CRAMO Q4

FINANCIAL STATEMENTS BULLETIN 1-12/2013
CRAMO PLC

CRAMO'S FINANCIAL STATEMENTS BULLETIN FOR JANUARY–DECEMBER 2013

IMPROVING PROFITABILITY, STRONG CASH FLOW

1–12/2013 highlights (year-on-year comparison in brackets):

- Sales EUR 657.3 (688.4) million; the change was -4.5%. Sales change in local currencies, excluding divested operations and restructuring in Russia, -1.5%
- EBITA EUR 79.9 (78.0) million and EBITA margin 12.2% (11.3%); comparable EBITA before non-recurring items EUR 80.5 (78.5) million, or 12.2% (11.4%) of sales
- Earnings per share EUR 1.01 (0.94); comparable earnings per share before non-recurring items EUR 1.02 (0.83)
- Return on equity (rolling 12 months) 8.3% (7.5%)
- Cash flow from operating activities EUR 160.3 (146.0) million. Cash flow after investments EUR 50.3 (62.2) million, cash flow from investments includes acquisitions totalling EUR 25.9 million
- Gearing 72.9% (65.1%), EUR 50 million hybrid bond redeemed on 29 April 2013
- The Board proposes a dividend of EUR 0.60 (0.42) per share, an increase of 42.9% on 2012

10–12/2013 (year-on-year comparison in brackets):

- Sales EUR 175.1 (184.6) million; the change was -5.1%. Sales increased in local currencies, excluding restructuring in Russia, by 0.9%
- EBITA EUR 24.8 (21.9) million and EBITA margin 14.1% (11.9%), comparable EBITA before non-recurring items EUR 24.8 (23.3) million, or 14.1% (12.6%) of sales
- Earnings per share EUR 0.38 (0.34); comparable earnings per share before non-recurring items EUR 0.35 (0.26)
- Cash flow from operating activities EUR 66.3 (58.2) million, cash flow after investments EUR 34.4 (37.7) million

Guidance for 2014: In 2014, Cramo Group's EBITA margin will continue to improve compared to 2013. Cramo Group's sales is also expected to grow in 2014, however, exact sales is exposed to changing exchange rates.

KEY FIGURES AND RATIOS (MEUR)	10-12/13	10-12/12	Change %	1-12/13	1-12/12	Change %
Income statement						
Sales	175.1	184.6	-5.1 %	657.3	688.4	-4.5 %
EBITDA 1)	48.2	46.2	4.3 %	173.8	179.6	-3.2 %
EBITA 1), 2)	24.8	21.9	12.9 %	79.9	78.0	2.4 %
% of sales	14.1%	11.9%		12.2%	11.3%	
Operating profit (EBIT) 1)	21.8	17.3	26.3 %	66.8	64.5	3.6 %
Profit before taxes (EBT) 3)	18.0	12.1	49.7 %	51.9	44.3	17.4 %
Profit for the period 3)	16.3	14.2	14.7 %	42.8	38.7	10.4 %
Share related information						
Earnings per share (EPS), EUR 3)	0.38	0.34	11.9 %	1.01	0.94	8.0 %
Earnings per share (EPS), diluted, EUR 3)	0.38	0.34	10.9 %	1.00	0.93	7.4 %
Shareholders' equity per share, EUR				11.56	11.58	-0.2 %
Other information						
Return on investment, % 4), 5)				7.7 %	7.3 %	
Return on equity, % 4), 5)				8.3 %	7.5 %	
Equity ratio, % 4)				47.1 %	48.6 %	
Gearing, % 4)				72.9 %	65.1 %	
Net interest-bearing liabilities 4)				364.8	346.9	5.2 %
Gross capital expenditure (incl. acquisitions)	30.7	25.6	19.9 %	129.6	125.1	3.6 %
of which acquisition/business combinations	-0.5			29.1	0.8	
Cash flow from operating activities	66.3	58.2	14.0 %	160.3	146.0	9.8 %
Cash flow after investments	34.4	37.7	-8.7 %	50.3	62.2	-19.2 %
Average number of personnel (FTE)				2,463	2,664	-7.5 %
Number of personnel at period end (FTE)				2,416	2,555	-5.4 %

1) Effective from the Q1 2013 reporting the share of profit / loss of joint ventures is presented above EBITDA. Due to retrospective application of the change in accounting policy, figures for the comparative periods were adjusted
2) EBITA is operating profit before amortisation and impairment resulting from acquisitions and disposals
3) Based on the revised IAS 19 standard Employee benefits, effective from January 1, 2013, actuarial gains and losses resulting from the changes in assumptions used in the valuation of pension liabilities are recognised immediately in other comprehensive income. Due to retrospective application, finance costs for 10-12/12 and 1-12/12 have been decreased by EUR 0.2 million
4) Full year 2012 key figures have been calculated before reclassification of Russian business as assets and liabilities to be transferred to joint venture according to IFRS 5
5) Rolling 12 month

SUMMARY OF FINANCIAL PERFORMANCE IN 2013

Cramo Group's consolidated sales for 2013 decreased by 4.5 per cent to EUR 657.3 (688.4) million. In local currencies, sales decreased by 4.2 per cent. Sales were weakened by the divestment of Cramo's modular space production and customised space rental businesses in Finland in March 2012 as well as by the transfer of Russian operations to a joint venture on 1 March 2013. Sales was also affected by the rationalisation of the depot network in Denmark in the end of 2012. Sales change in local currencies, excluding divested operations and restructuring in Russia, was -1.5 per cent.

The last quarter of 2013 showed growth; excluding restructuring in Russia and changes in exchange rates, sales increased by 0.9 per cent. Fourth-quarter euro-based sales were EUR 175.1 (184.6) million, showing a change of -5.1 per cent. In local currencies, sales decreased by 2.6 per cent.

Despite the challenging market environment, Cramo Group met its profitability target for 2013. EBITA for 2013 was EUR 79.9 (78.0) million. EBITA margin improved in line with targets and was 12.2 (11.3) per cent of sales. Comparable EBITA before non-recurring items was EUR 80.5 (78.5) million, or 12.2 (11.4) per cent of sales. Operational development in accordance with the Group's strategy and successful cost savings improved the result.

Fourth-quarter EBITA was EUR 24.8 (21.9) million. Profitability continued to improve, and EBITA margin was 14.1 (11.9) per cent of sales. EBITA before non-recurring items was EUR 24.8 (23.3) million, or 14.1 (12.6) per cent of sales.

Full-year earnings per share were EUR 1.01 (0.94), and comparable earnings per share before non-recurring items were EUR 1.02 (0.83). Fourth-quarter earnings per share were EUR 0.38 (0.34). In the fourth quarter, earnings per share were improved non-recurringly by the decrease in the Finnish corporate income tax rate, the effect of which was EUR 0.04. Fourth-quarter earnings per share before non-recurring items were EUR 0.35 (0.26).

A good full-year result was achieved in Finland, Sweden and Eastern Europe. In Norway, profitability developed favourably, and in Denmark the full year result turned positive. In Eastern Europe, the improvement in profitability was also affected by the result of the joint venture company Fortrent in Russia. In the fourth quarter, profitability improved in Finland, Norway, Denmark and Eastern Europe. In Central Europe, Cramo's transition programme proceeded as planned. In the modular space business, demand has continued at a high level in all Nordic countries.

In 2013, cash flow from operating activities increased year-on-year and was EUR 160.3 (146.0) million. Gross capital expenditure was EUR 129.6 (125.1) million, and net cash flow from investing activities EUR -110.0 (-83.8) million. Gross capital expenditure includes acquisitions and business combinations completed in the first quarter, which amounted to EUR 29.1 million and had a cash flow effect of EUR -25.9 million. Cash flow after investments was EUR 50.3 (62.2) million. Cash flow from operating activities continued to increase in the fourth quarter and was EUR 66.3 (58.2) million. Cash flow after investments was EUR 34.4 (37.7) million.

The Group's gearing was 72.9 (65.1) per cent at the end of 2013. During the first half of the year, gearing was affected by the acquisitions completed during the first quarter and the redemption of the EUR 50 million hybrid bond in April.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.60 (0.42) be paid for the financial year for 2013, which represents an increase of 42.9 per cent on 2012.

MARKET OUTLOOK

Since the summer of 2013, economic uncertainty has given way to more stable development in Europe. The economies in the eurozone are estimated to take an upward turn in 2014. Growth is expected particularly in the second half of the year.

Market-specific differences in construction and the demand for rental services are still considerable in Europe. In its November forecast, the construction market analyst Euroconstruct estimated that construction would decline in Finland, Sweden, Poland, Estonia, the Czech Republic and Slovakia in 2013. Construction is estimated to have increased in Norway, Denmark, Latvia and Lithuania as well as slightly in Germany. In 2014, construction is expected to increase in the Nordic countries, Germany, Poland and Lithuania. Construction and the economic development in Norway did not meet expectations in the fourth quarter of 2013, which is likely to weaken the outlook for construction in 2014.

In the long term, the equipment rental market is expected to grow faster than the construction market. Changes in demand usually follow those in construction with a delay and may be strong. In addition to construction, the demand for equipment rental services is affected by industrial investments and the rental penetration rate. The need to improve profitability in construction and the increasingly strict environmental and health requirements related to construction are some of the factors which make rental services more attractive.

