

## Ramirent reports record results

- Net sales increased by 23.0% and totalled EUR 389.0 (316.2) million
- Operating profit before depreciation (EBITDA) increased by 38.7% to EUR 107.1 (77.2) million
- Operating profit (EBIT) grew by 69.7% to EUR 56.0 (33.0) million
- Profit before taxes (EBT) increased by 109.9% to EUR 48.7 (23.2) million
- Earnings per share (non-diluted) were EUR 1.35 (0.60). Earnings per share (diluted) were EUR 1.34 (0.60)
- Net debt amounted to EUR 166.2 (158.9) million and gearing improved to 84.3% (95.6%)
- The equity ratio was 42.5% (41.4%)
- The Board of Directors' proposes to increase the dividend to EUR 0.60 per share (0.225)

Ramirent Plc adopted the International Financial Reporting Standards (IFRS) on 1 January, 2005. The comparative figures for 2004 presented in the Financial Statements are in line with IFRS.

### Key Figures

(EUR million)	10-12/2005	10-12/2004	1-12/2005	1-12/2004
Net sales	113.0	90.2	389.0	316.2
Operating profit before depreciation (EBITDA)	30.4	22.6	107.1	77.2
Operating profit (EBIT)	16.8	11.4	56.0	33.0
% of net sales	14.9%	12.6%	14.4%	10.4%
Profit before taxes (EBT)	15.3	7.2	48.7	23.2
Net profit for the period	9.9	5.7	35.5	15.5
Earnings per share (EPS), (diluted), EUR			1.34	0.60
Earnings per share (EPS), (non-diluted), EUR			1.35	0.60
Equity per share (diluted), EUR			7.35	6.33
Equity per share (non-diluted), EUR			7.40	6.34
Net debt			166.2	158.9
Equity ratio, %			42.5	41.4
Gearing (net), %			84.3	95.6
Personnel, average			2,614	2,346
Personnel at end of period			2,678	2,317

## Operating Environment

Ramirent is a company focused on construction machinery and equipment rentals, operating in the Nordic markets, as well as in the Eastern and Central European markets. The Group is headquartered in Helsinki and has 270 permanent outlets in eleven countries.

According to the company's estimate, the machinery rental market has grown in all Nordic countries. In particular, the market has continued to grow strongly in the Eastern and Central European countries (Russia, the Baltic states, Poland, Hungary and the Ukraine).

## Group Net Sales and Profit

The Group's net sales for the year under review totalled EUR 389.0 (316.2) million, of which Ramirent Finland accounted for EUR 84.8 (71.8) million, Ramirent Sweden for EUR 105.1 (97.5) million, Ramirent Norway for EUR 100.8 (84.5) million, Ramirent Denmark for EUR 42.7 (29.3) million, and Ramirent Europe for EUR 56.4 (33.1) million. Net sales increased by 23.0%. Most of the growth is organic, but some is also attributable to acquisitions in 2005 as well as the fact that Altima's operations were included in the Group's figures only from the beginning of February 2004, and Treffco's operations from the beginning of March 2004. The sale of Stavdal Lift in December 2004 affected the net sales in Sweden in 2005.

The Group's operating profit for the year under review was EUR 56.0 (33.0) million, of which Ramirent Finland accounted for EUR 15.1 (11.9) million, Ramirent Sweden for EUR 9.2 (7.4) million, Ramirent Norway for EUR 15.7 (6.3) million, Ramirent Denmark for EUR 4.2 (2.2) million, and Ramirent Europe for EUR 11.8 (5.2) million. The Group's profit before taxes for the period was EUR 48.7 (23.2) million. The net profit for the year was EUR 35.5 (15.5) million. The increase in the company's profits compared to the previous year was due to the growth in net sales and synergetic cost savings.

The net sales continued to increase during the fourth quarter in all countries and totalled EUR 113.0 (90.2) million. The growth was strongest in Ramirent Europe and Denmark where the net sales during the fourth quarter increased by 70% in Ramirent Europe and 45% in Denmark.

The positive improvement of the operating profit continued also during the fourth quarter totalling EUR 16.8 (11.4) million.

## Capital Expenditure and Depreciation

Group companies' gross capital expenditure in non-current assets totalled EUR 112.6 (152.7) million, of which EUR 96.3 million was attributable to investments in machinery and equipment.

The total depreciation of non-current assets during the year under review amounted to EUR 51.2 (44.2) million, of which EUR 48.6 million consisted of depreciation of machinery and equipment.

Goodwill totalled EUR 73.2 (67.6) million at the end of the year under review.

