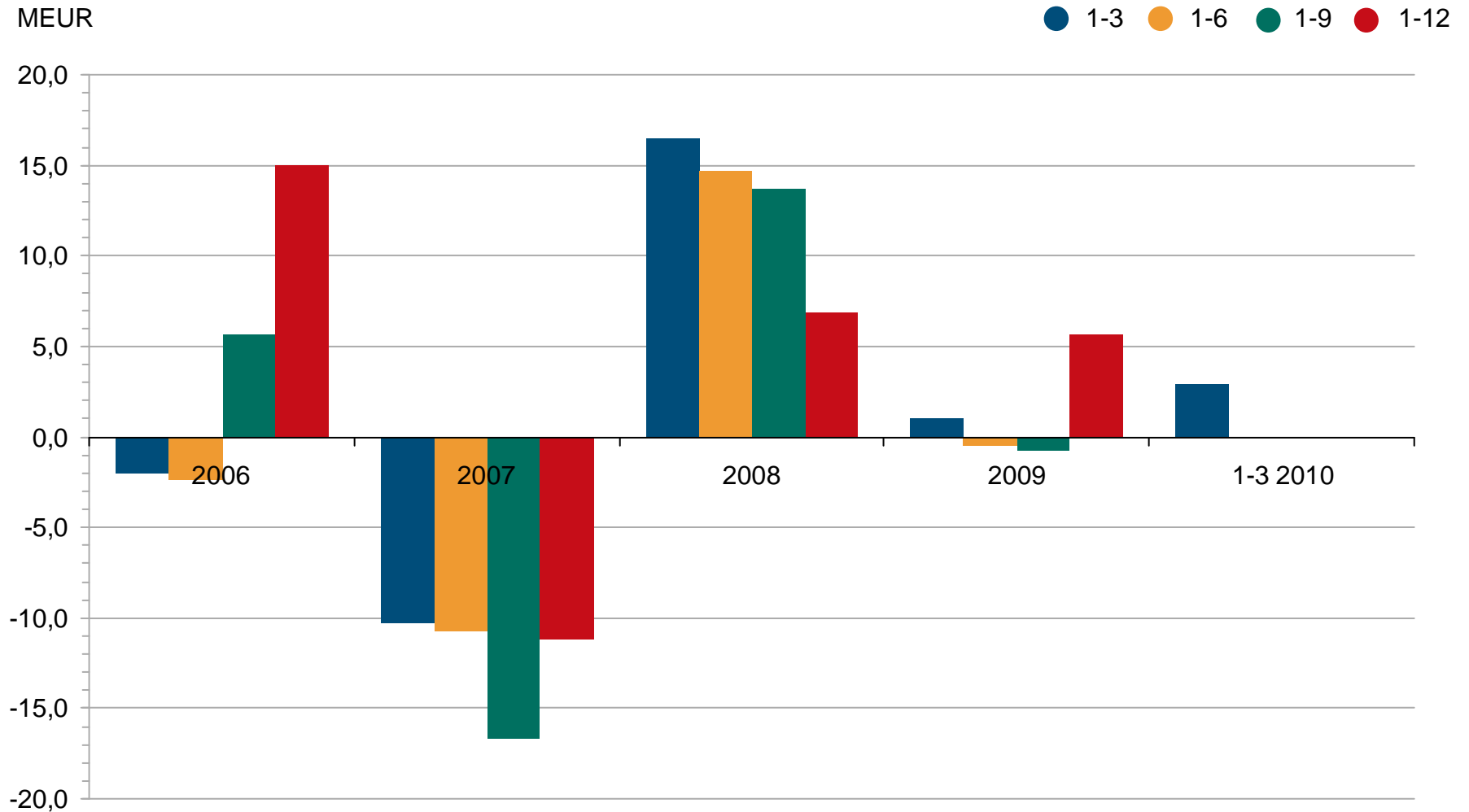
# Operating profit