The European Rental Association (ERA) is expecting equipment rental to increase in all of Cramo's main market areas in 2014.

(All construction market forecasts presented in this review are estimates by Euroconstruct, unless otherwise stated.)

GUIDANCE ON GROUP OUTLOOK

Cramo Plc's guidance for 2014 is: "In 2014, Cramo Group's EBITA margin will continue to improve compared to 2013. Cramo Group's sales is also expected to grow in 2014, however, exact sales is exposed to changing exchange rates."

VESA KOIVULA, CEO OF CRAMO:

"Our work to improve operational efficiency in recent years shows results. Despite the decrease in sales and the weak economic situation, our relative profitability improved in 2013 particularly in the second half of the year.

After a strong expansion in earlier years, efficiency improvement has primarily taken the form of uniform business practises and efficient processes across the Group. In 2013, we made good progress in the implementation of consistent operating methods in all of our countries of operation, and our reformed range of services was well received among customers. We will continue to develop our operations particularly in Norway, Denmark and Central Europe.

In addition to operational development, adjustments of fixed costs and capital costs that were started already in 2012 have improved our EBITA margin.

After a slow first half of the year, demand began to develop more favourably after the summer. Market forecasts for 2014 are optimistic for many of our markets, but the growth rate is likely to remain moderate. I am expecting the rental market to resume growth in the second half of the year at the latest.

Cramo celebrated its 60th year of operation in 2013, which puts us among the oldest European companies in our sector. Established in the small market of Finland, we have developed into one of the largest equipment rental companies in Europe. I believe that, combined with our experience, our strong desire to develop into an even more flexible and advanced operator lays an excellent foundation for future success. In 2014, we will continue our work to achieve the Group's profitability goals," says Vesa Koivula, President and CEO of Cramo Group.

SALES AND PROFIT

Cramo Group's consolidated sales for 2013 decreased by 4.5 per cent to EUR 657.3 (688.4) million. In local currencies, sales decreased by 4.2 per cent. Sales were weakened by the divestment of Cramo's modular space production and customised space rental businesses in Finland in March 2012 as well as by the transfer of Russian operations to a joint venture on 1 March 2013. Sales was also affected by the rationalisation of the depot network in Denmark in the end of 2012. Sales change in local currencies, excluding divested operations and restructuring in Russia, was -1.5 per cent.

Fourth-quarter sales were EUR 175.1 (184.6) million, showing a change of -5.1 per cent. In local currencies, sales decreased by 2.6 per cent. Excluding restructuring in Russia, sales increased in local currencies in the fourth quarter by 0.9 per cent.

Despite the challenging market environment, Cramo Group met its profitability target for 2013. EBITA for 2013 was EUR 79.9 (78.0) million. EBITA margin improved in line with targets and was 12.2 (11.3) per cent of sales. Comparable EBITA before non-recurring items was EUR 80.5 (78.5) million, or 12.2 (11.4) per cent of sales. Operational development in accordance with the Group's strategy and successful cost savings improved the result.

Fourth-quarter EBITA was EUR 24.8 (21.9) million. Profitability continued to improve, and EBITA margin was 14.1 (11.9) per cent of sales. The fourth quarter of 2012 included EUR 1.8 million in non-recurring expenses related to the streamlining of the Danish depot network, EUR 1.0 million related to the reorganisation of the German operations and EUR 1.4 million in non-recurring earnings related to the price adjustment of the Theisen acquisition in Central Europe. In 2013, fourth-quarter EBITA before non-recurring items was EUR 24.8 (23.3) million, or 14.1 (12.6) per cent of sales.

Full-year EBITDA was EUR 173.8 (179.6) million, or 26.4 (26.1) per cent of sales. In the fourth quarter, EBITDA was EUR 48.2 (46.2) million, or 27.5 (25.0) per cent of sales.

EBIT for 2013 was EUR 66.8 (64.5) million, or 10.2 (9.4) per cent of sales. Fourth-quarter EBIT was EUR 21.8 (17.3) million. In the fourth quarter EBIT was decreased by a non-recurring impairment loss of intangible assets totalling EUR 0,4 million in Norway. In the fourth quarter of

2012, an impairment of EUR 1.8 million in intangible assets resulting from acquisitions in Denmark had a negative effect on EBITA, in addition to non-recurring items.

Profit before taxes was EUR 51.9 (44.3) million and profit for the period EUR 42.8 (38.7) million.

The Group's credit losses and credit loss provisions in 2013 were EUR 4.8 (6.0) million. The result includes impairment losses on the fleet totalling EUR 0.8 (2.0) million.

Expenses associated with share-based payments totalled EUR 1.7 (2.6) million.

Net financial expenses in 2013 were EUR 14.9 (20.2) million.

The effective tax rate for Cramo was 17.6 (12.4) per cent in 2013. In the fourth quarter, the Finnish Tax Administration issued a residual tax decision of EUR 9.7 million for Cramo, concerning the years 2009–2012. According to the decision, the interest income from Cramo's financing company in Belgium should have been taxed in Finland. Cramo has already paid the taxes in Belgium. The company considers the decision to be unfounded and will appeal. The company has not recognised the taxes payable through profit or loss.

Full-year earnings per share were EUR 1.01 (0.94), and comparable earnings per share before non-recurring items were EUR 1.02 (0.83). Diluted earnings per share were EUR 1.00 (0.93).

In the fourth quarter, earnings per share were EUR 0.38 (0.34), and diluted earnings per share were EUR 0.38 (0.34). In the fourth quarter, earnings per share were improved non-recurringly by the decrease in the Finnish corporate income tax rate, the effect of which was EUR 0.04. In the fourth quarter of 2012, earnings per share were improved by the decrease in the Swedish corporate income tax rate as well as by other non-recurring items, which had a positive net effect of EUR 0.08. Fourth-quarter earnings per share before non-recurring items were EUR 0.35 (0.26).

Return on investment (rolling 12 months) was 7.7 (7.3) per cent. Return on equity (rolling 12 months) was 8.3 (7.5) per cent.

CAPITAL EXPENDITURE AND DEPRECIATION/AMORTISATION

Gross capital expenditure for 2013 was EUR 129.6 (125.1) million, of which EUR 29.1 (0.8) million is related to acquisitions and business combinations. Of the acquisitions and business combinations, EUR 10.5 million are related to the joint venture in Russia and EUR 18.6 million to business acquisitions in Norway.

Reported depreciation and impairment on tangible assets and assets held for sale were EUR 93.9 (101.6) million.

Amortisation and impairment resulting from acquisitions and divestments totalled EUR 13.2 (13.6) million in the review period.

At the end of the financial year, goodwill totalled EUR 165.4 (169.7) million.

FINANCIAL POSITION AND BALANCE SHEET

Cash flow from operating activities increased in 2013 to EUR 160.3 (146.0) million. Cash flow from investing activities was EUR -110.0 (-83.8) million, and cash flow from financing activities was EUR -55.0 (-73.2) million. The Group's cash flow after investments was EUR 50.3 (62.2) million.

At the end of the period, the Group's balance sheet included EUR 4.4 (33.9) million in assets held for sale. In 2012, the items included EUR 30.4 million in assets to be transferred to the joint venture Fortrent in Russia.

On 31 December 2013, Cramo Group's net interest-bearing liabilities totalled EUR 364.8 (346.9) million. At the end of the financial year, gearing was 72.9% (65.1%). Gearing improved markedly in the second half of the year. During the first half of the year, gearing was affected by the acquisitions completed during the first quarter and the redemption of the EUR 50 million hybrid bond in April.

Of the Group's variable rate loans, EUR 91.0 (91.0) million were hedged by way of interest rate swaps on 31 December 2013. Hedge accounting is applied to EUR 91.0 (91.0) million of these interest rate hedges. On 31 December 2013, Cramo Group had undrawn committed credit facilities (excluding leasing facilities) totalling EUR 199.3 (230.8) million, of which non-current facilities represented EUR 184.0 (200.0) million and current facilities EUR 15.3 (30.8) million.

At the end of the financial period, property, plant and equipment amounted to EUR 606.6 (615.0) million of the balance sheet total. The balance sheet total on 31 December 2013 stood at EUR 1,074.7 (1,108.1) million. The equity ratio was 47.1% (48.6%).

Rental liabilities associated with off-balance sheet operational leasing agreements totalled EUR 23.6 (36.1) million on 31 December 2013. Off-balance sheet liabilities for office and depot rents totalled EUR 114.7 (116.7) million. The Group's investment commitments amounted to

EUR 17.3 (9.4) million, the majority of which is related to the acquisition of modular space.

On 29 April 2013, Cramo Plc redeemed its EUR 50 million hybrid bond (equity bond under IFRS) following the permitting conditions of the bond.

GROUP STRUCTURE

Cramo is a service company specialising in equipment rental services and the rental of modular space. Its equipment rental services comprise construction machinery and equipment rentals, as well as rental-related services. These rental-related services include construction site and installation services. Cramo offers a range of more than 200,000 rental products. It is one of the leading service providers in the Nordic countries and Central and Eastern Europe.

At the end of the financial year, Cramo Group consisted of the parent company Cramo Plc, which provides group-level services, and, as operating companies, its wholly-owned subsidiaries in Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Germany, Austria and Hungary. Cramo Plc also owns a company offering group-level services in Sweden and Belgium.