## Financial position and balance sheet

The twelve-month cash flow from operating activities was positive, amounting to EUR 87.2 (50.5) million. Cash flow from investing activities amounted to EUR -92.2 (-56.6) million. Cash flow from financing activities totalled EUR -0.8 (7.9) million. At the end of the year under review, liquid assets stood at EUR 1.3 (7.1) million, corresponding to a net change in cash of EUR -5.8 (1.8) million.

Ramirent's interest-bearing liabilities increased by EUR 1.5 million to EUR 167.5 (166.0) million compared to year-end 2004. Net debt increased by EUR 7.3 million to EUR 166.2 (158.9) million compared to year-end 2004. The increase of interest-bearing liabilities reflects the Group's increased investments in rental machinery and equipment in order to further strengthen its market position by taking advantage of the present strong market development. Net financial expenses were EUR 7.3 (9.8) million, including net positive unrealised exchange rate differences of EUR 0.6 million.

The nominal value of the interest rate swaps at the end of the year under review was EUR 65.1 million.

Total assets amounted to EUR 464.3 (401.8) million and the Group's equity ratio was 42.5% (41.4%).

## Kari Kallio appointed Chief Executive Officer of the Ramirent Group

On 17 May, 2005 the Board of Directors of Ramirent Plc appointed Kari Kallio, M.Sc. (Engineering) as the new Chief Executive Officer of the Ramirent Group. Kari Kallio's employment began in September 2005 and he took up his duties as Chief Executive Officer on 1 January, 2006.

Kallio succeeded 60-year-old Erkki Norvio, who retired after more than 20 years in the company.

## Acquisitions and Divestments during the year under review

### *Acquisition of Polish rental business*

Ramirent is pursuing profitable growth opportunities in Eastern and Central Europe to strengthen its leading position.

On 25 February 2005, Ramirent Plc's Polish subsidiary, Ramirent S.A., signed an agreement to acquire the business operations of North Construction Sp.z o.o. North Construction specialises in the rental of scaffolding and personnel hoists for industry, and especially for shipbuilding. The net sales of the acquired business operations were approximately EUR 1.6 million in 2004. The acquisition took effect on 1 April, 2005.

The acquisition strengthened Ramirent's position as an industrial equipment supplier in Poland.

### *Acquisition of Hyrgruppen Sverige AB*

Ramirent's target is to expand its customer base and outlets in Sweden, and to further strengthen the profitability of its Swedish operations.

On 13 April 2005, Ramirent signed an agreement to acquire Hyrgruppen Sverige AB, a privately owned machinery rental company. The company has annual sales of approximately SEK 37 million and conducts operations at five outlets in Mälardalen. The acquisition took effect on 2 May 2005.

Hyrgruppen Sverige AB has a broad customer base and has expert knowledge concerning the local market. The company has shown favourable growth since its establishment in 1995. The acquisition of Hyrgruppen provides Ramirent with a product range that is well adapted to the local customers and has the potential for further development when supplemented with Ramirent's product range and solid service offering.

### *Acquisition of Agentrade-Plusz Kft in Hungary*

On 31 August 2005, Ramirent Plc acquired Agentrade-Plusz Kft (Agentrade) in Hungary. Agentrade has operated in the rental business since 1991 and is the leading company in machinery and equipment rentals for construction and industry in Hungary. Agentrade has 18 outlets in different parts of Hungary. The net sales of Agentrade totalled approximately EUR 6.3 million in 2004. Agentrade employs 88 persons.

The acquisition strengthens Ramirent's position in the rental business in Hungary. Following the acquisition, the operations of Agentrade were combined with the operations of Ramirent Hungary. The management team of Agentrade is committed to the business and remained in the company.

As a part of the purchase price, the Board of Directors of Ramirent directed a new issue of 168,903 Ramirent shares to the sellers of Agentrade. As a consequence of the directed share issue, the share capital of Ramirent was raised by EUR 72,628.29. The shares were listed on the Helsinki Stock Exchange on 8 September, 2005. 50% of the shares were locked for a period of 24 months starting from the closing date, and such shares can be sold only after the end of the lock-up period. The share lock-up is subject to specific conditions.

### *Acquisition of Alimak Hek Polska's rental business*

On 20 October 2005, Ramirent S.A., the Polish wholly-owned subsidiary of Ramirent Plc, entered into an agreement with Alimak Hek Polska Sp.z o.o. on the acquisition of the rental business of Alimak Hek Polska including contracts and rental assets. In 2005, the turnover of Alimak Hek Polska is estimated to be nearly one million euros. Alimak Hek Polska is a subsidiary of Alimak Hek Group AB, the world's leading supplier of mast climbing equipment and services for construction and industry.

Through the acquisition, Ramirent S.A. expanded its product range and increased its share in the rental of mast climbing equipment in Poland. The acquisition gives Ramirent immediate access to interesting and long-term projects in Poland.