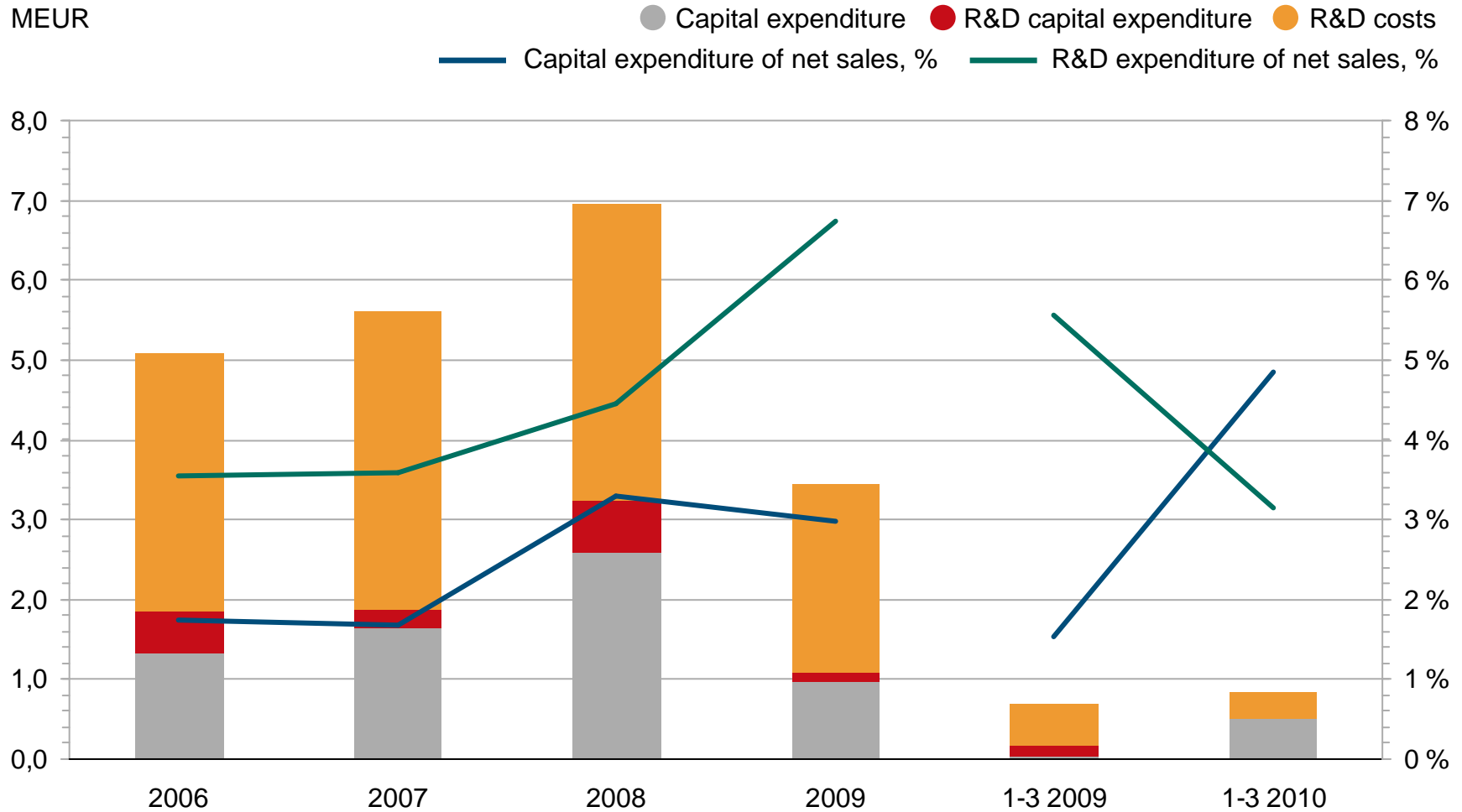
# Earnings per share