In addition, Cramo owns 50% of Fortrent, a joint venture launched with Ramirent that operates in Russia and Ukraine.

Cramo Management Oy merged to Cramo Plc on 28 February 2013.

At the end of the year, equipment rental services were provided through a network of 357 (376) depots. A total of 55 (69) of these were entrepreneur-managed.

STRATEGIC AND FINANCIAL TARGETS

Cramo's strategic cornerstones include being the customer's first choice, being Best in Town in its field, driving the development of the rental sector and achieving operational flexibility. Another cornerstone is combining the operational models and best practices of mature and growth markets.

Cramo's financial targets are as follows: an EBITA margin of more than 15 per cent of sales over a business cycle, a maximum gearing of 100 per cent, faster growth of sales than that of the market and a return on equity higher than 12 per cent over a business cycle. In profit distribution, its target is to follow a stable profit distribution policy and to pay approximately 40 per cent of earnings per share (EPS) for a period as dividends.

Achieving these targets requires the roll-out of a uniform Cramo Rental Concept and harmonised key processes in all markets as well as expanding the modular space business outside Finland and Sweden more strongly than before.

BUSINESS DEVELOPMENT

In March 2013, Cramo and Ramirent closed the forming of a joint venture in Russia. The ownership and control of Fortrent Group is divided evenly between the two companies, and the parent company is a Finnish limited liability company.

In May, Cramo was rewarded for its work to develop occupational health and safety practices, when Det Norske Veritas granted OHSAS 18001 certification to Cramo Finland. Cramo Finland now has all of the three certifications: quality (ISO 9001), environmental management (ISO 14001) and occupational safety (OHSAS 18001).

Cramo published its first sustainability report in Finland.

Its newest results of product and service development include a dynamic pricing model and a paper-free service, both of which were first introduced in Sweden.

CHANGES IN THE BOARD OF DIRECTORS AND ITS COMMITTEES

Dr Stig Gustavson, Chairman of the Board of Directors of Cramo Plc, announced on 24 September 2013 that he would not be available in the election of the Board of Directors at the next Annual General Meeting. Dr Gustavson continues to serve as the Chairman of the Board of Directors until the end of his term. The Board of Directors announced that, contingent on a majority of its current members being re-elected at the next Annual General Meeting, it intends to elect its current member Helene Biström as the new Chair. In addition, the Board decided to appoint Helene Biström as Chair of the Nomination and Compensation Committee. Stig Gustavson, the former chairman of the committee, will continue as a member until the next Annual General Meeting. The Nomination and Compensation Committee comprises the following persons: Ms Helene Biström (Chairman), Dr Stig Gustavson, Mr Jari Lainio, Mr Erkki Stenberg, Mr Peter Therman and Mr Tom von Weymarn. Mr Peter Therman and Mr Tom von Weymarn were appointed to the Nomination and Compensation

Committee on 25 June 2013. They are not members of the Board of Directors.

HUMAN RESOURCES

During the review period under review, the Group had an average of 2.463 (2.664) employees. In addition, the Group employed an average of approximately 150 (167) people as work force hired from a staffing service. At the end of the period, Group staff numbered 2,416 (2,555) as full time equivalent (FTE).

Cramo Group's flexible operational model includes the utilisation of not only permanent personnel but also work force hired from a staffing service. The proportion of permanent personnel to work force hired from a staffing service as well as their numbers are constantly adjusted on the basis of the market situation.

The geographical distribution of employees at the end of the period was as follows: 416 (453) employees in Finland, 832 (832) in Sweden, 260 (223) in Norway, 108 (97) in Denmark, 349 (327) in Central Europe and 451 (623) in Eastern Europe.

The company continued to implement consistent training and career development models in personnel development. The goal is to introduce a consistent model across the Group during 2014. In addition, safety training was increasingly offered to employees and customers.

PERFORMANCE BY BUSINESS SEGMENT

Cramo Group's business segments consist of Finland, Sweden, Norway, Denmark, Central Europe (which includes Germany, Austria and Hungary) and Eastern Europe (which includes Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, the Kaliningrad region in Russia as well as a 50% share of the profit of the joint venture Fortrent (Russia, excluding the Kaliningrad region, and Ukraine) in accordance with the equity method of accounting). In addition to segment information, Cramo also reports on the order book value for modular space.

Finland generated 15.4% (16.2%) of the total consolidated sales for 2013 (excluding elimination of inter-segment sales), Sweden 47.5% (46.4%), Norway 13.6% (12.1%), Denmark 4.3% (5.4%), Central Europe 11.2% (9.6%) and Eastern Europe 7.9% (10.1%).

Finland

Finland (EUR 1,000)	10-12/13	10-12/12	Change %	1-12/13	1-12/12	Change %
Sales	26,667	28,576	-6.7 %	102,577	112,666	-9.0 %
EBITA	6,231	6,530	-4.6 %	19,312	20,975	-7.9 %
EBITA-%	23.4 %	22.9 %		18.8 %	18.6 %	
No of employees (FTE)				393	428	-8.2 %
No of depots				53	55	-3.6 %

According to estimates presented by the Confederation of Finnish Construction Industries RT and Euroconstruct, construction decreased by approximately 3% in Finland in 2013. Most of this decline came from residential construction.

Cramo's Finnish operations reported sales of EUR 102.6 (112.7) million in 2013. Fourth-quarter sales were EUR 26.7 (28.6) million. Sales were affected by the weak construction market and by the divestment of Cramo's modular space production and customised space rental businesses in March 2012. Demand for standardised modular space continued at a high level.

EBITA was EUR 19.3 (21.0) million, or 18.8 (18.6) per cent of sales. Profitability improved from 2012, particularly as a result of efficiency measures. Fourth-quarter EBITA was EUR 6.2 (6.5) million, or 23.4 (22.9) per cent of sales. Despite the weak market situation, Cramo succeeded in improving its fleet utilisation rates from the latter part of the second quarter onward.

The market situation in the construction industry is still weak, but the demand for rental services has increased in other industry sectors. The quotation base of the modular space business is particularly high in the public sector.

The Finnish economy is estimated to recover in 2014, but more slowly than most of Cramo's other market areas. RT expects the weak construction market situation to continue and construction to decrease by 1 per cent in 2014. Euroconstruct expects commercial and office construction to contribute to a growth of 0.5 per cent in the Finnish construction market. Growth is expected in the second half of the year.

ERA estimated that the Finnish equipment rental market decreased by nearly 6 per cent in 2013. However, ERA expects the market to grow by 3.5 per cent in 2014.

Cramo estimates that it has strengthened its position as the second largest equipment rental company in Finland. In addition to two strong players, there are several small equipment rental businesses on the Finnish market. The number of Cramo depots at the end of the financial period was 53 (55). Of these, 16 (19) were entrepreneur-managed.

Sweden

Sweden (EUR 1,000)	10-12/13	10-12/12	Change %	1-12/13	1-12/12	Change %
Sales	87,358	88,109	-0.9 %	316,670	322,359	-1.8 %
EBITA	14,576	16,157	-9.8 %	55,334	57,578	-3.9 %
EBITA-%	16.7 %	18.3 %		17.5 %	17.9 %	
No of employees (FTE)				792	793	-0.1 %
No of depots				120	124	-3.2 %

After a difficult winter, the construction and equipment rental market has developed towards the better in Sweden in 2013. In 2013, construction is estimated to have remained at the previous year's level or decreased slightly.

Cramo's operations in Sweden reported sales of EUR 316.7 (322.4) million. Sales decreased by 1.8 per cent. In the local currency, the change was -2.4 per cent. Fourth-quarter sales decreased by 0.9 per cent to EUR 87.4 (88.1) million. In the local currency, fourth-quarter sales increased by 1.4 per cent.

Full-year EBITA was EUR 55.3 (57.6) million, or 17.5 (17.9) per cent of sales. Fourth-quarter EBITA was EUR 14.6 (16.2) million, or 16.7 (18.3) per cent of sales. The result for the fourth quarter was burdened by unusually high service, repair and transportation acosts, but the profitability for the full year remained at a good level as a result of efficiency measures completed.

The most significant customer agreements of 2013 included the Västerås power plant project, the new ABB Karlskrona mill, the Fortum power plant project in Stockholm and the new ICA warehouse area in Helsingborg.

A dynamic pricing model was introduced during the year, with demand determining price levels, among other factors. New services also include paper-free rental process, where everything is handled electronically, including signatures.

In 2014, demand is expected to develop favourably, particularly in the Stockholm area and owing to the mining industry in northern Sweden. Fleet utilisation rates improved in the second half of 2013.

In its December estimate, the Swedish Construction Federation forecasts that construction will increase by approximately 3 per cent in 2014. Euroconstruct estimates the growth rate to be 1.6 per cent. ERA expects the growth rate of equipment rental to be a little over 2 per cent.

Cramo is the clear market leader in the Swedish equipment rental business. In Sweden, equipment rental services are provided by five major companies. In addition, there are numerous small players in the industry. At the end of the period under review, Cramo had 120 (124) depots in Sweden. Of these, 36 (39) were entrepreneur-managed.