### *Divestment of real estate in Sweden*

On 22 December 2005, Ramirent Plc's Swedish subsidiary Ramirent Ab entered into an agreement to sell 18 properties in Sweden to the Kungsleden AB (publ.) property company at a total price of SEK 186 million. The book value of the real estate was SEK 110 million. Various non-recurring costs related to the deal are expected to total approximately SEK 25 million. Ramirent continued as the holder of operating leases for its outlet properties. The initial duration of the leases varies from two to ten years. The deal was closed and the purchase price was paid in January 2006.

## **Business Segments**

During 2005, Ramirent Group's overall business operations developed favourably compared to the previous year. In particular, the operations of Ramirent Norway (Bautas) and Ramirent Europe developed very well during the review period.

### *Finland*

In Finland, business operations developed positively in 2005. Net sales increased by 18.1% compared to the previous year and totalled EUR 84.8 (71.8) million. Net sales grew in all product categories. Compared to the previous year, the profit of the Finnish operations improved as a result of increased net sales and synergetic cost savings. The operating profit (EBIT) was EUR 15.1 (11.9) million and the operating profit margin (EBIT-%) was 17.9% (16.5%).

### *Sweden*

In Sweden, business operations improved during the review period. Net sales grew by 7.8% compared to the previous year and were EUR 105.1 (97.5) million. The reduction in sales caused by the divestment of Stավdal Lift in December 2004 was offset by both organic growth and by the inclusion of Altima for the full period. The operations of Altima were included for all twelve months (instead of only eleven months, as in 2004). Compared to the previous year, the profit of the Swedish operations improved due to synergetic cost savings and increased net sales. The operating profit (EBIT) was EUR 9.2 (7.4) million and the operating profit margin (EBIT-%) was 8.8% (7.6%).

### *Norway*

In Norway, business operations developed positively. During the review period net sales totalled EUR 100.8 (84.5) million. Net sales increased by 19.3% compared to the previous year, mostly from organic growth. The growth is based on the improved construction market in Norway. Compared to the previous year, the profit of the Norwegian operations improved due to increased net sales and synergetic cost savings. The operating profit (EBIT) was EUR 15.7 (6.3) million and the operating profit margin (EBIT-%) was 15.5% (7.4%).

### *Denmark*

In Denmark, business operations grew strongly during the review period. Net sales totalled EUR 42.7 (29.3) million. One of the main reasons for the increase of 45.7% was that the Altima and Treffco operations were included for all twelve months (in 2004, Altima was included for eleven months and Treffco for ten months). Additionally, operations grew organically due to the improved situation in the construction market. The profit of the Danish operations also improved compared to the previous year due to synergetic cost savings. The operating profit (EBIT) was EUR 4.2 (2.2) million and the operating profit margin (EBIT-%) was 9.8% (7.5%).

### *Ramirent Europe*

Ramirent's business operations in the Eastern and Central European countries (Russia, Estonia, Latvia, Lithuania, Poland, Hungary and the Ukraine) developed very positively during the year under review. Compared to the previous year, net sales increased by 70.4% to EUR 56.4 (33.1) million. Most of the growth was organic. The profit of Ramirent Europe improved clearly due to increased net sales and synergetic cost savings from the integration of Altima. The operating profit (EBIT) was EUR 11.8 (5.2) million and the operating profit margin (EBIT-%) was 21.0% (15.8%).

## Personnel

In the year under review, the Group employed an average of 2,614 (2,346) people. In the comparative 2004 figures, Altima's personnel is included for eleven months only and Treffco's personnel for ten months. At the end of the year, the number of personnel was 2,678 people (2,317), of which 558 (525) worked in the Finnish operations, 576 (554) in the Swedish operations, 548 (535) in the Norwegian operations, 200 (165) in the Danish operations, and 796 (538) in the European operations.

## Shares and Share Capital

The Annual General Meeting of the company held on 11 April, 2005 decided to:

- ✦ amend the Articles of Association of Ramirent Plc to the effect that the minimum share capital is EUR 5,000,000 and the maximum share capital is EUR 25,000,000.
- ✦ increase the number of the shares of the company in proportion to the holdings of the shareholders without increasing the share capital (share split). In the share split, each share of the company with a counter-book value of EUR 0.85 was split to give two shares with a counter-book value of EUR 0.425.
- ✦ increase the share capital of the company by EUR 131,003.53 through a bonus issue without issuing new shares. In the bonus issue, an amount corresponding to the share capital increase was transferred from the share premium fund to the share capital. Following the bonus issue, the counter-book value of the company's share increased from EUR 0.425 to EUR 0.43.

The above changes were entered in the Finnish Trade Register on 18 April, 2005, after which Ramirent Plc's fully paid share capital was EUR 11,266,303.58 and the number of shares 26,200,706. Trading with the split shares began on 19 April, 2005.