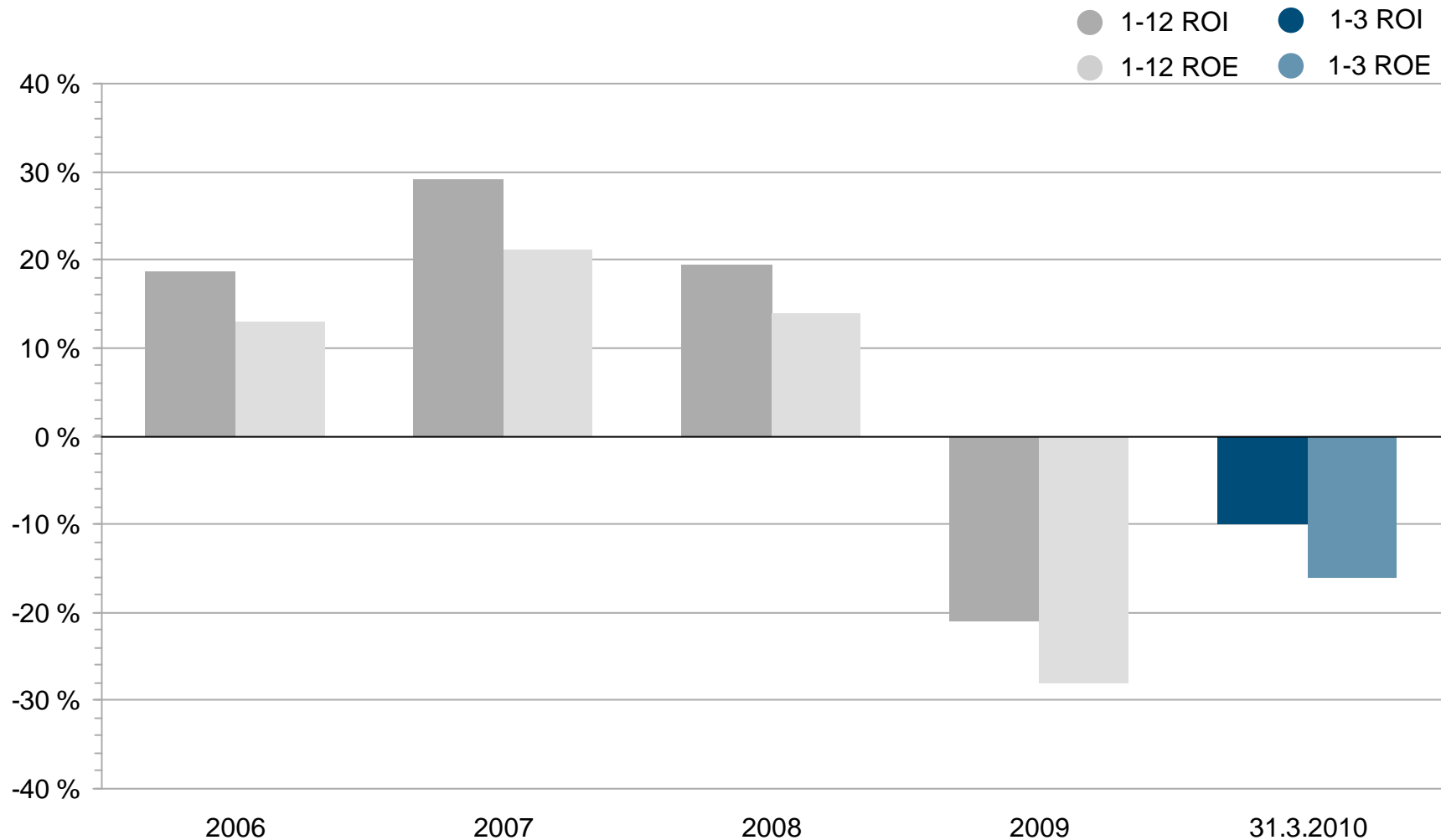
# Operating cash flow



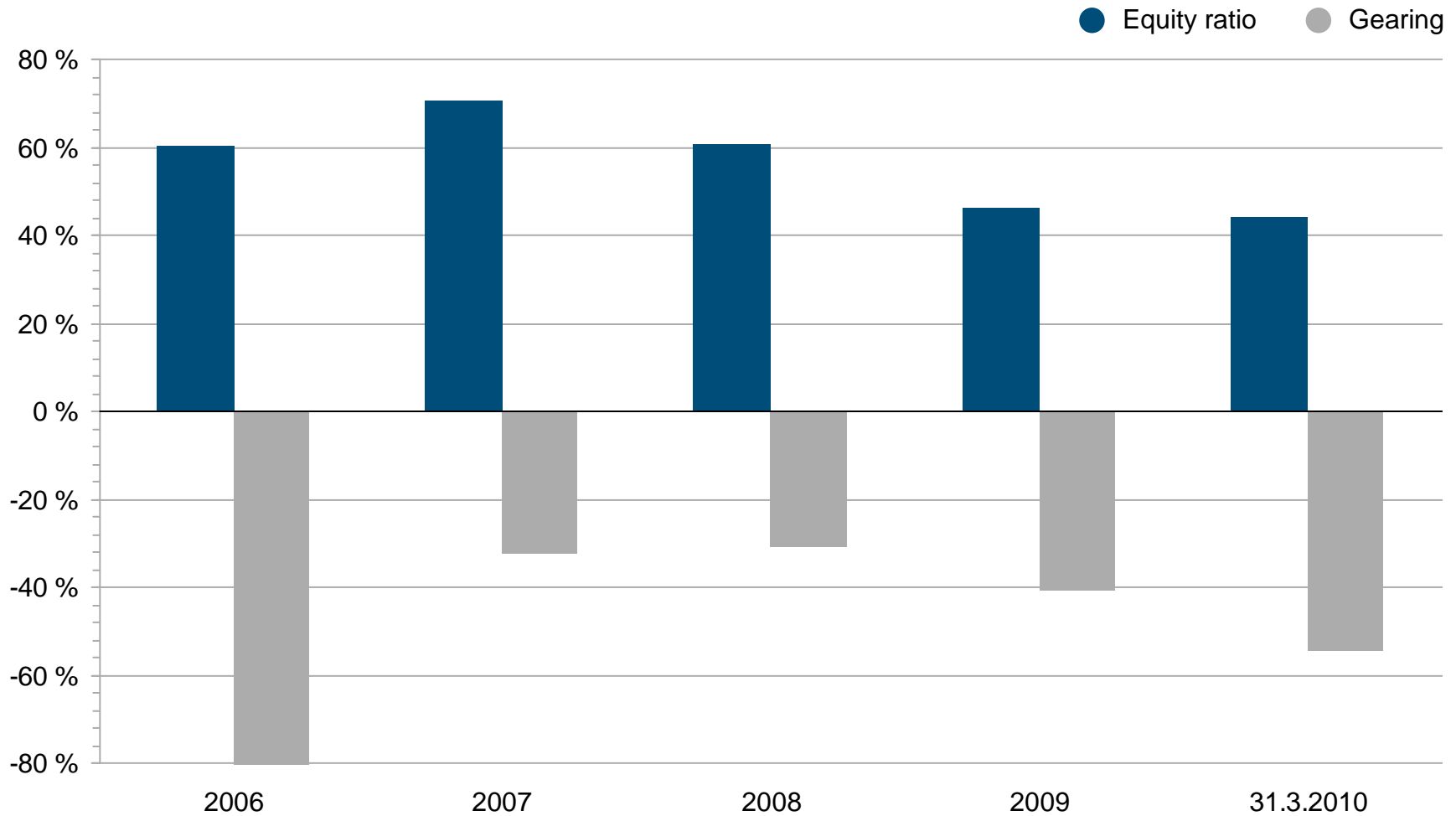
