

The background is an aerial photograph of a forest, rendered in a monochromatic blue color. Overlaid on this is a white line-art graphic. The graphic consists of a cloud-like shape at the top, a vertical line in the middle, and a bowl-like shape at the bottom. The text is contained within the cloud shape.

January 1–March 31
2020

INTERIM REPORT

RAUTE CORPORATION – INTERIM REPORT JANUARY 1–MARCH 31, 2020

- The Group's first-quarter net sales, EUR 23.8 million (MEUR 41.3), declined 42.4% on the comparison period.
- Operating result, EUR -3.0 million (MEUR 2.6), declined 215%. The result before taxes was EUR -2.9 million (MEUR 2.7).
- Earnings per share were EUR -0.52 (EUR 0.50), and diluted earnings per share were EUR -0.52 (EUR 0.50).
- Order intake, at EUR 25 million (MEUR 32), was satisfactory. The order book at the end of the reporting period stood at EUR 92 million (MEUR 84).
- On April 24, 2020, Raute changed its guidance for 2020. Raute's net sales for 2020 are expected to decrease compared to 2019 and operating profit is expected to weaken clearly year-on-year.

TAPANI KIISKI, PRESIDENT AND CEO: OUR FUTURE PLANS WILL GET US THROUGH THE PANDEMIC

2020 began with low net sales and a negative result. Our net sales declined on the comparison period as expected and significantly due to the timing of our order book.

Net sales fell and the operating profit declined also due to the postpone of schedules for a few projects, for reasons attributable to the customers, and due to the coronavirus pandemic, which caused the several weeks long shutdown of our Chinese plant and the travel restrictions affecting our field operations. Also the industrial action in Finland early on in the year caused difficulties for the carrying out of maintenance services. The impacts of the pandemic on our operations in the first quarter were limited, but not insignificant.

Regardless of the increase in the uncertainty resulting from the coronavirus, we succeeded in achieving a relatively good order intake and our order book remained strong. The majority of the orders we received came from projects that had been negotiated long before the coronavirus pandemic escalated into a global crisis and from there into a rapid deceleration of the economy. The starting up of our customers' investment projects indicates that they consider the impacts of the pandemic on their business to be limited and temporary, for now at least.

The escalation of the coronavirus epidemic, which had started in January, into a global pandemic has impacted and will continue to impact the global economy and our market situation to an extent and for a period of time that are currently difficult, if not impossible, to predict. Visibility, even into the near future of our business, is poor. Predicting the order intake is exceptionally difficult and our customers' investment decisions involve considerable uncertainty in terms of both implementation and timing. Risks related to the availability of components and assuring the flow of production have risen. Guaranteeing successful field operations is also especially difficult both when it comes to the installation and commissioning of project deliveries and maintenance operations. It is clear that we will not reach our targeted and previously predicted net sales and operating profit this year. We would like to repeat our estimate given on April 24th: our net sales will decline and operating profit will weaken clearly year-on-year.

In this situation, our strong balance sheet, market position and long-standing customer accounts are important competitive advantages and enablers of long-term work. We are doing our utmost to minimize the impacts of the unprecedented situation and continue our planned investments in product development, marketing and digitalization to ensure our success in the post-coronavirus world. We will succeed when our personnel, customers and other partners work together.

BUSINESS ENVIRONMENT

Market situation in customer industries

Raute's customers in the plywood and LVL (Laminated Veneer Lumber) industries are engaged in the manufacture of wood products used in investment projects and are thus highly affected by fluctuations in construction, housing-related consumption, international trade and transportation. We expect that the trend-like growth in wood construction will create demand for our customers and indirectly for Raute, strengthening our long-term growth opportunities.

In Q1, the situation and outlook in the global economy and the financial markets deteriorated significantly due to increased uncertainty. The weakening of the outlook was accelerated by the escalating uncertainty caused by the coronavirus pandemic at the end of the first quarter.

Demand for wood products technology and technology services

Many of Raute's established and traditional customers have invested heavily in recent years. As demand among this traditional customer base remained at a lower level than in previous years, the demand for our technology shifted towards new and different types of customer accounts.

Overall, investment activity among Raute's customers weakened from what it has been in recent years, and the weakening was increased by the spread of the coronavirus epidemic. In the reporting period, the number of new transactions was moderate in view of the circumstances. Several of the larger orders received resulted from negotiations started well before the coronavirus crisis.

Especially in Russia, demand remained active. However, forecasting the realization and timing of projects is more difficult than before. In the emerging markets of Asia, China included, demand continued to pick up. Following the break caused by the coronavirus countermeasures, demand in China especially has recovered rapidly and projects already being planned have been picked up again. Interest in Raute's offering grew in these markets. This de-

velopment did not, however, result in a significant order intake in the reporting period, but in the future we see strong opportunities for us.

Demand for maintenance and spare parts services remained good, which is an indication of the generally good capacity utilization rates of Raute's customers' production plants. In Finland, the lengthy industrial action measures at our customers' plants caused a temporary lull in the demand for spare parts and maintenance services at the start of the year. After this, the travel restrictions resulting from the coronavirus epidemic have prevented us from carrying out the majority of the planned maintenance services.

ORDER INTAKE AND ORDER BOOK

Raute serves the wood products industry with a full-service concept that is based on technology solutions covering the customer's entire production process and services throughout their life cycle. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to deliveries of all the machines and equipment belonging to a mill's production process. Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training, reconditioned machinery and digital services.