Norway

Norway (EUR 1,000)	10-12/13	10-12/12	Change %	1-12/13	1-12/12	Change %
Sales	22,273	23,384	-4.8 %	90,916	84,167	8.0 %
EBITA	2,040	1,788	14.1 %	6,600	5,319	24.1 %
EBITA-%	9.2 %	7.6 %		7.3 %	6.3 %	
No of employees (FTE)				260	223	16.6 %
No of depots				31	31	0.0 %

In 2013, construction is estimated to have increased by 3–4 percent in Norway. Demand remained at a good level, particularly in civil engineering and in the energy industry investments on the west coast.

Cramo's Norwegian operations reported sales of EUR 90.9 (84.2) million, up 8.0 per cent. In the local currency, sales increased by 12.8 per cent. During the fourth quarter, sales decreased by 4.8 per cent to EUR 22.3 (23.4) million, but in the local currency, sales increased by 6.5 per cent.

Full-year EBITA was EUR 6.6 (5.3) million, or 7.3 (6.3) per cent of sales. EBITA before non-recurring items was EUR 7.2 (5.5) million, or 7.9 (6.5) per cent of sales. Non-recurring items consisted of reorganisations related to outsourcing projects in the first quarter. Fourth-quarter

EBITA was EUR 2.0 (1.8) million, or 9.2 (7.6) per cent of sales.

Lambertsson AS and Kranpunkten AS outsourced their rental operations to Cramo on 1 February 2013. In business transactions, rental fleet and personnel were outsourced to Cramo and long-term delivery contracts were signed with the Peab Group in Norway. As part of the arrangement, Cramo also acquired other new customers.

The most significant customer agreements in 2013 included many new customers that were acquired through the outsourcing transactions as well as Stena Recycling, Aker Solution's office project in Fornebu, the extension of Gardermoen Airport and civil engineering projects with AF-Anlegg. The "Byggetablering" service concept was launched in worksite services. It includes all of the services needed to set up a new worksite under a single agreement.

To improve profitability, Cramo has strengthened its sales organisation, centralised its fleet maintenance and optimised its depot network in Norway.

In its November forecast, Euroconstruct estimates construction to increase by nearly 4 per cent in Norway in 2014. Growth is expected particularly in civil engineering. ERA expects equipment rental to grow by nearly 4 per cent. However, local economic forecasts have become more cautious in Norway at the beginning of 2014, which is likely to weaken the growth in the demand for construction and equipment rental services.

In Norway, equipment rental services are provided by three major companies. In addition, there are several small players in the industry. Cramo estimates that is has strengthened its position as the second largest equipment rental service provider in Norway.

At the end of the review period, Cramo had 31 (31) depots in Norway. Of these, 0 (1) were entrepreneur-managed.

Denmark

Denmark (EUR 1,000)	10-12/13	10-12/12	Change %	1-12/13	1-12/12	Change %
Sales	7,285	8,965	-18.7 %	28,512	37,684	-24.3 %
EBITA	87	-3,607		30	-5,022	
EBITA-%	1.2 %	-40.2 %		0.1 %	-13.3 %	
No of employees (FTE)				108	97	11.6 %
No of depots				7	7	0.0 %

According to Euroconstruct's estimate, construction in Denmark increased by a little over 2 per cent in 2013. However, according to a local estimate, construction decreased in Denmark in 2013.

Cramo's Danish operations reported sales of EUR 28.5 (37.7) million, representing a decrease of 24.3 per cent. Fourth-quarter sales were EUR 7.3 (9.0) million. In 2012, Cramo's sales in Denmark increased as a result of extensive modular space deliveries to the Copenhagen metro project. In addition, the reorganisation of the depot network in Denmark in the second half of 2012 had a negative effect on sales.

EBITA turned positive and was EUR 0.0 (-5.0) million, or 0.1 (-13.3) per cent of sales. Fourth-quarter EBITA was EUR 0.1 (-3.6) million, or 1.2 (-40.2) per cent of sales. In 2012 this includes EUR 1.8 million in non-recurring expenses related to the closing of depots and other adjustments. Fourth-quarter EBITA before non-recurring items improved to EUR 0.1 (-1.8) million, or 1.2 (-19.8) per cent of sales.

The centralisation of depots to growth regions carried out towards the end of 2012 and the related improvement in sales efficiency clearly improved profitability. The Group's harmonised rental system was successfully introduced in Denmark at the beginning of October.

After the difficult first half of the year, the demand for rental services picked up particularly in the Copenhagen and Aarhus regions, and in the modular space business, where the offer base is good.

Euroconstruct estimates construction to increase in Denmark by a little over 3 per cent in 2014. ERA estimates equipment rental to grow by approximately 2 per cent in 2014.

The equipment rental market is fragmented in Denmark, with a high number of mid-size businesses. At the end of the year, Cramo had 7 (7) depots in Denmark. The company estimates that it is the third largest operator in the field.

Central Europe

Central Europe (EUR 1,000)	10-12/13	10-12/12	Change %	1-12/13	1-12/12	Change %
Sales	19,440	16,981	14.5 %	74,652	66,973	11.5 %
EBITA	233	826	-71.8 %	-1,062	-236	
EBITA-%	1.2 %	4.9 %		-1.4 %	-0.4 %	
No of employees (FTE)				349	327	6.6 %
No of depots				83	88	-5.7 %

In 2013, construction is estimated to have remained at the previous year's level or decreased slightly in Germany.

Cramo's Central European operations reported sales of EUR 74.7 (67.0) million, representing an increase of 11.5 per cent. Fourth-quarter sales increased by 14.5 per cent to EUR 19.4 (17.0) million.

EBITA was EUR -1.1 (-0.2) million, or -1.4 (-0.4) per cent of sales. In Central Europe, the focus of Cramo's rental fleet is still on construction machinery. For this reason, seasonal fluctuations are stronger there than in Cramo's other business segments. The market picked up in the second quarter, and demand developed favourably after that.

Fourth-quarter EBITA was EUR 0.2 (0.8) million, or 1.2 (4.9) per cent of sales. The fourth quarter of 2012 included non-recurring net earnings of EUR 1.4 million related to the price adjustment of the Theisen acquisition in 2011 and EUR 0.4 million in non-recurring expenses related to the restructuring of operations. Fourth-quarter EBITA before non-recurring items improved to EUR 0.2 (-0.3) million, or 1.2 (-1.7) per cent of sales.

Cramo is in the process of modifying its operations throughout Central Europe in accordance with the Cramo Rental Concept. This means, among other measures, the expansion of the product and service offering, the development of sales and know-how and the centralisation of operations in line with the Best in Town strategy. The introduction of the Cramo Rental Concept will result in non-recurring expenses to some degree.

In 2013, Cramo expanded its range of products and services, particularly in tools and lifting equipment, and the first modular spaces for school use were delivered in the summer. New long-term customer agreements include those signed with the Wolff & Müller and Strabag construction companies. Cramo's unit in Germany was granted IPAF certification in 2013.

In 2014, Cramo will continue to expand its range of products and services. Operational development will focus on regional sales as well as the implementation of a consistent management model for depots. The Group's harmonised rental system was successfully introduced in January 2014.

The goal is to grow sales and improve profitability in 2014.

According to the estimate published by Euroconstruct, construction in Germany will increase by 2.7 per cent in 2014. ERA estimates equipment rental to increase by 4 per cent in 2014.

The German equipment rental has four major operators and a high number of small, local companies. Cramo estimates that is has strengthened its market position as the third largest company in the field. At the end of 2013, Cramo had 83 (88) depots in Central Europe.

Eastern Europe

Eastern Europe (EUR 1,000)	10-12/13	10-12/12	Change %	1-12/13	1-12/12	Change %
Sales	13,512	19,916	-32.2 %	52,826	70,263	-24.8 %
EBITA	3,546	3,191	11.1 %	8,204	6,722	22.0 %
EBITA-%	26.2 %	16.0 %		15.5 %	9.6 %	
No of employees (FTE)				451	623	-27.5 %
No of depots				63	71	-11.3 %

Cramo Group's equipment rental business sales in Eastern Europe come from Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and the Kaliningrad region in Russia. Sales from Fortrent, the joint venture of Cramo and Ramirent in Russia and Ukraine, are not included in Cramo Group's sales starting from 1 March

2013. However, Cramo’s share (50%) of the profit for the review period is included in the EBITA of the Eastern Europe business segment in accordance with the equity method of accounting.

Cramo’s operations in Eastern Europe reported sales of EUR 52.8 (70.3) million, which represents a decrease of 24.8 per cent. In local currencies, the change in sales was -24.4 per cent. Fourth-quarter sales were EUR 13.5 (19.9) million. The decline in sales resulted from the transfer of Russian operations to Fortrent on 1 March 2013.

Despite the difficult market situation, Cramo was successful in the Eastern European market. Full-year EBITA improved and was EUR 8.2 (6.7) million, or 15.5 (9.6) per cent of sales. Fourth-quarter EBITA was EUR 3.5 (3.2) million, or 26.2 (16.0) per cent of sales. Profitability improved clearly in all of Cramo’s countries of operation in Eastern Europe in the second half of the year. In the fourth quarter, profitability was at a good level in the Baltic countries and Poland and at a satisfactory level in the Czech Republic and Slovakia. Profitability improved as a result of cost savings and fleet transfers in Poland, the Czech Republic and Slovakia. In addition, Fortrent’s result had a positive effect on profitability from the third quarter onwards.