# Investing in the future



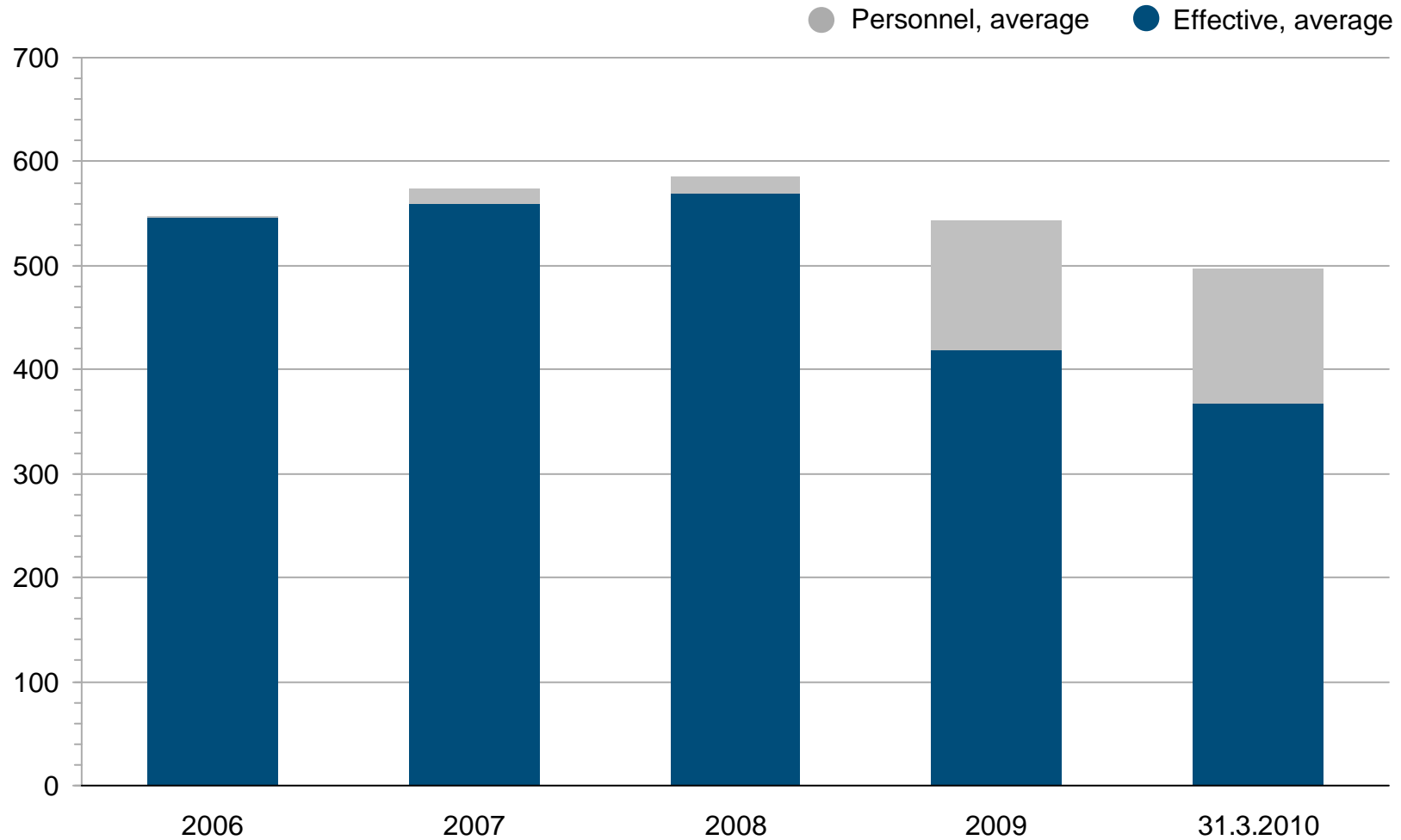
# Return on investment (ROI) Return on equity (ROE)