The market uncertainty was reflected in the volume of new orders received by Raute. Order intake during the first quarter, EUR 25 million (MEUR 32), was at a satisfactory level in view of the situation. The order intake consisted of small and medium-sized individual production line project deliveries and modernizations. No mill-scale projects were started up.

Of the new orders, 50 percent came from Russia (57%), 30 percent from Europe (16%), 12 percent from North America (20%), 4 percent from Asia-Pacific (3%), and 4 percent from South America (4%). Sometimes even strong fluctuations in the distribution of new orders between the various market areas are typical for project-focused business.

Order intake in technology services amounted to EUR 11 million (MEUR 14), 26 percent down from the comparison period due to a lack in relatively large-sized modernization orders.

The order book increased during the first quarter by EUR 4 million. The order book at the end of the reporting period remained strong at EUR 92 million (MEUR 84). Part of the order book is scheduled for 2021.

COMPETITIVE POSITION

Raute's competitive position has remained unchanged and is strong. Raute's solutions help customers in securing their delivery and service capabilities throughout the life cycle of the production process or a part thereof. In such investments, the supplier's overall expertise and extensive and diverse technology offering play a key role. The competitive edge provided by Raute plays a major role when customers select their cooperation partners. Raute's strong financial position and long-term dedication to serving selected customer industries also enhance its credibility and improve its competitive position as a company that carries out long-term investment projects.

NET SALES

Net sales for the reporting period, EUR 23.8 million (MEUR 41.3), declined 42.4 percent on the first quarter of 2019. The dramatic decline in the net sales matched forecasts and resulted from the timing of the order book and to a lesser extent from the impacts of the coronavirus epidemic.

Of the total net sales for the reporting period, Russia accounted for 41 percent (25%), Europe for 25 percent (45%), North America for 16 percent (16%), South America for 12 percent (7%), and Asia-Pacific for 6 percent (7%).

Technology services accounted for 41 percent (35%) of the Group's total net sales and amounted to EUR 10 million (MEUR 15).

RESULT AND PROFITABILITY

Operating result was EUR 3.0 million negative (MEUR 2.6 positive) and accounted for -12.6 percent of net sales (6.3%). Operating result fell 215 percent largely due to a decline in net sales and the already-reported investments in product development, marketing and digitalization. The limitations put in place for travel and on our Chinese plant's operations due to the coronavirus epidemic also caused our result to fall, but only moderately.

The result before tax for the reporting period was EUR 2.9 million negative (MEUR 2.7 positive). The result for the reporting period

was EUR 2.2 million negative (MEUR 2.1 positive). Earnings per share (undiluted) were EUR -0.52 (EUR 0.50).

CASH FLOW AND BALANCE SHEET

The Group's financial position remained good. At the end of the reporting period, gearing was -77 percent (-10%). At the end of the reporting period, the equity ratio was 55 percent (60%). Fluctuations in balance sheet working capital items and the key figures based on them are due to differences in the timing of customer payments and the cost accumulation from project deliveries, which is typical of the project business.

The Group's cash and cash equivalents amounted to EUR 39.6 million (MEUR 13.3) at the end of the reporting period. Operating cash flow was EUR 18.3 million positive (MEUR 0.6 positive). Cash flow from investment activities totaled EUR 0.9 million negative (MEUR 0.8 negative). Cash flow from financing activities was EUR 0.0 million negative (MEUR 0.1 positive).

Interest-bearing liabilities amounted to EUR 8.4 million (MEUR 8.6) at the end of the reporting period.

The parent company Raute Corporation has a EUR 10 million commercial paper program, which allows the company to issue commercial papers maturing in less than one year.

The parent company Raute Corporation is prepared for future working capital needs and has long-term credit facility agreements with four Nordic banks totaling EUR 23.0 million. The main covenants of the credit facilities are an equity ratio of >30% and gearing of <100%. Of the credit facility, EUR 22.4 million remained unused at the end of the reporting period.

EVENTS DURING THE REPORTING PERIOD

Raute Corporation published stock exchange releases on the following events:

February 12, 2020 New plan for Raute's top management long-term incentive plan, LTI 2020–2022, commences.

RESEARCH AND DEVELOPMENT COSTS AND CAPITAL EXPENDITURE

Raute is a leading technology supplier for the plywood and LVL industries and focuses strongly on the development of increasingly efficient, productive, safe and environmentally friendly manufacturing technology and supporting measurement and machine vision applications. Opportunities provided by digitalization are also an essential part of R&D activities.

Research and development costs in the reporting period totaled EUR 1.4 million (MEUR 1.0), representing 5.9 percent of net sales (2.4%).

Investments totaled EUR 0.9 million (MEUR 0.6) and 3.9 percent of net sales (1.4%) in the reporting period.

PERSONNEL

At the end of the reporting period, the Group's personnel numbered 767 (776). Group companies outside Finland accounted for 33 percent (35%) of employees.

Converted to full-time employees ("effective headcount"), the average number of employees was 754 (754) during the reporting period.

Occupational safety was on a par with the 2019 level. Accidents leading to an absence from work came to four in all, however the accidents were mild. The LTIF figure was 13. No Raute employees have been diagnosed as having contracted COVID-19, caused by the coronavirus, even though there have been a few suspected cases. They have self-quarantined according to official instructions for two weeks and have then returned to work normally.

SHARES

The number of Raute Corporation's shares at the end of the reporting period totaled 4,263,194, of which 991,161 were series K shares (ordinary share, 20 votes/share) and 3,272,033 were series A shares (1 vote/share). Series K and A shares confer equal rights to dividends and company assets.