Construction is estimated to have decreased by approximately 3 per cent in Estonia in 2013. In Latvia and Lithuania, construction is estimated to have increased by 4–5 per cent. In Poland, construction is estimated to have decreased by approximately 9 per cent, mainly as a result of a significant decline in civil engineering. Construction is estimated to have decreased by approximately 8 per cent in the Czech Republic and Slovakia.

The market forecast for 2014 includes fairly significant country-specific differences. Construction is expected to grow by 3.5 per cent in Poland. In Lithuania, the growth rate is estimated to remain at approximately 4 per cent. Construction is estimated to decrease by 2 per cent in Estonia, by 6 per cent in Latvia and by 4–5 per cent in the Czech Republic and Slovakia.

In Eastern Europe, most equipment rental operators are small, local companies. In addition, Cramo has a few competitors from Western Europe in the market. Cramo estimates that it has maintained its market position in Eastern Europe. The company estimates that it is the largest equipment rental company in the Baltic countries. Cramo estimates that it is the second largest operator in Poland and the third largest one in the Czech Republic and Slovakia. At the end of the period under review, Cramo had 63 (71) depots in Eastern Europe.

FORTRENT JOINT VENTURE IN RUSSIA AND UKRAINE

The sales of Fortrent Group for the period between 1 March 2013 and 31 December 2013 were EUR 42.5 (47.0) million, decreasing by 9.6 per cent from the previous year. In local currency, the sales decrease was 3.8 per cent. Fourth-quarter sales were EUR 13.8 (16.2) million, which represents a decrease of 14.8 per cent from the previous year. In local currency, fourth-quarter sales decreased by 3.8 per cent. Full-year sales decreased year-on-year as a result of the market situation being weaker than expected and the Russian ruble weakening against the euro.

In 1 March–31 December 2013, EBITA was EUR 4.5 (5.7) million, or 10.6 (12.1) per cent of sales, and the result for the period was EUR 1.1 (0.3) million. Fourth-quarter EBITA was EUR 2.6 (3.0) million, or 18.8 (18.5) per cent of sales, and the result for the period was EUR 2.1 (0.5) million. The figures for the previous year are pro forma. Profitability improved in the second half of the year. In the first half of the year, the result was burdened also by integration expenses. However, profitability improved in the second half of the year as a result of timely cost savings. The Ukrainian unit turned profitable in the fourth quarter. The depot network in Ukraine was reduced in 2013, with depots being centralised in three major cities.

All of the units in both companies have been combined, and the implementation of joint operating methods progressed as planned in the second half of the year. At the end of the integration process, the merger of all business units in Russia into one legal company took effect in January 2014.

In 2014, Fortrent aims for a significant increase in sales in local currencies. Its goal is to expand the depot network to cover new cities in Russia by establishing new depots and merging company-managed depots into Fortrent. Its targets also include improved profitability.

Fortrent is owned and controlled 50/50 by Cramo and Ramirent, and its parent company Fortrent Oy is a Finnish limited liability company. To reach equal ownership, Cramo paid to Ramirent a cash contribution of approximately EUR 9.2 million in connection with the closing of the transaction. In the first quarter, Cramo recorded a non-recurring impairment of EUR 1.7 million related to the business operations transferred to Fortrent. This impairment is presented under EBITA in Cramo Group’s consolidated income statement. Share of profit or loss from the joint venture is presented above EBITDA in the consolidated income statement in accordance with the equity method of accounting.

Euroconstruct estimates construction to have decreased slightly in Russia in 2013. Construction is expected to grow by approximately 2 per cent in 2014. Equipment rental is expected to grow more than construction. The market situation in Ukraine is likely to remain challenging. The market outlook for Russia is positive over the long term. Construction in Russia continues to be strongly focused on new construction.

SHARES AND SHARE CAPITAL

On 31 December 2013, Cramo Plc's share capital as registered in the Finnish Trade Register was EUR 24,834,753.09 and the number of shares was 42,844,333. Cramo Plc holds 316,288 of these shares.

As a result of the option programme 2006C, the number of Cramo Plc shares increased by 546,038 new shares during 2013. These shares were entered in the Finnish Trade Register on 14 February 2013. The share subscription period for the option programme 2006C ended on 31 January 2013, and a total of 1,131,627 shares were subscribed with its stock options. The subscription payments are included in the invested unrestricted equity fund.

As a result of the option programme 2009, the number of Cramo Plc shares increased by a total of 273,620 new shares during 2013. In the third quarter, 273,620 new shares were subscribed on the basis of the option programme 2009. In the fourth quarter, 782,626 new shares were subscribed on the basis of the option programme 2009. The shares that were subscribed in the fourth quarter were entered in the Finnish Trade Register after the review period, on 16 January 2014, and trading in them began on 17 January 2014. The share subscription period for the option programme 2009 ended on 31 December 2013, and a total of 1,056,246 shares were subscribed with its stock options. The subscription price was EUR 10.13. One subscription right entitled its holder to subscribe for 1.3 shares in Cramo. The subscription payments are included the invested unrestricted equity fund.

CURRENT OPTION PROGRAMMES AND INCENTIVE SCHEMES

On 31 December 2013, the Group had granted to its key personnel a total of 778,500 stock options 2010 and 827.000 stock options 2011. Trading in stock options 2010 began on the main list of NASDAQ OMX Helsinki Ltd on 1 October 2013, and their subscription period ends on 31 December 2014.

The share-specific subscription prices for the stock options after dividends distributed in 2013 (EUR 0.42) are as follows: EUR 13.00 for stock options 2010, and EUR 6.58 for stock options 2011. In the 2010 option programmes, each stock option entitles its holder to subscribe for 1.3 new Cramo Plc shares. In the 2011 option programme, each stock option entitles its holder to subscribe for 1 new share.

In the One Cramo incentive scheme for the Group's permanent employees, employees are offered an opportunity to save a maximum of 5 per cent of their salary, and the accumulated savings are used for share purchases. The first savings period of the incentive scheme began on 1 October 2012 and terminated on 30 September 2013. A person participating in the plan acquires one additional share for every two savings shares purchased if he or she owns the shares purchased during the savings period and his or her employment is in effect on 15 May 2016. The second period began on 1 October 2013 and terminates on 30 September 2014.

The share-based incentive scheme for Cramo Plc's key employees consists of three discretionary periods, the calendar years 2012, 2013 and 2014. The reward from the plan for the discretionary period 2012 was based on Cramo Group's earnings per share (EPS) key indicator and the potential reward will be paid in spring 2015. The rewards for 2012 equalled the approximate worth of 42,000 shares of Cramo Plc. The reward for the discretionary period 2013 is also based on the earnings per share (EPS) key indicator and will be paid in the spring of 2016. The rewards for 2013 equal the approximate worth of 94,000 shares.

TRADING ON NASDAQ OMX HELSINKI

Cramo Plc has been listed on the Helsinki Stock Exchange since 1988. The share code is CRA1V. On the Nordic list, Cramo Plc is classified as a Mid Cap company in the industrials sector.

In the financial year from 1 January to 31 December 2013, the lowest trading price for Cramo Plc stock was EUR 7.98 and the highest was EUR 16.83. The trading-weighted average share price for Cramo Plc stock was EUR 12.21. The closing price for the share on 31 December 2013 was EUR 15.36 and the company's market value was EUR 665.3 million.

ANNUAL GENERAL MEETING 2013 AND BOARD AUTHORISATIONS

Cramo Plc's Annual General Meeting was held in Helsinki on 26 March 2013. The Annual General Meeting adopted the consolidated financial statements and the parent company's financial statements for the financial year 2012 and discharged the members of the Board of Directors and the President and CEO from liability. The Annual General Meeting decided, as proposed by the Board of Directors, that a dividend of EUR 0.42 per share be paid from the distributable funds.

Mr Stig Gustavson, Mr Eino Halonen, Mr Jari Lainio, Mr Esko Mäkelä, Mr Victor Hartwall and Ms Helene Biström were re-elected as members of the Board of Directors, and Mr Erkki Stenberg was elected as a new member.

The Annual General Meeting confirmed the remuneration payable to the chairman of the Board of Directors as EUR 70,000, to the deputy chairman as EUR 45,000 and to the other members of the Board as EUR 35,000 per annum. It was further resolved that 50 per cent of the annual remuneration will be paid in Cramo Plc shares purchased on the market on behalf of the Board members. It was resolved that all Board members are entitled to a compensation of EUR 1,000 per attended Board committee meeting. Reasonable travel expenses will be refunded.

Ernst & Young Oy, Authorised Public Accountants, was appointed as Cramo Plc's auditor, with Mr Erkka Talvinko as the responsible auditor.

The Annual General Meeting authorised the Board of Directors to decide on the repurchase of the company's own shares and/or their acceptance as pledge. The number of own shares to be acquired and/or accepted as pledge shall not exceed 4,100,000. Own shares can be acquired otherwise than in proportion to the shareholdings of the shareholders, and no more than 400,000 of these shares may be used in the company's incentive schemes. The authorisation is effective until the close of the next Annual General Meeting of Shareholders, or no later than 26 September 2014.