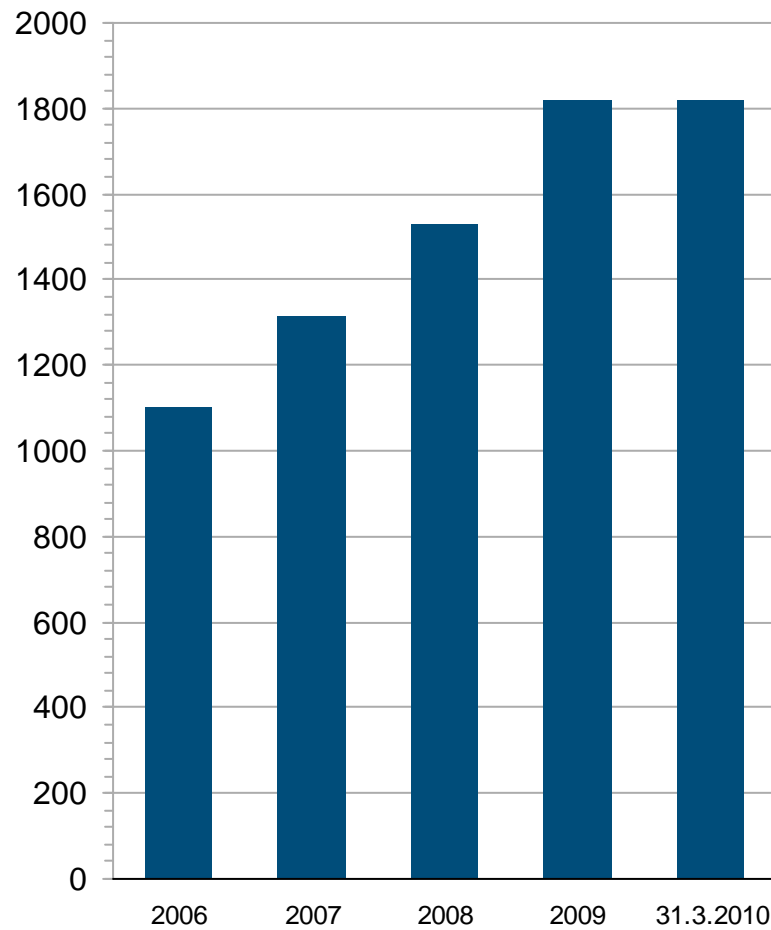
# Equity ratio and gearing



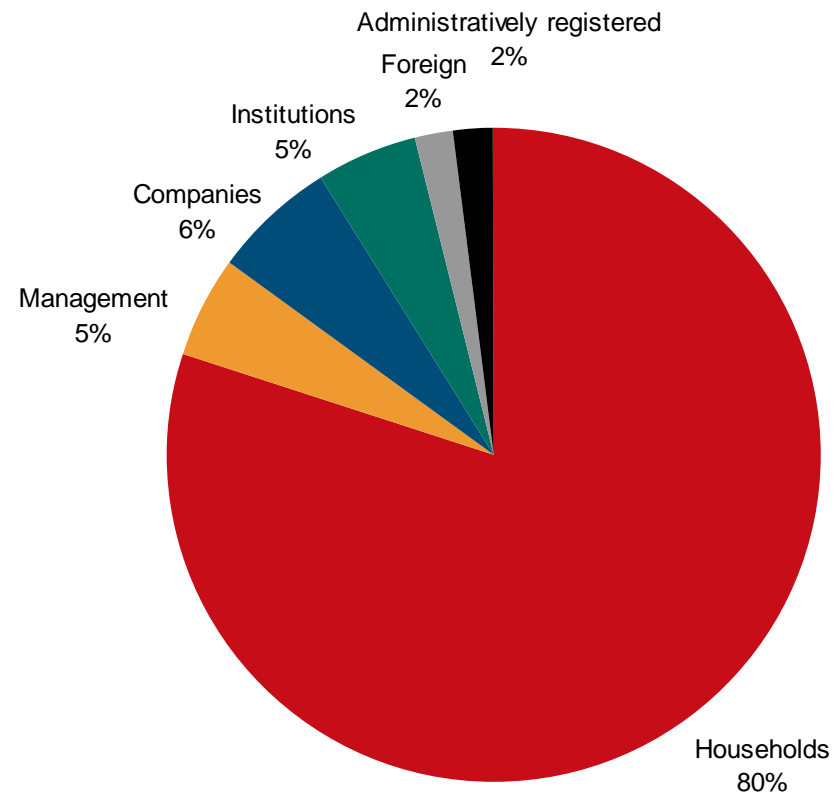




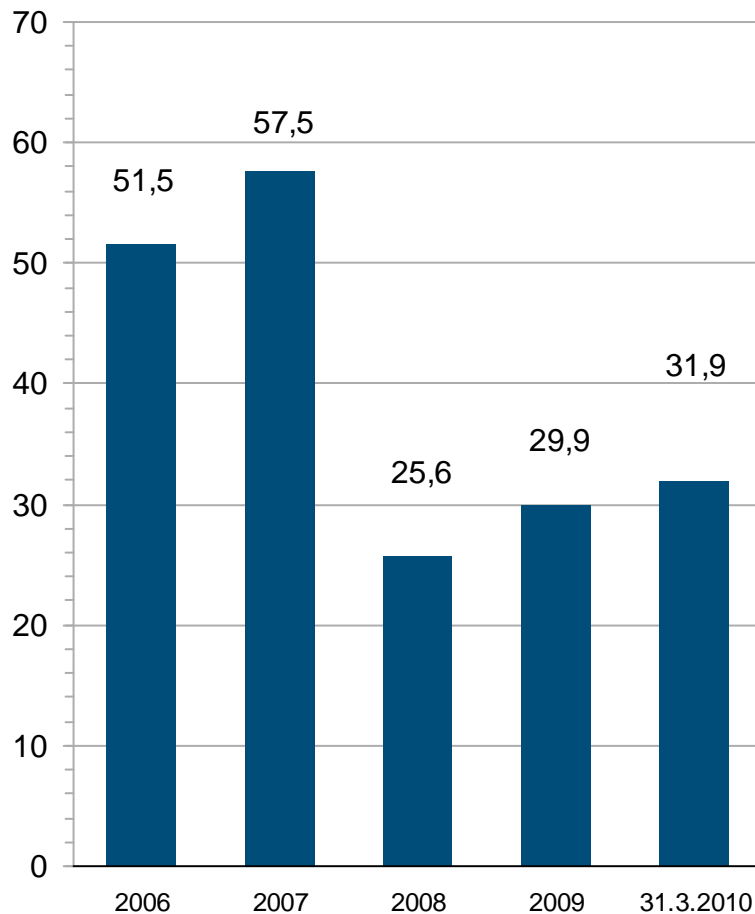
## Number of shareholders



## Ownership, March 31, 2010

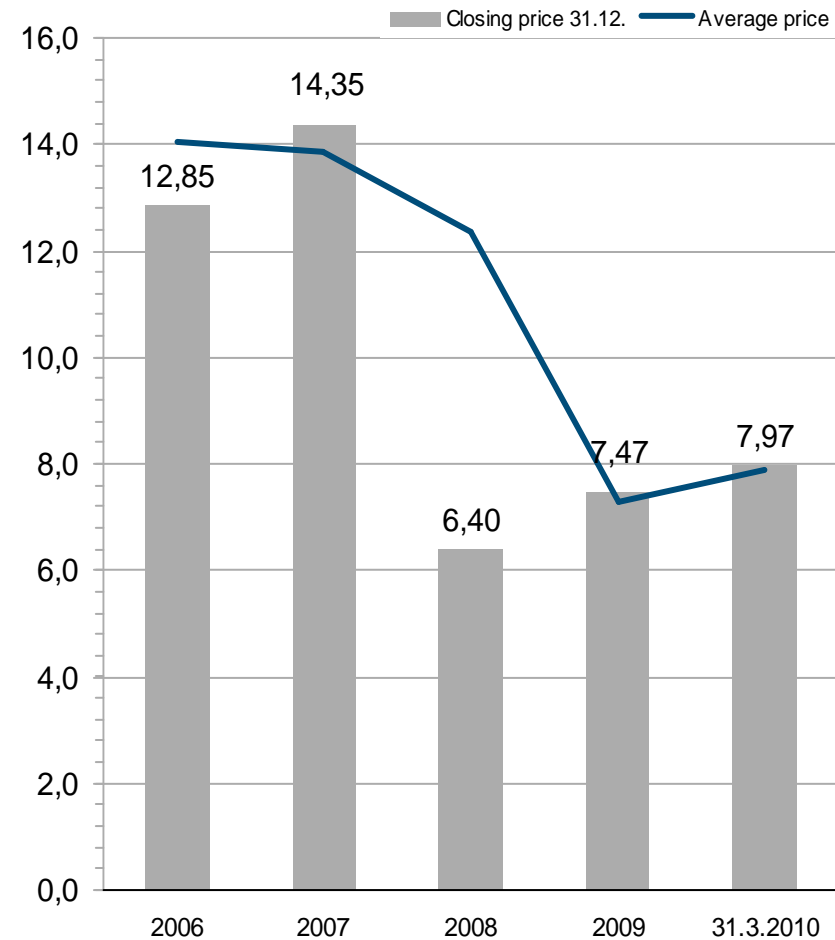


## Market value, MEUR



Series K shares appreciated to the value of series A shares

## Market capitalization, EUR



## Business environment:

- Uncertainty in the development of the global economy and financial markets continues
- The market situation of the customer industries is estimated to continue uncertain
- Capacity utilization rates will mainly remain at a low level
- The global economic situation still holds back investment decisions
  - New, also mill-scale, projects are still under negotiation, but their timing and realization are uncertain

## Raute:

- Order book strengthened
- Market situation still uncertain
  - Global economic situation and the uncertain market situation of the customer industries affect the investment activity, also for modernizations of investment nature
  - Demand for maintenance and spare part services will not improve until capacity utilization rates of the customers' mills recover permanently
- The outlook for net sales and profit has remained unchanged. Net sales for the entire year 2010 will increase and operating profit will improve from 2009
- Achieving a positive operating profit and its amount will depend on the order intake by the end of the summer

# Contact information

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