Series K shares can be converted to series A shares under the terms set out in section 3 of the Articles of Association. If an ordinary share is transferred to a new owner who has not previously held

series K shares, the new owner must notify the Board of Directors of this in writing and without delay. Other holders of series K shares have the right to redeem the share under the terms specified in Article 4 of the Articles of Association.

Raute Corporation's series A shares are listed on Nasdaq Helsinki Ltd. The trading code is RAUTE.

The company's market capitalization at the end of the reporting period was EUR 89.5 million (MEUR 120.2), with series K shares valued at the closing price of series A shares for the reporting period, i.e. EUR 21.00 (EUR 28.20).

REMUNERATION

The Group has remuneration systems in place that cover the entire personnel.

Share-based incentive plans

The Group has valid long-term share-based incentive plans based on performance.

The company decided to launch a new performance-based, share-value-based, long-term incentive plan, LTI Plan 2020–2022, on February 12, 2020.

The terms and conditions of the incentive plans are available on the company's website. More detailed and up-to-date information is presented in the Remuneration Statement on the company's website.

SHAREHOLDERS

The number of shareholders totaled 5,614 at the beginning of the year and 5,725 at the end of the reporting period. Series K shares were held by 54 private individuals (54) at the end of the reporting period. Nominee-registered shares accounted for 2.7 percent (4.1%) of shares. The company did not receive any flagging notifications during the reporting period.

The Board of Directors, the President and CEO as well as the Executive Board held altogether 259,929 company shares, equaling 6.1 percent (6.1%) of the company shares and 11.6 percent (11.6%) of the votes at the end of the reporting period.

CORPORATE GOVERNANCE

As of January 1, 2020, Raute Corporation complies with the Finnish Corporate Governance Code 2020 for listed companies issued by the Securities Market Association on September 19, 2019.

EXECUTIVE BOARD

Raute Group's Executive Board and the members' areas of responsibility are:

Tapani Kiiski, President and CEO, Chairman – Sales

Kurt Bossuyt, Group Vice President, Basic Services – Basic Services market

Marko Hjelt, Group Vice President, CHRO – People excellence, safety

Mika Hyysti, Group Vice President, CTO – Innovations, products and services, and R&D

Tarja Järvinen, Group Vice President, CFO – Finance, ICT, other business support

Timo Kangas, Group Vice President, Power – Power market

Jani Roivainen, Group Vice President, Metrix – Metrix market

Jukka Siiriäinen, Group Vice President, Grow – Grow market

Petri Strengell, Group Vice President, COO – Supply chain and quality.

ANNUAL GENERAL MEETING 2020

Raute Corporation's Annual General Meeting was held on March 31, 2020, as planned. Due to the coronavirus epidemic, special arrangements were made when organizing the meeting to avoid endangering the health of shareholders and others taking part in the meeting. The Annual General Meeting adopted the financial statements for 2019, discharged those accountable from liability and resolved to distribute a dividend of EUR 1.45 per share.

The Annual General Meeting elected the company's Board of Directors for a term that expires at the end of the Annual General Meeting of 2021. Ms. Laura Raitio was elected Chair of the Board, Mr. Mika Mustakallio was elected Vice-Chair, and Mr. Joni Bask, Mr. Ari Harmaala, Mr. Pekka Suominen, and Mr. Patrick von Essen were elected as Board members.

The authorized public accounting company PricewaterhouseCoopers was chosen as the auditor, with Authorized Public Accountant Markku Launis as the principal auditor.

The Annual General Meeting decided that the remuneration paid to the Chairman of the Board will be EUR 48,000 and to the

Vice-Chairman of the Board and Board members EUR 24,000 for the term of office and that the Board members' traveling expenses will be compensated in accordance with the company's travel policy. The auditors' remuneration will be paid on the basis of reasonable invoicing as approved by the company.

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the company's series A shares with assets from the company's non-restricted equity and an issue of a maximum of 400,000 of these shares. The Annual General Meeting also approved the Remuneration Policy for Governing Bodies.

More detailed information on the decisions of the Annual General Meeting can be found in the stock exchange release issued on March 31, 2020.

DISTRIBUTION OF PROFIT FOR THE 2019 FINANCIAL YEAR

The Annual General Meeting held on March 31, 2020 decided to pay a dividend of EUR 1.45 per share for the financial year 2019. The total amount of dividends is EUR 6.2 million, with series A shares accounting for EUR 4,744,447.85 and series K shares for EUR 1,437,183.45. The dividend payment date was April 9, 2020.

EVENTS AFTER THE REPORTING PERIOD

Raute Corporation published stock exchange releases on the following events after the reporting period:

April 24, 2020 Raute's profit outlook for 2020 weakened.

Board of Directors and Board Committees

The Board of Directors elected by Raute Corporation's Annual General Meeting on March 31, 2020 has held a constitutive meeting.

Based on the evaluation of independence by the Board of Directors, Chair of the Board Ms. Laura Raitio and members Mr. Joni Bask, Mr. Ari Harmaala, Mr. Pekka Suominen and Mr. Patrick von Essen are independent of the company. Vice Chair of the Board of Directors Mr. Mika Mustakallio is not estimated to be independent of the company, as he has served on the Board of Directors for more than ten years. Chair of the Board Laura Raitio and two Board members, Mr. Ari Harmaala and Mr. Patrick von Essen, are independent of major shareholders.