During the year under review, a total of 240,800 new shares were subscribed with Ramirent Plc's 2002A and 2002B option rights, due to which the company's share capital was increased by EUR 103,531. The increases were entered in the Finnish Trade Register on 2 March 2005, 21 June 2005, 21 September 2005 and 19 December, 2005.

As a part of the purchase price of Agentrade-Plusz Kft., the Board of Directors of Ramirent directed a new issue of 168,903 Ramirent shares to the sellers of Agentrade. As a consequence of the directed share issue, the share capital of Ramirent was raised by EUR 72,628.29. Trading with these shares commenced on the Helsinki Stock Exchange on 8 September, 2005.

On 31 December 2005, Ramirent's share capital was EUR 11,441,357.87, divided into 26,607,809 shares.

## Altima minority shares redemption process

On 28 January 2005, the arbitration court confirmed Ramirent Plc's right to redeem the Altima minority shares in Altima and confirmed that the redemption price per share was SEK 75.10. The interest regulated in Swedish law was payable from 20 February, 2004 until the payment was made. The redemption of a total of 81,671 minority shares was completed on 5 April, 2005.

## Distribution of Dividend

The Annual General Meeting of the company held on 11 April, 2005 confirmed a dividend of EUR 0.45 per share. The dividend was paid on 13,100,353 shares on 21 April 2005. Due to technical reasons the dividend payment through VPC to the Swedish shareholders was effected on 25 April 2005.

## Board Authorisations

The company's Board of Directors has the following authorisations:

- ✦ to decide on the acquisition of the company's own shares, using its distributable funds on the condition that the shares will be acquired in order to develop the capital structure of the company, and to be used as consideration in corporate or business acquisitions and that the aggregate counter-book value of the shares of the company held by the company or the share of voting rights attached to them may not

exceed five percent of the share capital or the voting rights attached to all the shares of the company. The maximum number of the company's own shares to be acquired is 1,310,034.

- to decide on the disposal of the company's own shares acquired pursuant to the authorisation. The authorisation will be valid for no more than 1,310,034 shares. The Board of Directors is authorised to decide to whom and in what order the company's own shares will be disposed of. The Board may decide on the disposal of the company's own shares in deviation from the pre-emptive rights of shareholders to acquire the company's shares. The shares can be used as consideration in cases of corporate or business acquisitions, or when the company otherwise acquires business-related assets in a way and to the extent decided by the Board of Directors. The shares can be disposed of also against other forms of consideration than cash.
- to decide on a rights offering and to decide on an increase in share capital as a result of the subscription of a maximum of 1,310,035 new shares, i.e. a maximum of 5 % of all the current shares, and pursuant to which the company's share capital can be raised by a total of no more than EUR 563,315.05. The authorisation entitles the Board to deviate from the pre-emptive rights of shareholders to subscribe for new shares, and to decide on the subscription prices and terms. The authorisation can be used in deviation from the pre-emptive rights of shareholders, provided that there are weighty financial reasons from the company's perspective, such as the financing of corporate or business acquisitions or other arrangements affecting the development of the company's business operations. The decision cannot be made for the benefit of those included in the inner circle of the company. If the share capital is increased by a share issue, the Board of Directors will be entitled to decide, whether the shares can be subscribed for against contribution in kind, or otherwise on particular conditions. The authorisation was partly used during the review period for the acquisition of Agentrade-Plusz Kft. The company's share capital was increased, by a decision of the Board on 30 August 2005, by EUR 72,628.29 and 168,903 new shares were issued.

## Share Turnover and Performance

During the year under review, 19,136,805 (14,029,466) shares were traded in the Helsinki Stock Exchange at a total value of EUR 299.84 (114.77) million, i.e. 71.9% (53.5%) of Ramirent's total stock was traded. The highest price quoted in the year under review was EUR 24.85 (10.50) and the lowest EUR 9.85 (6.42). The average price of the review period was EUR 15.67 (8.16) and the last quotation of the year's last trading day was EUR 24.85 (9.93). The company's market value at the end of the year under review was EUR 661,204,054 (260,016,202).

## Shareholders and Disclosures

The ten principal shareholders on 30 December, 2005 were:

	Shares	% of shares and votes
Nordstjernan AB	7,162,270	26.92 %
Oy Julius Tallberg Ab	2,707,800	10.18 %
Odin Norden	528,840	1.99 %
Odin Forvaltnings AS	371,586	1.40 %
Fondita Nordic Small Cap Placfond	261,248	0.98 %
OP-Suomi Kasvu Sijoitusrahasto	257,700	0.97 %
OP-Delta Sijoitusrahasto	242,150	0.91 %
FIM Fenno Sijoitusrahasto	222,300	0.84 %
Mutual Insurance Company Pension-Fennia	217,800	0.82 %
EQ Pikkujättiläiset/EQ Rahastoyhtiö Oy	200,000	0.75 %
Nominee-registered shareholders	8,661,554	32.55 %
Other shareholders	5,774,561	21.70 %
<b>Totally</b>	<b>26,607,809</b>	<b>100.0 %</b>

On 31 December 2005, 0.04% of the shares and votes of Ramirent Plc were owned or controlled, directly or indirectly, by the President and CEO and the members of the Board.