The Annual General Meeting authorised the Board of Directors to decide on a share issue which includes the right to decide on the transfer of the company's own shares, as well as on the granting of option rights and other special rights entitling to shares, pursuant to Chapter 10 of the Finnish Limited Liability Companies Act. The shares issued will be new shares of the company, and a maximum of 4,100,000 shares may be issued. These shares cannot be used for incentive schemes.The authorisation is valid for five years from the decision of the Annual General Meeting.

The Annual General Meeting authorised the Board of Directors to decide on donations to the total maximum amount of EUR 20,000 for charitable or corresponding purposes. The authorisation is effective until the close of the next Annual General Meeting of Shareholders.

CHANGES IN SHAREHOLDINGS

During the review period, Cramo Plc received the following notifications pursuant to Chapter 9 of Section 5 of the Finnish Securities Markets Act:

K. Hartwall Invest Oy Ab's total holding of shares and votes in Cramo Plc decreased below one-twentieth (1/20) on 7 May 2013. At the time of the notification, K. Hartwall Invest Oy Ab's total holding of shares was 2,000,000 shares, or 4.70% of Cramo Plc's shares and voting rights.

On 26 September 2013, Hartwall Capital Oy Ab's total holding of share capital and voting rights in Cramo Plc has decreased below 15%. At that time, its proportion of voting rights and share capital was 10.55 per cent and it held a total of 4,491,702 shares.

On 26 September 2013, Hartwall Capital Oy Ab announced that the agreement entered into on 25 March 2010 concerning the voting rights of the shares of Cramo Plc was terminated on 26 September 2013. In the agreement, Hartwall Capital Oy Ab decided on the use of the parties' voting rights in Cramo Plc. Other parties to the agreement concerning the voting rights at the time of termination of the agreement were the following: K. Hartwall Invest Oy Ab, Kusinkapital Ab, Pinewood Invest Oü, Pallas Capital Oy Ab, Christel Hartwall, Gulle Therman, Victor Hartwall, Josefina Tallqvist, Peter Therman and Mats Therman. After the termination of the agreement concerning voting rights, the current shareholders of Cramo Plc that had been parties to the agreement may act independently.

The Construction Engineers' Foundations' total holding of shares and votes in Cramo Plc decreased below 5 per cent on 14 October 2013. At the time, the Construction Engineers' Foundations' total holding was 2,129,422, or 4.97 per cent of shares and votes in Cramo Plc.

CORPORATE GOVERNANCE AND AUDITORS

At the end of the financial year, Cramo Plc's Board of Directors was composed of Mr Stig Gustavson, Mr Eino Halonen, Mr Jari Lainio, Mr Esko Mäkelä, Mr Victor Hartwall, Ms Helene Biström and Mr Erkki Stenberg.

Mr Eino Halonen (Chairman), Mr Victor Hartwall and Mr Esko Mäkelä comprised the Audit Committee. Ms Helene Biström (Chairman), Dr Stig Gustavson, Mr Jari Lainio, Mr Erkki Stenberg, Mr Peter Therman and Mr Tom von Weymarn comprised the Nomination and Compensation Committee.

Mr Stig Gustavson, Mr Eino Halonen, Mr Jari Lainio, Mr Esko Mäkelä, Mr Victor Hartwall, Mr J.T. Bergqvist and Ms Helene Biström comprised the Board of Directors until the Annual General Meeting of 26 March 2013.

On 31 December 2013, the Board members and the President and CEO held, either directly or through companies in which they exercise control, a total of 540,033 Cramo Plc shares, which represents 1.26 per cent of the company's shares and votes, and a total of 95,000 stock options.

The company's auditors were Ernst & Young Oy, Authorised Public Accountants, with Mr Erkka Talvinko, APA, as the responsible auditor.

Cramo reformed its organisation in January. Operationally, the new organisation has three market areas: Scandinavia (Sweden, Norway, Denmark), Eastern Europe (Finland, Estonia, Latvia, Lithuania, Poland) and Central Europe (Germany, Austria, Hungary, the Czech Republic, Slovakia). Cramo's business segments, as reported externally, remained unchanged.

In addition to the President and CEO, Cramo Plc's Group Management Team comprised the following people at the end of the financial period: Erik Bengtsson, Executive Vice President, Scandinavia, and Managing Director, Cramo Sweden; Tatu Hauhio, Executive Vice President, Eastern Europe, and Managing Director, Cramo Finland; Dirk Schlitzkus, Executive Vice President, Central Europe, and Managing Director, Theisen Group (Germany, Austria, Hungary); Per Lundquist, Senior Vice President, Operations (IT, HR, marketing and communications, and the harmonisation of the Group's business concepts and processes); Martin Holmgren, Senior Vice President, Fleet Management; Martti Ala-Härkönen, CFO, also responsible for corporate planning, M&A, legal affairs and investor relations; Petri Moksén, Senior Vice President, Modular Space; and Aku Rumpunen, Senior Vice President, Group Business Control.

Cramo Plc observes the Finnish Corporate Governance Code, which entered into force on 1 October 2010. Cramo Plc's insider guidelines are based on the Finnish Securities Market Act, rules and regulations issued by the Financial Supervision Authority, and the insider guidelines of the stock exchange. Euroclear Finland Ltd. maintains an insider register of Cramo Plc's permanent insiders, whose holdings are also available on Cramo Plc's website.

The Corporate Governance statement for 2013 issued by Cramo Plc's Board of Directors and the remuneration report for 2013 are available on the Cramo Plc website.

ESSENTIAL RISKS AND UNCERTAINTIES

In addition to global economic developments, the main sources of uncertainty in Cramo's business are related to the economic cycles and financial development of each country, fluctuations in interest and exchange rates, availability of financing, credit loss risks, the success of the Group's acquisitions and information system projects, personnel-related risks, availability of competent management and recruitment-related risks, tax risks and other business risks.

The economic uncertainty may be seen in Cramo's operations as weakening demand in one or several market areas, fiercer competition, lower rental prices, higher finance costs or customers experiencing financial difficulties and increasing credit losses. In addition, economic uncertainty increases the impairment risks to the balance sheet values.

BOARD OF DIRECTORS PROPOSAL FOR PROFIT DISTRIBUTION

Cramo Plc's goal is to follow a stable profit distribution policy and to pay approximately 40% of earnings per share (EPS) for a period as a dividend.

On 31 December 2013, Cramo Plc's total distributable funds were EUR 171,264,670.70 including EUR 37,503,294.37 of retained earnings. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.60 (0.42) be paid for the financial year 2013, which represents an increase of 42.9 per cent from 2012. The Board intends to summon the Annual General Meeting on 1 April 2014.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred after the balance sheet date.

ACCOUNTING PRINCIPLES

This Financial Statements Bulletin has been prepared in accordance with IAS 34: Interim Financial Reporting. In the preparation of this Interim Report, Cramo has applied the same accounting principles as in its financial statements for 2012, with the exception of the following revised IFRS standards: IAS 1 (Financial Statement Presentation – Presentation of Items of Other Comprehensive Income), IAS 19 (Employee Benefits), IAS 28 (Investments in Associates and Joint Ventures), IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements), IFRS 12 (Disclosure of Involvement with Other Entities), IFRS 13 (Fair Value Measurement) and other amendments to standards resulting from these amendments. The above amendments to standards have not had a material effect on the reported balance sheet, the income statement and the notes.

The figures in this Financial Statements Bulletin are unaudited.

CONSOLIDATED BALANCE SHEET (EUR 1,000)	31 Dec 2013	31 Dec 2012
ASSETS		
Non-current assets		
Tangible assets	606,625	615,034
Goodwill	165,352	169,736
Other intangible assets	101,100	111,751
Deferred tax assets	14,820	14,604
Available-for-sale financial assets	347	349
Investments in joint ventures	17,475	97
Loan receivables	20,250	
Trade and other receivables	1,129	1,071
Total non-current assets	**927,099**	**912,641**
Current assets		
Inventories	7,841	9,689
Trade and other receivables	127,236	136,435
Income tax receivables	1,343	4,794
Derivative financial instruments	2,053	303
Cash and cash equivalents	4,770	10,340
Total current assets	**143,243**	**161,562**
Assets held for sale	4,369	3,540
Assets to be transferred to joint venture		30,392
TOTAL ASSETS	**1,074,710**	**1,108,136**
EQUITY AND LIABILITIES		
Equity		
Share capital	24,835	24,835
Other reserves	318,742	304,373
Fair value reserve	119	119
Hedging fund	-6,726	-8,144
Translation differences 1)	-2,288	7,500
Retained earnings 1)	165,900	154,324
Equity attributable to owners of the parent company	**500,582**	**483,007**
Hybrid capital		49,630
Total equity	**500,582**	**532,637**
Non-current liabilities		
Interest-bearing liabilities	269,881	271,713
Derivative financial instruments	6,001	8,861
Deferred tax liabilities	75,337	80,188
Retirement benefit obligations	1,644	1,574
Other non-current liabilities	3,341	752
Total non-current liabilities	**356,204**	**363,087**
Current liabilities		
Interest-bearing liabilities	99,719	87,577
Derivative financial instruments	422	1,347
Trade and other payables	112,022	119,460
Income tax liabilities	5,761	1,055
Total current liabilities	**217,923**	**209,439**
Liabilities to be transferred to joint venture		2,974
Total liabilities	**574,127**	**575,499**
TOTAL EQUITY AND LIABILITIES	**1,074,710**	**1,108,136**