Raute Corporation's Board of Directors has an Appointments Committee. The Appointments Committee is chaired by Ms. Laura Raitio and its members are Mr. Mika Mustakallio and Mr. Pekka

Suominen. The Audit Committee's tasks are handled by the Board of Directors.

BUSINESS RISKS

Risks in the near term continue to be driven by the uncertainty relating to the global economic situation and the development of the financial markets, international political instability and the economic slowdown caused by the measures taken to combat the coronavirus epidemic. The most significant risks for Raute in the near term are related to the development of the market and demand situation.

The limitations resulting from the coronavirus epidemic that spread across the globe from China also caused Raute's outlook to fall. The full implications are still impossible to see. The impacts of the coronavirus on customers' investment appetite are already apparent globally. The ramifications of Finland's contentious collective agreement round are likely to also impact the investment appetite of Raute's customers.

OUTLOOK FOR 2020

On April 24, 2020, Raute changed its guidance for 2020 net sales and operating profit. Regardless of the high order book and moderately good volume of order intake in Q1, we forecast that Raute's net sales will decline in 2020 from the previous year's level as a result of uncertainty in demand and the order intake for the rest of the year. We expect the operating profit to clearly weaken from last year, as disclosed earlier, due to a shift in the markets and the costs for adapting to this, and due to investments in marketing, product development and digitalization and falling net sales.

CONSOLIDATED STATEMENT OF INCOME

Raute Corporation's Board of Directors has approved this Interim financial report for January 1 – March 31, 2020 to be published.

The figures for the financial year 2019 presented in the figures section of the Interim financial report have been audited. The presented interim financial report figures have not been audited.

CONSOLIDATED STATEMENT OF INCOME

EUR 1,000	1.1.– 31.3.2020	1.1.– 31.3.2019	1.1.– 31.12.2019
NET SALES	23 779	41 309	151 297
Change in inventories of finished goods and work in progress	-622	890	-2 030
Other operating income	85	112	343
Materials and services	-10 286	-23 163	-76 081
Employee benefits expense	-11 448	-11 718	-45 793
Depreciation and amortization	-962	-940	-3 854
Impairments	-	-49	-
Other operating expenses	-3 550	-3 842	-15 428
Total operating expenses	-26 246	-39 712	-141 156
OPERATING PROFIT	-3 005	2 599	8 454
% of net sales	-12,6	6,3	5,6
Financial income	170	206	1 099
Financial expenses	-54	-58	-300
Financial expenses, net	117	148	799
PROFIT BEFORE TAX	-2 888	2 747	9 253
% of net sales	-12,1	6,6	6,1
Income taxes	653	-612	-1 565
PROFIT FOR THE PERIOD	-2 235	2 135	7 687
% of net sales	-9,4	5,2	5,1
Profit for the period attributable to Equity holders of the Parent company	-2 235	2 135	7 687
Earnings per share for profit attributable to Equity holders of the Parent company, EUR			
Undiluted earnings per share	-0,52	0,50	1,80
Diluted earnings per share	-0,52	0,50	1,79

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000	1.1.– 31.3.2020	1.1.– 31.3.2019	1.1.– 31.12.2019
PROFIT FOR THE PERIOD	-2 235	2 135	7 687
Other comprehensive income items: Items that may be subsequently reclassified to profit or loss			
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	1 565
Hedging reserve, hedge accounting	-15	148	283
Exchange differences on translating foreign operations	-471	113	-66
Income taxes related to these items	4	0	-178
Comprehensive income items for the period, net of tax	-482	261	1 604
COMPREHENSIVE PROFIT FOR THE PERIOD	-2 717	2 395	9 291
Comprehensive profit for the period attributable to			
Equity holders of the Parent company	-2 717	2 395	9 291
Shares, 1 000 pcs			
Adjusted average number of shares	4 263	4 263	4 263
Adjusted average number of shares, diluted	4 281	4 292	4 287

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
ASSETS			
Non-current assets			
Goodwill	1 035	1 035	1 035
Other intangible assets	2 902	2 402	2 655
Property, plant and equipment	10 268	11 711	10 854
Right of use assets	6 481	7 234	6 936
Other financial assets	2 908	1 185	2 741
Deferred tax assets	989	105	13
Total non-current assets	24 583	23 673	24 235
Current assets			
Inventories	13 799	15 027	12 360
Accounts receivables and other receivables	24 393	51 410	30 981
Income tax receivable	1 312	330	715
Cash and cash equivalents	39 646	13 306	22 360
Total current assets	79 149	80 074	66 417
TOTAL ASSETS	103 732	103 747	90 651

CONSOLIDATED BALANCE SHEET

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
EQUITY AND LIABILITIES			
Equity attributable to Equity holders of the Parent company			
Share capital	8 256	8 256	8 256
Fair value reserve and other reserves	8 621	7 374	8 505
Exchange differences	477	1 128	949
Retained earnings	25 610	30 075	24 106
Profit for the period	-2 235	2 135	7 687
Total equity	40 729	48 966	49 502
Non-current liabilities			
Lease liability	5 131	5 827	5 495
Deferred tax liability	521	-	77
Provisions	450	362	543
Total non-current liabilities	6 102	6 189	6 115
Current liabilities			
Current interest-bearing liabilities	1 922	1 386	1 502
Lease liability	1 350	1 407	1 441
Current advance payments received	29 092	22 322	12 005
Income tax liability	74	568	903
Trade payables and other liabilities	20 680	20 704	16 597
Provisions	3 783	2 204	2 587
Total current liabilities	56 901	48 592	35 034
Total liabilities	63 003	54 781	41 149
TOTAL EQUITY AND LIABILITIES	103 732	103 747	90 651