During the year under review, Ramirent received a disclosure under chapter 2, section 9 of the Securities Markets Act. On 31 May 2005, Grantham, Mayo, Van Otterloo & Co. LLC increased the number of Ramirent shares managed by it on behalf of its investment advisory clients to 1,400,000 shares representing 5.34% of Ramirent Plc's shares and voting rights.

## **2002 Options**

Ramirent Plc's Extraordinary General Meeting decided on 12 December, 2002 to establish an options program. The number of the options was 500,000. Of these, 250,000 options were designated 2002A, and 250,000 options were designated 2002B.

On 25 January 2005, the Board of Directors decided to cancel 50,600 A options and 54,600 B options which were in the possession of Ramirent's subsidiary. In 2004, a total of 3,000 A options and 3,000 B options were cancelled. After the cancellations and subscriptions, the number of 2002A options was 80,100 and the number of 2002B options was 188,300 at the year end.

The Ramirent 2002B options were transferred to the book-entry system and trading with them began on 3 October 2005. Trading with the 2002A options began on the main list of the Helsinki Stock Exchange on 15 November, 2004.

The share subscription price when exercising the 2002A and 2002B options is the trade-weighted average price of the Ramirent Plc share on the Helsinki Stock Exchange, 1 October - 30 November, 2002. The share subscription price is reduced prior to a share subscription by the amount of decided dividends on the record date of each dividend distribution. Each option currently entitles its holder to subscribe to two shares with a counter-book value of EUR 0.43 for a total subscription price of EUR 13.16. The subscription price of one share is EUR 6.58. Based on the option rights, the company's share capital may be increased by a maximum of EUR 230,824. The share subscription period of the 2002A options is 1 October 2004 - 31 October, 2006 and for the 2002B options, 1 October 2005 - 31 October, 2007.

## **Events after the Review Period**

The Board of Directors of Ramirent Plc appointed Kari Kallio (M.Sc., Eng.) as Chief Executive Officer of the Ramirent Group as of 1 January 2006.

Based on the 2002A and 2002B option rights, 216,000 new Ramirent shares were subscribed on 21 February, 2006. The subscription price was, according to the terms of the options programme, 6.58 euros per share. The corresponding EUR 92,880 increase in the share capital is expected to be entered in the Trade Register on 1 March, 2006. After the increase the share capital is EUR 11,534,237.87 and the number of shares is 26,823,809.

On 21 February 2006, the Board of Directors of Ramirent Plc decided to expand its business operations to the Czech Republic.

On 22 February 2006, Ramirent signed an agreement under which it acquired a 25% minority share of its Polish subsidiary Ramirent Scaffolding Sp.z.o.o. from five private shareholders of the company.

## **Annual General Meeting – New Date**

The date and the place of the Annual General Meeting have been changed. The Annual General Meeting will be held at 4.00 p.m. on Thursday 6th of April 2006. The meeting will take place at the Helsinki Bourse Club at the address Fabianinkatu 14 A, 00100 Helsinki.

## **Outlook**

In 2006, we expect the machinery rental markets in the Nordic countries to grow moderately, whilst the markets in Eastern and Central European countries are expected to grow strongly. Ramirent will continue to invest in new capacity and seek add-on acquisitions and is well positioned to take advantage of the growth in the market.

The net sales in the Ramirent Group are expected to grow in 2006 and the profit before taxes to improve from the previous year.

**Publication of Interim Reports 2006**

In 2006 the interim reports will be published as follows:

- January - March: on Tuesday, 9 May 2006
- January - June: on Tuesday, 15 August 2006
- January - September: on Wednesday, 8 November 2006

The financial information in this stock exchange release has been reviewed by the auditor.