1) Comparative figures for 2012 have been adjusted due to the retrospective application of the revised IAS 19 Employee benefits

CONSOLIDATED INCOME STATEMENT 1 Jan 2013 - 31 Dec 2013 (EUR 1,000)	10-12/13	10-12/12	1-12/13	1-12/12
Sales	**175 124**	**184 603**	**657 315**	**688 391**
Other operating income	3 526	3 316	10 007	11 321
Production for own use				3 657
Materials and services	-63 426	-68 182	-228 002	-241 301
Employee benefit expenses	-36 077	-37 173	-138 732	-143 728
Other operating expenses	-31 996	-36 334	-127 385	-138 763
Depreciation and impairment on tangible assets and assets held for sale	-23 451	-24 283	-93 868	-101 571
Share of profit / loss of joint ventures	1 064	-2	613	43
EBITA 1)	**24 765**	**21 945**	**79 948**	**78 048**
% of sales	**14,1 %**	**11,9 %**	**12,2 %**	**11,3 %**
Amortisation and impairment resulting from acquisitions and disposals	-2 938	-4 659	-13 150	-13 569
Operating profit (EBIT) 1)	**21 827**	**17 285**	**66 799**	**64 479**
% of sales	**12,5 %**	**9,4 %**	**10,2 %**	**9,4 %**
Finance costs (net) 2)	-3 793	-5 237	-14 857	-20 223
Profit before taxes 2)	**18 034**	**12 050**	**51 941**	**44 257**
% of sales	**10,3 %**	**6,5 %**	**7,9 %**	**6,4 %**
Income taxes	-1 733	2 158	-9 160	-5 508
Profit for the period 2)	**16 300**	**14 208**	**42 781**	**38 749**
% of sales	**9,3 %**	**7,7 %**	**6,5 %**	**5,6 %**
Attributable to:				
Owners of the parent	16 300	14 208	42 781	38 749
Profit attributable to owners of the parent				
Earnings per share, undiluted, EUR 2)	0,38	0,34	1,01	0,94
Earnings per share, diluted, EUR 2)	0,38	0,34	1,00	0,93

COMPREHENSIVE INCOME STATEMENT 1 Jan 2013 - 31 Dec 2013 (EUR 1,000)	10-12/13	10-12/12	1-12/13	1-12/12
Profit for the period	**16 300**	**14 208**	**42 781**	**38 749**
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
-Actuarial gain or loss on retirement benefit obligations 2)	11	-209	-88	-209
Total items that will not be reclassified to profit or loss	11	-209	-88	-209
Items that may be reclassified subsequently to profit or loss:				
-Change in hedging fund, net of tax	-715	-728	1 418	-2 976
-Share of other comprehensive income of joint ventures, net of tax	-1 516		-4 386	
-Change in translation differences, net of tax	-10 025	-5 283	-13 450	15 387
Total items that may be reclassified subsequently to profit or loss	-12 256	-6 011	-16 418	12 411
Total other comprehensive income, net of tax	**-12 245**	**-6 220**	**-16 506**	**12 202**
Comprehensive income for the period	**4 055**	**7 998**	**26 275**	**50 951**

1) Effective from the Q1 2013 reporting the share of profit / loss of joint ventures is presented above EBITDA. Due to retrospective application of the change in accounting policy figures for the comparative periods were adjusted.
2) Based on the revised IAS 19 standard Employee benefits, effective from January 1, 2013, actuarial gains and losses resulting from the changes in assumptions used in the valuation of pension liabilities are recognised immediately in other comprehensive income. Due to retrospective application the finance costs for 10-12/12 and 1-12/12 have been decreased by EUR 0.2 million.

CHANGES IN CONSOLIDATED STATEMENT OF EQUITY (EUR 1,000)	Share capital	Share issue and other reserves	Fair value reserve	Retained earnings, translation differences, hedging fund	Attributable to owners of the parent company	Hybrid capital	Total equity
At 1 Jan 2012	**24 835**	**300 740**	**119**	**118 527**	**444 222**	**49 630**	**493 851**
Total comprehensive income				50 951	**50 951**		**50 951**
Dividend distribution				-12 374	**-12 374**		**-12 374**
Exercise of share options		3 633			**3 633**		**3 633**
Share-based payments				2 576	**2 576**		**2 576**
Hybrid capital including transaction costs				-6 000	**-6 000**		**-6 000**
At 31 Dec 2012	**24 835**	**304 373**	**119**	**153 681**	**483 007**	**49 630**	**532 637**
At 1 Jan 2013	**24 835**	**304 373**	**119**	**153 681**	**483 007**	**49 630**	**532 637**
Total comprehensive income				26 275	**26 275**		**26 275**
Dividend distribution				-17 747	**-17 747**		**-17 747**
Exercise of share options		14 069			**14 069**		**14 069**
Share-based payments				1 347	**1 347**		**1 347**
Hybrid capital including transaction costs				-6 370	**-6 370**	-49 630	**-56 000**
Changes within equity		300		-300			
At 31 Dec 2013	**24 835**	**318 742**	**119**	**156 886**	**500 582**		**500 582**

CONSOLIDATED CASH FLOW STATEMENT 1 Jan 2013 - 31 Dec 2013 (EUR 1,000)	1-12/13	1-12/12
Net cash flow from operating activities	**160,253**	**145,992**
Net cash flow from investing activities	**-109,976**	**-83,776**
Cash flow from financing activities		
Change in interest-bearing receivables	-121	2,528
Change in finance lease liabilities	-29,755	-39,353
Change in interest-bearing liabilities	42,492	-21,591
Hybrid capital	-56,000	-6,000
Proceeds from share options exercised	6,141	3,633
Dividends paid	-17,747	-12,374
Net cash flow from financing activities	**-54,990**	**-73,157**
Change in cash and cash equivalents	**-4,713**	**-10,941**
Cash and cash equivalents at period start	10,340	22,532
Cash to be transferred to joint venture		-2,005
Exchange differences	-857	754
Cash and cash equivalents at period end	**4,770**	**10,340**

Changes in net book value of tangible and in-tangible assets (MEUR)	1-12/2013	1-12/2012
Opening balance	**896.5**	**910.8**
Depreciation, amortisation and impairment	-105.2	-115.1
Additions		
Rental machinery	108.2	115.4
Other tangible assets	6.3	8.6
Intangible assets	4.6	1.1
Total additions	119.1	125.1
Assets transferred to Fortrent		-21.1
Reductions and other changes	-10.9	-28.0
Exchange differences	-26.4	24.7
Closing balance	**873.1**	**896.5**

Fair values of financial assets and liabilities (EUR 1,000)	Book value 31 Dec 2013	Fair value 31 Dec 2013
Financial assets at fair value through profit and loss		
Current derivative financial instruments	2,053	2,053
Loans and receivables		
Loan receivables	20,250	20,250
Non-current trade and other receivables	1,039	1,039
Current trade and other receivables	108,436	108,436
Cash and cash equivalents	4,770	4,770
Available-for-sale financial assets	347	347
Financial liabilities at fair value through profit and loss		
Current derivative financial instruments	422	422
Loans and borrowings		
Non-current interest-bearing liabilities	269,881	272,293
Other non-current liabilities	2,759	2,759
Current interest-bearing liabilities	99,719	99,719
Trade and other payables	56,893	56,893
Hedge accounted derivatives		
Non current derivative financial instruments	6,001	6,001

COMMITMENTS AND CONTINGENT LIABILITIES (EUR 1,000)	31 Dec 2013	31 Dec 2012
Pledges, finance lease	65,868	109,314
Interest on hybrid capital		4,027
Investment commitments	17,271	9,445
Commitments to office and depot rents	114,690	116,734
Operational lease payments	23,627	36,069
Other commitments	2,008	2,790
Group share of commitments in joint ventures	175	

DERIVATIVE FINANCIAL INSTRUMENTS (EUR 1,000)	31 Dec 2013	31 Dec 2012
Fair value		
Interest rate swaps	-6,001	-8,861
Currency forwards	1,632	-1,044
Nominal value		
Interest rate swaps	91,000	91,000
Currency forwards	107,349	184,809

MODULAR SPACE ORDER BOOK (EUR 1,000)	31 Dec 2013	31 Dec 2012
Value of outstanding orders for modular space	85,199	89,509
Value of orders for modular space rental	84,863	87,596
Value of orders for sale of modular space	335	1,913

SHARE RELATED KEY FIGURES	10-12/13	10-12/12	1-12/13	1-12/12
Earnings per share (EPS), EUR 1)	0.38	0.34	1.01	0.94
Earnings per share (EPS), diluted, EUR 2)	0.38	0.34	1.00	0.93
Shareholders' equity per share, EUR 3)			11.56	11.58
Number of shares, end of period			42,844,333	42,024,675
Adjusted number of shares, average 4)			42,297,421	41,356,347
Adjusted number of shares, end of period 4)			43,310,671	41,708,387
Number of shares, diluted, average 4)			42,738,569	41,587,100

1) Calculated from adjusted average number of shares
2) Calculated from diluted average number of shares
3) Calculated from adjusted number of shares at the end of the period
4) Excluding own shares

INFORMATION PRESENTED BY BUSINESS SEGMENT

The Group's segments are divided geographically and consist of Finland, Sweden, Norway, Denmark, Central Europe and Eastern Europe.