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR 1,000	1.1.–31.3.2020	1.1.–31.3.2019	1.1.–31.12.2019
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from customers	46 027	42 896	167 313
Other operating income	-	108	248
Payments to suppliers and employees	-26 444	-41 080	-146 690
Cash flow before financial items and taxes	19 583	1 925	20 872
Interest paid from operating activities	-48	-16	-67
Dividends received from operating activities	113	174	814
Interest received from operating activities	5	7	22
Other financing items from operating activities	67	98	-194
Income taxes paid from operating activities	-1 443	-1 572	-2 846
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	18 277	616	18 602
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets	-933	-824	-3 319
Proceeds from sale of property, plant and equipment and intangible assets	32	3	68
Proceeds from sale of investments	-	-	88
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	-901	-820	-3 162
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from current borrowings	417	254	1 506
Repayments of current borrowings	-	-	-1 087
Repayments of lease liability	-455	-157	-931
Dividends paid	-	-	-5 968
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-38	98	-6 480
Net change in cash and cash equivalents (A+B+C)	17 338	-107	8 960
increase (+)/decrease (-)			
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	22 361	13 375	13 375
NET CHANGE IN CASH AND CASH EQUIVALENTS	17 338	-107	8 960
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	-53	39	26
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	39 645	13 306	22 360
CASH AND CASH EQUIVALENTS IN THE BALANCE SHEET AT THE END OF THE PERIOD*			
Cash and cash equivalents	39 645	13 306	22 360
TOTAL	39 645	13 306	22 360

*Cash and cash equivalents comprise cash and bank receivables, which will be due within the following three months' period.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR 1,000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2020	8 256	5 711	2 794	949	31 794	49 502	49 502
Comprehensive profit for the period							
Profit for the period	-	-	-	-	-2 235	-2 235	-2 235
Other comprehensive income items:							
Hedging reserve	-	-	-15	-	-	-15	-15
Exchange differences on translating foreign operations	-	-	-	-471	-	-471	-471
Income taxes related to these items	-	-	4	-	-	4	4
Total comprehensive profit for the period	-	-	-11	-471	-2 235	-2 717	-2 717
Transactions with equity holders							
Equity-settled share-based transactions	-	-	126	-	-	126	126
Dividends	-	-	-	-	-6 182	-6 182	-6 182
Total transactions with equity holders	-	-	126	-	-6 182	-6 056	-6 056
EQUITY at March 31, 2020	8 256	5 711	2 909	477	23 377	40 729	40 729

COMPARISON PERIOD

EUR 1,000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2019	8 256	5 711	1 453	1 015	30 075	46 509	46 509
Comprehensive profit for the period							
Profit for the financial period	-	-	-	-	2 135	2 135	2 135
Other comprehensive income items:							
Hedging reserve	-	-	148	-	-	148	148
Exchange differences on translating foreign operations	-	-	-	113	-	113	113
Income taxes related to these items	-	-	0	-	-	0	0
Total comprehensive profit for the period	-	-	148	113	2 135	2 395	2 395
Transactions with owners							
Share-options exercised	-	-	-	-	-	-	-
Equity-settled share-based transactions	-	-	61	-	-	61	61
Dividends	-	-	-	-	-	-	-
Total transactions with owners	-	-	61	-	-	61	61
EQUITY at March 31, 2019	8 256	5 711	1 662	1 128	31 848	48 966	48 966

NOTES

NOTES TO THE INTERIM FINANCIAL REPORT

General information

Raute Group is a globally operating technology and service company serving the wood products industry, with core competence in selected wood products manufacturing processes. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL and sawn timber.

Raute's full-service concept is based on product life-cycle management and includes project deliveries and technology services. Raute's technology offering covers machinery and equipment for the customer's entire production process. In addition to a broad range of machines and equipment, Raute's solutions cover technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations as well as consulting, training, reconditioned machinery and digital services.

Raute Group's Parent company, Raute Corporation, is a Finnish public limited liability company established in accordance with Finnish law (Business ID FI01490726). Its series A shares are quoted on Nasdaq Helsinki Ltd, under Industrials. Raute Corporation is domiciled in Lahti. The address of its registered office is Rautetie 2, FI-15550 Nastola, and its postal address is P.O. Box 69, FI-15551 Nastola.

All of the figures presented in the Interim financial report are in thousand euro, unless otherwise stated. Due to the rounding of the figures in the financial statement tables, the sums of figures may deviate from the sum total presented in the table. Figures in parentheses refer to the corresponding figures in the comparison period.

Basis of preparation

Raute Corporation's Interim financial report for January 1 – March 31, 2020 has been prepared in accordance with standard IAS 34 Interim Financial Reporting.

The Interim financial report does not contain full notes and other information presented in the financial statements, and therefore the Interim financial report should be read in conjunction with the Financial statements published for 2019.

Raute Corporation's Interim financial report for January 1 – March 31, 2020 has been prepared in accordance with the International Financial Reporting Standards, IFRS, accepted for application in the European Union, including related interpretations. The Interim financial report has been drawn up according to the same accounting principles as in the consolidated financial statements for 2019.