Helsinki, 22 February, 2006

**RAMIRENT PLC**

Board of Directors

**Segment Information, Income Statement, Balance Sheet, Condensed Cash Flow Statement, Statements of Changes in equity, Key Figures, Contingent Liabilities and Reconciliation of year 2004 Profit and Equity (IFRS vs.. FAS)**

**Segment Information**

(EUR million)	10-12/05	10-12/04	1-12/05	1-12/04
<b>Net sales</b>				
Finland	23.0	17.1	84.8	71.8
Sweden	30.1	28.4	105.1	97.5
Norway	28.5	23.9	100.8	84.5
Denmark	12.5	8.6	42.7	29.3
Other European countries (Ramirent Europe)	19.0	11.2	56.4	33.1
Sales between segments	-0.1	1.0	-0.8	
<b>Net sales, total</b>	<b>113.0</b>	<b>90.2</b>	<b>389.0</b>	<b>316.2</b>
<b>Operating profit</b>				
Finland	2.9	1.5	15.1	11.9
% net sales	12.8	8.0	17.9	16.5
Sweden 1)	3.5	4.7	9.2	7.4
% net sales	11.8	16.6	8.8	7.6
Norway	4.1	2.0	15.7	6.3
% net sales	14.3	8.2	15.5	7.4
Denmark	1.6	1.1	4.2	2.2
% net sales	12.7	12.8	9.8	7.5
Other European countries (Ramirent Europe)	4.7	2.1	11.8	5.2
% net sales	25.4	18.9	21.0	15.8
<b>Operating profit, total</b>	<b>16.8</b>	<b>11.4</b>	<b>56.0</b>	<b>33.0</b>
<b>% net sales</b>	<b>14.8</b>	<b>12.5</b>	<b>14.4</b>	<b>10.4</b>

1) The profit for 10-12/04 includes a capital gain of EUR 1.4 million due to the divestment of Stavdal Lift.

**Income Statement**

(EUR 1,000)	10-12/05	10-12/04	1-12/05	1-12/04
Net sales	112,997	90,225	388,976	316,203
Other operating income	501	2,185	1,802	2,353
<b>Total</b>	<b>113,498</b>	<b>92,410</b>	<b>390,778</b>	<b>318,556</b>
Materials and services	-29,239	-24,713	-98,658	-78,724
Employee benefit expenses	-33,106	-26,173	-112,025	-93,647
Depreciation	-13,662	-11,238	-51,166	-44,216
Other operating expenses	-20,720	-18,936	-72,974	-68,980
<b>Operating profit</b>	<b>16,771</b>	<b>11,350</b>	<b>55,955</b>	<b>32,989</b>
Financial income and expenses	-1,521	-4,110	-7,300	-9,831
<b>Profit before taxes</b>	<b>15,250</b>	<b>7,240</b>	<b>48,655</b>	<b>23,158</b>
Income taxes	-5,377	-1,557	-13,144	-7,631
<b>Net profit for the period</b>	<b>9,873</b>	<b>5,683</b>	<b>35,511</b>	<b>15,527</b>
<b>Sharing of profit:</b>				
To the parent company's shareholders	9,905	5,604	35,498	14,789
To the Group's minority	-32	79	13	738
<b>Sharing of profit, total</b>	<b>9,873</b>	<b>5,683</b>	<b>35,511</b>	<b>15,527</b>
Earnings per share (EPS), diluted, EUR			1.34	0.60
Earnings per share (EPS), non-diluted, EUR			1.35	0.60

**Balance Sheet**
**Assets**

(EUR 1,000)	31.12.2005	31.12.2004
<b>Non-current assets</b>		
Tangible assets	298,529	251,830
Goodwill	73,211	67,593
Other intangible assets	1,389	1,304
Other investments	414	427
Deferred tax assets	1,421	2,563
<b>Non-current assets, total</b>	<b>374,964</b>	<b>323,717</b>
<b>Current assets</b>		
Inventories	15,280	12,213
Trade and other receivables	72,726	58,717
Cash and cash equivalents	1,320	7,109
<b>Current assets, total</b>	<b>89,326</b>	<b>78,039</b>
<b>Total assets</b>	<b>464,289</b>	<b>401,756</b>

**Equity and Liabilities**

(EUR 1,000)	31.12.2005	31.12.2004
<b>Equity</b>		
Share capital	11,441	11,134
Share premium account	122,788	118,703
Retained earnings	62,683	36,220
<b>Parent company shareholders' equity</b>	<b>196,912</b>	<b>166,057</b>
Minority interest	82	183
<b>Equity, total</b>	<b>196,994</b>	<b>166,240</b>
<b>Non-current liabilities</b>		
Deferred tax liability	21,475	13,315
Pension obligations	7,530	2,853
Interest-bearing non-current liabilities	146,121	140,675
<b>Non-current liabilities, total</b>	<b>175,126</b>	<b>156,843</b>
<b>Current liabilities</b>		
Trade payables and other liabilities	70,817	53,068
Provisions	0	288
Interest-bearing current liabilities	21,352	25,317
<b>Current liabilities, total</b>	<b>92,169</b>	<b>78,673</b>
<b>Liabilities, total</b>	<b>267,295</b>	<b>235,516</b>
<b>Total equity and liabilities</b>	<b>464,289</b>	<b>401,756</b>