Sales (EUR 1,000)	10-12/13	10-12/12	1-12/13	1-12/12
Finland	26,667	28,576	102,577	112,666
Sweden	87,358	88,109	316,670	322,359
Norway	22,273	23,384	90,916	84,167
Denmark	7,285	8,965	28,512	37,684
Central Europe	19,440	16,981	74,652	66,973
Eastern Europe	13,512	19,916	52,826	70,263
Inter-segment sales	-1,411	-1,328	-8,837	-5,720
Group sales	**175,124**	**184,603**	**657,315**	**688,391**

EBITA (EUR 1,000)	10-12/13	10-12/12	1-12/13	1-12/12
Finland	6,231	6,530	19,312	20,975
% of sales	*23.4 %*	*22.9 %*	*18.8 %*	*18.6 %*
Sweden	14,576	16,157	55,334	57,578
% of sales	*16.7 %*	*18.3 %*	*17.5 %*	*17.9 %*
Norway	2,040	1,788	6,600	5,319
% of sales	*9.2 %*	*7.6 %*	*7.3 %*	*6.3 %*
Denmark	87	-3,607	30	-5,022
% of sales	*1.2 %*	*-40.2 %*	*0.1 %*	*-13.3 %*
Central Europe	233	826	-1,062	-236
% of sales	*1.2 %*	*4.9 %*	*-1.4 %*	*-0.4 %*
Eastern Europe	3,546	3,191	8,204	6,722
% of sales	*26.2 %*	*16.0 %*	*15.5 %*	*9.6 %*
Non-allocated capital gains and other income				2,196
Non-allocated Group activities	-1,944	-2,900	-8,766	-9,761
Eliminations	-3	-42	297	277
Group EBITA	**24,765**	**21,945**	**79,948**	**78,048**
% of sales	***14.1 %***	***11.9 %***	***12.2 %***	***11.3 %***

Reconciliation of Group EBITA to profit before taxes (EUR 1,000)	10-12/13	10-12/12	1-12/13	1-12/12
Group EBITA	24,765	21,945	79,948	78,048
Amortisation and impairment resulting from acquisitions and disposals	-2,938	-4,659	-13,150	-13,569
Net finance items	-3,793	-5,237	-14,857	-20,223
Profit before taxes	**18,034**	**12,050**	**51,941**	**44,257**

Depreciation and impairment on tangible assets (EUR 1,000)	10-12/13	10-12/12	1-12/13	1-12/12
Finland	-4,073	-3,881	-15,609	-16,958
Sweden	-9,642	-10,138	-40,211	-41,258
Norway	-3,436	-3,099	-14,015	-11,517
Denmark	-1,212	-1,434	-4,611	-5,073
Central Europe	-2,487	-2,295	-8,875	-9,598
Eastern Europe	-2,694	-3,547	-10,845	-17,494
Non-allocated items and eliminations	92	112	299	327
Total	**-23,451**	**-24,283**	**-93,868**	**-101,571**

Capital expenditure (EUR 1,000)	10-12/13	10-12/12	1-12/13	1-12/12
Finland	7,845	7,488	19,709	23,585
Sweden	14,355	9,175	46,919	55,206
Norway	2,256	3,748	26,613	10,900
Denmark	2,522	245	4,511	2,433
Central Europe	2,019	2,873	12,897	19,566
Eastern Europe	1,573	1,891	18,192	12,527
Non-allocated items and eliminations	176	217	776	860
Total	**30,746**	**25,637**	**129,616**	**125,078**

Assets (EUR 1,000)	31 Dec 2013	31 Dec 2012
Finland	149,638	153,423
Sweden	493,154	516,589
Norway	119,396	124,866
Denmark	43,373	43,859
Central Europe	97,238	97,505
Eastern Europe	133,303	130,615
Non-allocated items and eliminations	38,608	41,278
Total	**1,074,710**	**1,108,136**

Non-interest bearing liabilities (EUR 1,000)	31 Dec 2013	31 Dec 2012
Finland	19,523	20,822
Sweden	107,680	111,379
Norway	28,688	28,105
Denmark	9,768	9,935
Central Europe	11,449	14,374
Eastern Europe	10,733	11,915
Non-allocated items and eliminations	16,688	19,678
Total	**204,527**	**216,210**

QUARTERLY SEGMENT INFORMATION

Sales by segment (EUR 1,000)	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12
Finland	26,667	28,265	24,651	22,995	28,576	29,136	25,606
Sweden	87,358	77,856	78,596	72,861	88,109	80,994	75,799
Norway	22,273	23,217	22,399	23,026	23,384	20,864	19,121
Denmark	7,285	7,202	6,409	7,615	8,965	13,248	7,281
Central Europe	19,440	23,513	20,461	11,238	16,981	19,973	18,238
Eastern Europe	13,512	15,162	11,665	12,486	19,916	19,773	16,704
Inter-segment sales	-1,411	-1,609	-4,125	-1,692	-1,328	-1,610	-1,329
Group sales	**175,124**	**173,606**	**160,056**	**148,529**	**184,603**	**182,378**	**161,420**

EBITA by segment (EUR 1,000)	10-12/13	7-9/13	4-6/13	1-3/13	10-12/12	7-9/12	4-6/12
Finland	6,231	7,240	3,526	2,315	6,530	7,811	3,685
% of sales	*23.4 %*	*25.6 %*	*14.3 %*	*10.1 %*	*22.9 %*	*26.8 %*	*14.4 %*
Sweden	14,576	18,549	12,247	9,961	16,157	16,979	11,561
% of sales	*16.7 %*	*23.8 %*	*15.6 %*	*13.7 %*	*18.3 %*	*21.0 %*	*15.3 %*
Norway	2,040	2,127	1,523	910	1,788	1,910	697
% of sales	*9.2 %*	*9.2 %*	*6.8 %*	*4.0 %*	*7.6 %*	*9.2 %*	*3.6 %*
Denmark	87	105	73	-235	-3,607	577	-547
% of sales	*1.2 %*	*1.5 %*	*1.1 %*	*-3.1 %*	*-40.2 %*	*4.4 %*	*-7.5 %*
Central Europe	233	1,982	1,396	-4,673	826	2,324	929
% of sales	*1.2 %*	*8.4 %*	*6.8 %*	*-41.6 %*	*4.9 %*	*11.6 %*	*5.1 %*
Eastern Europe	3,546	4,359	384	-85	3,191	3,660	672
% of sales	*26.2 %*	*28.8 %*	*3.3 %*	*-0.7 %*	*16.0 %*	*18.5 %*	*4.0 %*
Non-allocated Group activities	-1,944	-2,221	-2,680	-1,921	-2,900	-2,061	-2,719
Eliminations	-3	140	75	85	-42	0	70
Group EBITA	**24,765**	**32,280**	**16,544**	**6,359**	**21,945**	**31,200**	**14,348**
% of sales	***14.1 %***	***18.6 %***	***10.3 %***	***4.3 %***	***11.9 %***	***17.1 %***	***8.9 %***

LARGEST SHAREHOLDERS

TEN LARGEST SHAREHOLDERS 31 Dec 2013		SHARES	%
1	Hartwall Capital Oy Ab	4 491 702	10,48
2	Rakennusmestarien Säätiö (Construction engineers' fund)	2 129 422	4,97
3	Nordea Nordenfund	1 251 507	2,92
4	Varma Mutual Pension Insurance Company	968 387	2,26
5	Odin Finland	825 518	1,93
6	Fondita Nordic Micro Cap	775 000	1,81
7	Investment fund Aktia Capital	600 000	1,40
8	OP-Focus Non-UCITS Fund	477 744	1,12
9	OP-Delta Fund	468 605	1,09
10	OP-Finland Value Fund	451 741	1,05
	Ten largest owners, total	**12 439 626**	**29,03**
	Nominee registered	15 537 301	36,26
	Others	14 867 406	34,70
	Total	**42 844 333**	**100,00**

There were no material transactions with related parties during the period under review.

This report includes certain forward-looking statements based on the management's expectations at the time they were made. These involve risks and uncertainties and are subject to change due to changes in general economic and industry conditions.

Vantaa, 11 February 2014

Cramo Plc
Board of Directors

BRIEFING

Cramo will hold a briefing and a live webcast at Kämp Kansallissali, address: Aleksanterinkatu 44 A, 2nd floor, Helsinki, on Wednesday, 12 February 2014 at 11.00 a.m. The briefing will be in English.

To watch the briefing live on the Internet, go to www.cramo.com. A replay of the webcast will be available at www.cramo.com from 12 February 2014 in the afternoon.

PUBLICATION OF FINANCIAL INFORMATION 2014

The Annual Report containing the full financial statements for 2013 will be published in electronic format in week 10/2014.

The 2014 Annual General Meeting will be held Tuesday, 1 April 2014, in Helsinki.

In 2014, Cramo Plc will publish three Interim Reports.

Interim Report 1-3/2014 will be published on 8 May 2014
Interim Report 1-6/2014 will be published on 6 August 2014
Interim Report 1-9/2014 will be published on 29 October 2014

FURTHER INFORMATION

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Q4

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