When preparing the Interim financial report in compliance with International Financial Reporting Standards, the company management has made estimates and assumptions. In addition, the management has exercised its judgment in selecting and applying the accounting policies. The forward-looking estimates and assumptions have been based on management's best knowledge at the reporting date, and they comprise risks and uncertainties, therefore actual results may differ from these estimates.

Net sales

Raute serves the wood products industry with a full-service concept based on service that encompasses the entire life cycle of the delivered equipment. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to deliveries of all the machines and equipment belonging to a mill's production process.

Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training and reconditioned machinery. Project deliveries and modernizations related to technology services include both product and service sales, making it impossible to give a reliable presentation of the breakdown of the Group's net sales into purely product and service sales.

Large mill or production line scale delivery projects can temporarily increase the share of an individual customer of the Group's net sales to more than 10 percent. At the end of the reporting period, the Group had one customer, whose customized share of the Group's net sales temporarily exceeded ten percent.

EUR 1,000	1.1.- 31.3.2020	%	1.1.- 31.3.2019	%	1.1.- 31.12.2019	%
Net sales by market area						
CIS (Russia)	9 801	41	10 500	25	47 060	31
EMEA (Europe and Africa)	5 959	25	18 695	45	51 173	34
NAM (North America)	3 729	16	6 551	16	26 852	18
LAM (South America)	2 792	12	2 839	7	13 580	9
APAC (Asia-Pacific area)	1 498	6	2 725	7	12 632	8
TOTAL	23 779	100	41 309	100	151 297	100

Finland accounted for 5 percent (12 %) of net sales

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Specification of net sales			
Performance obligations to be satisfied over time	16 619	34 046	108 861
Performance obligations to be satisfied at a point in time	7 160	7 263	42 436
TOTAL	23 779	41 309	151 297
Project revenues entered as income from performance obligations to be satisfied over time currently undelivered	111 407	164 804	127 400
Amount of performance obligations to be satisfied over time not yet entered as income (order book)	84 583	76 070	84 246
Balance sheet items of undelivered projects			
Projects in which the value by percentage of completion exceeds advance payments invoiced			
- aggregate amount of costs incurred and recognized profits less recognized losses	88 331	133 694	89 878
- advance payments received	73 921	93 756	72 185
Current customer contract assets	14 409	39 938	17 694
Projects in which advance payments invoiced exceed the value by percentage of completion			
- aggregate amount of costs incurred and recognized profits less recognized losses	24 877	29 915	38 366
- advance payments received	52 551	48 820	43 253
Current customer contract liabilities	27 675	18 905	4 887
Advance payments included in current liabilities in the balance sheet			
Current customer contract assets	27 675	18 905	4 887
Current customer contract liabilities	1 417	3 417	7 118
Total	29 092	22 322	12 005
Advance payments of the customer contracts included in inventories in the balance sheet			
Advance payments paid	918	823	602
Total	918	823	602

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Research and development costs			
Research and development costs for the period	-1 394	-1 001	-4 419
Amortization of previously capitalized development costs	-	-	-
Development costs recognized as an asset in the balance sheet	410	49	163
Research and development costs recognized as an expense before impairments for the period	-983	-952	-4 256
Impairments of capitalized development costs	-	-49	-
Research and development costs recognized as an expense for the period	-983	-1 001	-4 256

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Right-of-use assets			
Book value, at the beginning of the period	6 936	7 391	7 391
Exchange rate differences	-126	188	191
Increases	-	-	743
Depreciation for the period	-329	-345	-1 389
Book value, at the end of the period	6 481	7 234	6 936

Right-of-use assets are included in balance sheet item Property, plant and equipment.

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Other intangible assets			
Acquisition cost at the beginning of the period	11 229	15 384	15 384
Exchange rate differences	-33	8	2
Additions	418	58	85
Disposals	-	-2	-
Reclassification between items	23	-5 660	-4 242
Acquisition cost at the end of the period	11 609	9 790	11 229
Accumulated depreciation and amortization at the beginning of the period	-8 574	-12 884	-12 884
Exchange rate differences	-29	-6	-1
Accumulated depreciation and amortization of disposals and reclassifications	-133	5 662	-477
Impairments	-	-49	-
Depreciation and amortization for the period	-	-109	4 787
Accumulated depreciation and amortization at the end of the period	-8 736	-7 386	-8 574
Book value of Other intangible assets, at the beginning of the period	2 655	2 500	2 500
Book value of Other intangible assets, at the end of the period	2 902	2 402	2 655
Property, plant and equipment			
Acquisition cost at the beginning of the period	55 188	53 391	53 391
Exchange rate differences	-506	419	611
Additions	511	520	2 521
Disposals	-13	-18	-779
Reclassification between items	-23	-	-556
Acquisition cost at the end of the period	55 156	54 311	55 188
Accumulated depreciation and amortization at the beginning of the period	-44 334	-41 778	-41 778
Exchange rate differences	-55	-354	-546
Accumulated depreciation and amortization of disposals and reclassifications	-	18	17
Depreciation and amortization for the period	-499	-486	-2 026
Accumulated depreciation and amortization at the end of the period	-44 888	-42 600	-44 334
Book value of Property, plant and equipment, at the beginning of the period	10 854	11 612	11 612
Book value of Property, plant and equipment, at the end of the period	10 268	11 711	10 854

Financial assets

At the end of the period March 31, 2020, the fair value of the financial assets categorized at fair value hierarchy level 3 was EUR 2,741 thousand. The item includes the investments in unquoted shares which have been classified as financial assets at fair value through other comprehensive income. Derivative contracts have been classified as financial assets and liabilities at fair value through profit or loss. The fair value of these derivative contracts is based on the price available from the market data, but instruments are not traded in an active market. At the end of the period March 31, 2020, the fair value of the derivative contracts classified as financial assets was EUR 24 thousand and the fair value of the derivative contracts classified as financial liability EUR 185 thousand. The Group's interest-bearing liabilities include a lease liability amount of EUR 6,481 due to the adoption of the standard IFRS 16 Leases, at the balance sheet date.