**Condensed Cash Flow Statement**

(EUR million)	1-12/05	1-12/04
Cash flow from operating activities	87.2	50.5
Cash flow from investing activities	-92.2	-56.6
Cash flow from financing activities		
Proceeds from share subscriptions	1.6	0
Borrowings/ repayments of long-term debt	3.5	11.1
Dividends paid	-5.9	-3.2
Net cash generated from financing activities	-0.8	7.9
Net change in cash and cash equivalents	-5.8	1.8
Cash and cash equivalents at the beginning of the period	7.1	5.3
Cash and cash equivalents at the end of the period	1.3	7.1
Net change in cash and cash equivalents	-5.8	1.8

**Changes in Equity 1 Jan – 31 Dec 2005**

(EUR 1,000)	Share capital	Share premium fund	Translation difference	Revaluat. fund	Retained earnings	Minority interest	Total equity
Closing balance 31.12.04	11,134	118,703	3,467	-	32,753	183	166,240
Adoption of IAS 39	-	-	-	-1,774	-803	-	-2,577
Income taxes of IAS 39 adoption	-	-	-	461	209	-	670
Adjusted equity 1.1.05	11,134	118,703	3,467	-1,313	32,159	183	164,333
Share-based payment	-	-	-	-	183	-	183
Change of defined benefit pension plan obligation	-	-	-	-	-4,052	-	-4,052
Translation difference	-	-	769	-	-	15	784
Revaluation of interest rate SWAPs	-	-	-	991	-	-129	862
Income tax on directly to equity entries	-	-	-	-258	1,135	-	877
Entries directly to equity (net)	-	-	769	733	-2,735	-114	-1,347
Net result for the period	-	-	-	-	35,498	13	35,511
Net of income and expenses for the period	-	-	769	733	32,763	-101	34,164
Dividend distribution	-	-	-	-	-5,895	-	-5,895
Share issue	73	2,735	-	-	-	-	2,808
Increase of counter-book value of shares	131	-131	-	-	-	-	-
Used share options	104	1,482	-	-	-	-	1,586
Closing balance 31.12.05	11,441	122,788	4,236	-580	59,027	82	196,994

**Changes in Equity 1 Jan – 31 Dec 2004**

(EUR 1,000)	Share capital	Share premium fund	Translation difference	Revaluat. fund	Retained earnings	Minority interest	Total equity
FAS closing balance 31.12.03	5,620	35,411	-12,280	-	33,164	6,210	68,125
Effect of transit. to IFRS	-	-	12,280	-	-12,535	-	-255
Opening balance 1.1.04	5,620	35,411	-	-	20,629	6,210	67,870
Share-based payment	-	-	-	-	529	-	529
Translation difference	-	-	3,467	-	-	-	3,467
Decrease of minority share	-	-	-	-	-	-6,765	-6,765
Entries directly to equity (net)	-	-	3,467	-	529	-6,765	-2,769
Net result for the period	-	-	-	-	14,791	738	15,529
Net of income and expenses for the period	-	-	3,467	-	15,320	-6,027	12,760
Dividend distribution	-	-	-	-	-3,196	-	-3,196
Share issue	5,259	81,777	-	-	-	-	87,036
Increase of counter-book value of shares	116	-116	-	-	-	-	-
Used share options	139	1,631	-	-	-	-	1,770
<b>Closing balance 31.12.04</b>	<b>11,134</b>	<b>118,703</b>	<b>3,467</b>	<b>-</b>	<b>32,753</b>	<b>183</b>	<b>166,240</b>

## Key Figures

	1-12/05	1-12/2004
Interest-bearing debt, (EUR million)	167.5	166.0
Net debt, (EUR million)	166.2	158.9
Gearing, %	84.3	95.6
Equity ratio, %	42.5	41.4
Personnel (average)	2,614	2,346
Personnel (at end of period)	2,678	2,317
Gross investments in non-current assets (EUR million)	112.6	152.7
Gross investments, % of net sales	29.0	48.3

## Key Figures per Share

	1-12/2005	1-12/2004
Earnings per share (EPS) weighted average, diluted, EUR	1.34	0.60
Earnings per share (EPS) weighted average, non-diluted, EUR	1.35	0.60
Equity per share, end of period, diluted, EUR	7.35	6.33
Equity per share, end of period, non-diluted, EUR	7.40	6.34
Number of shares (weighted average), diluted	26,524,740	24,855,122
Number of shares (weighted average), non-diluted	26,337,739	24,824,232
Number of shares (end of period), diluted	26,794,810	26,228,976
Number of shares (end of period), non-diluted	26,607,809	26,198,106

The share split on 18 April 2005 has been taken into account in the key figures per share.

**Contingent Liabilities**

(EUR million)	31.12.2005	31.12.2004
Real estate mortgages	0.8	9.3
Floating charges	79.1	265.3
Shares (book value)	0.0	124.0
Interest-bearing debt for which above collateral have been given	160.0	154.2
Other	5.4	8.6
Future leasing payments	69.3	54.5
Leasing debt in the balance sheet	-14.1	-22.0
Future leasing payments outside the balance sheet	55.2	32.5
Group obligations arising from derivative contracts		
Market value	64.3	80.8
Nominal value	65.1	82.6
Difference	-0.8	-1.8

**Reconciliation of Profit for the Comparative Period 1 Jan – 31 Dec, 2004  
- IFRS vs. FAS**

(EUR 1,000)	IFRS	FAS	IFRS	IFRS	FAS	IFRS
	10-12/2004	10-12/2004	adjustment	1-12/2004	1-12/2004	adjustment
<b>Net sales</b>	<b>90,225</b>	<b>90,225</b>	<b>0</b>	<b>316,203</b>	<b>316,203</b>	<b>0</b>
Other operating income	2,185	2,201	-16	2,353	2,369	-16
Materials and services	-24,713	-24,620	-93	-78,724	-78,382	-342
Employee benefit expenses	-26,173	-26,159	-14	-93,647	-93,059	-588
Depreciation	-11,237	-12,272	1,035	-44,216	-47,977	3,761
Other operating expenses	-18,937	-19,052	115	-68,980	-69,118	138
<b>Operating profit</b>	<b>11,350</b>	<b>10,323</b>	<b>1,027</b>	<b>32,989</b>	<b>30,036</b>	<b>2,953</b>
Financial income and expenses	-4,110	-4,039	-71	-9,831	-9,545	-286
<b>Profit before taxes</b>	<b>7,240</b>	<b>6,284</b>	<b>956</b>	<b>23,158</b>	<b>20,491</b>	<b>2,667</b>
Income taxes	-1,556	-1,338	-218	-7,631	-6,889	-742
<b>Net profit for the period</b>	<b>5,684</b>	<b>4,946</b>	<b>738</b>	<b>15,527</b>	<b>13,602</b>	<b>1,925</b>
Sharing of profit:						
To the parent company's shareholders	5,605	4,867	738	14,789	12,864	1,925
To the group's minority	79	79	0	738	738	0
Sharing of profit, total	5,684	4,946	738	15,527	13,602	1,925

**Reconciliation of Equity as per 31 Dec, 2004 - IFRS vs. FAS**

(EUR 1,000)	IFRS 31.12.2004	FAS 31.12.2004	IFRS adjustment
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets	251,830	251,802	28
Goodwill	67,593	64,028	3,565
Other intangible assets	1,304	968	336
Investments	427	427	0
Deferred tax assets	2,563	2,391	172
<b>Non-current assets, total</b>	<b>323,717</b>	<b>319,616</b>	<b>4,101</b>
<b>Current assets</b>			
Inventories	12,213	12,213	0
Trade and other receivables	58,717	58,717	0
Cash and cash equivalents	7,109	7,109	0
<b>Current assets, total</b>	<b>78,039</b>	<b>78,039</b>	<b>0</b>
<b>Total assets</b>	<b>401,756</b>	<b>397,655</b>	<b>4,101</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities	13,315	12,219	1,096
Pension obligations	2,853	2,416	437
Interest-bearing liabilities	140,675	140,675	0
<b>Non-current liabilities, total</b>	<b>156,843</b>	<b>155,310</b>	<b>1,533</b>
<b>Current liabilities</b>			
Trade payables and other liabilities	53,069	52,965	103
Provisions	288	288	0
Interest-bearing liabilities	25,317	25,110	207
<b>Current liabilities, total</b>	<b>78,674</b>	<b>78,363</b>	<b>310</b>
<b>Total liabilities</b>	<b>235,516</b>	<b>233,673</b>	<b>1,843</b>
<b>Total net assets</b>	<b>166,240</b>	<b>163,981</b>	<b>2,259</b>
<b>Equity</b>			
Share capital	11,134	11,134	0
Share premium account	118,703	118,703	0
Retained earnings	36,220	33,961	2,259
<b>Parent company shareholders' equity</b>	<b>166,057</b>	<b>163,798</b>	<b>2,259</b>
Minority interest	183	183	0
<b>Total equity</b>	<b>166,240</b>	<b>163,981</b>	<b>2,259</b>

The reconciliation of equity (IFRS vs. FAS) as of January 1, 2004 and December 31, 2004 as well as reconciliation of profit for the financial year 2004 was published on 11 May, 2005 in a separate stock exchange release. The release also included a description of the main accounting principles causing differences between the figures reported under IFRS compared to those previously reported under FAS (Finnish Accounting Standards).