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Financial liabilities			
Non-current interest-bearing liabilities			
Lease liabilities	5 131	5 827	5 495
TOTAL	5 131	5 827	5 495
Current interest-bearing liabilities			
Partial payments of financial loans	1 922	1 386	1 502
Lease liabilities	1 350	1 407	1 441
TOTAL	3 272	2 793	2 943

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Derivatives			
Nominal values of forward contracts in foreign currency			
Hedge accounting			
- Related to the hedging of net sales	827	3 066	1 578
Derivatives which do not meet the criteria of hedge accounting			
- Related to financing	821	801	801
- Related to the hedging of net sales	5 022	9 398	6 432
Fair values of forward contracts in foreign currency			
Hedge accounting			
- Related to the hedging of net sales	-21	-162	7
Derivatives which do not meet the criteria of hedge accounting			
- Related to financing	-1	-6	15
- Related to the hedging of net sales	-110	-148	47

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Pledged assets and contingent liabilities			
Mortgage agreements on behalf of subsidiaries			
Financial loans	1 922	1 386	1 502
Other obligations	558	383	991
Other credit guarantee arrangements	2 481	-	2 493
Commercial bank guarantees on behalf of the Parent company and subsidiaries	31 825	25 720	17 767
Off-balance sheet leases			
Rental liabilities maturing within one year	81	245	95
Rental liabilities maturing in one to five years	41	273	56
Total	122	518	151

Share-based payments

An expense of EUR 126 thousand was recognized for the share rewards to the income statement during the reporting period.

No share rewards have been paid based on the long-term performance share-based incentive plan for the Group's senior management during the reporting period.

The company decided to launch a new performance-based, share-value-based, long-term incentive plan, LTI Plan 2020–2022, on February 12, 2020.

Distribution of the profit for the financial year 2019

Raute Corporation's Annual General Meeting was held on March 31, 2020. The Annual General Meeting decided, according to the Board of Directors' proposal, to distribute a dividend of EUR 1.45 per share to be paid for series A and K shares, a total of EUR 6,182 thousand. The dividend payment date was April 9, 2020.

Segment information

Continuing operations of Raute Group belong to the wood products technology segment. Raute Corporation's Board of Directors is the chief operating decision maker that is responsible for assigning resources to the operating segment and assessing its result.

Due to Raute's business model, operational nature and administrative structure, the operational segment to be reported as wood products technology segment is comprised of the whole Group and the information on the segment is consistent with that of the Group. Segment reporting follows the principles of presentation of the consolidated financial statements.

EUR 1,000	31.3.2020	31.3.2019	31.12.2019
Wood products technology			
Net sales	23 779	41 309	151 297
Operating profit	-3 005	2 599	8 454
Assets	103 732	103 747	90 651
Liabilities	63 003	54 781	41 149
Capital expenditure	928	578	2 956

EUR 1,000	31.3.2020	%	31.3.2019	%	31.12.2019	%
Assets of the wood products technology segment by geographical location						
Finland	87 946	85	91 723	88	75 882	84
North America	9 400	9	7 731	7	8 397	9
China	4 360	4	2 576	2	4 378	5
Russia	1 665	2	1 315	1	1 662	2
South America	190	0	241	0	194	0
Other	171	0	161	0	138	0
Total	103 732	100	103 747	100	90 651	100

EUR 1,000	31.3.2020	%	31.3.2019	%	31.12.2019	%
Capital expenditure of the wood products technology segment by geographical location						
Finland	883	95	524	91	2 751	93
North America	20	2	35	6	81	3
China	24	3	15	3	48	2
Russia	-	-	3	1	26	1
South America	-	-	-	-	26	1
Other	1	0	1	0	24	1
Total	928	100	578	100	2 956	100

	31.3.2020	31.3.2019	31.12.2019
Number of personnel			
Effective, on average, persons	754	754	761
On average, persons	776	774	784
In books at the end of the period, persons	767	776	778
Personnel working abroad at the end of the period	254	269	260
Personnel working abroad, %	33,1	34,7	33,4

Pledges on behalf of the company's management

No loans have been granted to the company's management.

No pledges have been given or other commitments made on behalf of the company's management and shareholders.

Exchange rates used in the consolidation of subsidiaries

	1.1.– 31.3.2020	1.1.– 31.3.2019	1.1.– 31.12.2019
Income statement, euros			
CNY (Chinese yuan)	7,6936	7,6619	7,7339
RUB (Russian rouble)	73,7020	74,8842	72,4593
CAD (Canadian dollar)	1,4808	1,5098	1,4857
USD (US dollar)	1,1023	1,1356	1,1196
SGD (Singapore dollar)	1,5277	1,5386	1,5272
CLP (Chilean peso)	884,7967	758,0920	786,2516
Balance sheet, euros			
CNY (Chinese yuan)	7,7784	7,5397	7,8205
RUB (Russian rouble)	85,9486	72,8564	69,9563
CAD (Canadian dollar)	1,5617	1,5000	1,4598
USD (US dollar)	1,0956	1,1235	1,1234
SGD (Singapore dollar)	1,5633	1,5214	1,5111
CLP (Chilean peso)	932,5600	765,2700	832,3500

FINANCIAL DEVELOPMENT

FINANCIAL DEVELOPMENT	31.3.2020	31.3.2019	31.12.2019
Change in net sales, %	-42,4	17,1	-16,4
Exported portion of net sales, %	95,2	88,1	88,3
Operating result, % of net sales	-12,6	6,3	5,6
Return on investment, (ROI), %	-21,0	21,3	18,1
Return on equity, (ROE), %	-19,6	17,9	16,0
Interest-bearing net liabilities, EUR million	-31,2	-4,7	-13,9
Gearing, %	-76,6	-9,6	-28,1
Equity ratio, %	54,6	60,1	62,9
Gross capital expenditure, EUR million	0,9	0,6	3,0
% of net sales	3,9	1,4	2,0
Research and development costs, EUR million	1,4	1,0	4,4
% of net sales	5,9	2,4	2,9
Order book, EUR million	92	84	88
Order intake, EUR million	25	32	148

In addition to IFRS Key ratios, Raute Group publishes some commonly used financial key ratios (alternative performance measures). Calculation of key ratios has been presented in the annual financial statements.

SHARE-RELATED DATA	31.3.2020	31.3.2019	31.12.2019
Earnings per share, (EPS), undiluted, EUR	-0,52	0,50	1,80
Earnings per share, (EPS), diluted, EUR	-0,52	0,50	1,79
Equity to share, EUR	9,55	11,49	11,61
Dividend per series A share, EUR	-	-	1,45
Dividend per series K share, EUR	-	-	1,45
Dividend per profit, %	-	-	80,4
Effective dividend return, %	-	-	5,8
Price/earnings ratio (P/E ratio)	-	-	13,86
Development in share price (series A shares)			
Lowest share price for the period, EUR	17,40	22,10	20,00
Highest share price for the period, EUR	27,40	28,70	28,70
Average share price for the period, EUR	22,95	25,96	24,71
Share price at the end of the period, EUR	21,00	28,20	25,00
Market value of capital stock			
- Series K shares, EUR million*	20,8	28,0	24,8
- Series A shares, EUR million	68,7	92,3	81,8
Total, EUR million	89,5	120,2	106,6
<small>*Series K shares valued at the value of series A shares.</small>			
Trading of the company's shares (series A shares)			
Trading of shares, pcs	223 161	178 991	503 305
Trading of shares, EUR million	5,1	4,6	12,4
Number of shares			
- Series K shares, ordinary shares (20 votes/share)	991 161	991 161	991 161
- Series A shares (1 vote/share)	3 272 033	3 272 033	3 272 033
Total	4 263 194	4 263 194	4 263 194
Number of shares, weighted average, 1 000 pcs	4 263	4 263	4 263
Number of shares, diluted, 1 000 pcs	4 281	4 292	4 287
Number of shareholders	5 725	5 382	5 614

DEVELOPMENT OF QUARTERLY RESULTS

DEVELOPMENT OF QUARTERLY RESULTS

EUR 1,000	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Rolling 1.4.2019– 31.3.2020	Rolling 1.4.2018– 31.3.2019
NET SALES	36 981	33 749	39 258	23 779	133 767	187 030
Change in inventories of finished goods and work in progress	-1 818	-1 310	208	-622	-3 543	2 729
Other operating income	109	-47	170	85	316	739
Materials and services	-16 900	-15 166	-20 852	-10 286	-63 205	-108 770
Employee benefits expense	-11 152	-10 751	-12 172	-11 448	-45 523	-47 416
Depreciation, amortization and impairments	-1 034	-941	-889	-962	-3 826	-2 864
Other operating expenses	-3 848	-3 824	-3 915	-3 550	-15 137	-16 681
Total operating expenses	-32 933	-30 682	-37 829	-26 246	-127 690	-175 731
OPERATING PROFIT	2 338	1 709	1 807	-3 005	2 849	14 767
% of net sales	6,3	5,1	4,6	-12,6	2,1	7,9
Financial income	109	6	777	170	1 063	327
Financial expenses	-136	-47	-59	-54	-295	-350
Financial expenses, net	-27	-41	719	117	768	-9
PROFIT BEFORE TAX	2 311	1 668	2 526	-2 888	3 617	14 745
% of net sales	6,3	4,9	6,4	-12,1	2,7	7,9
Income taxes	-424	-263	-266	653	-300	-3 029
TOTAL PROFIT FOR THE PERIOD	1 887	1 405	2 260	-2 235	3 316	11 716
% of net sales	5,1	4,2	5,8	-9,4	2,5	6,3
Attributable to						
Equity holders of the Parent company	1 887	1 405	2 260	-2 235	3 316	11 716
Earnings per share, EUR						
Undiluted earnings per share	0,44	0,33	0,53	-0,52	0,78	2,75
Diluted earnings per share	0,44	0,33	0,53	-0,52	0,77	2,73
Shares, 1 000 pcs						
Adjusted average number of shares	4 263	4 263	4 263	4 263	4 263	4 260
Adjusted average number of shares, diluted	4 299	4 300	4 278	4 281	4 281	4 299
	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Rolling 1.4.2019– 31.3.2020	Rolling 1.4.2018– 31.3.2019
FINANCIAL DEVELOPMENT QUARTERLY						
Order intake during the period, EUR million	26	73	17	25	141	131
Order book at the end of the period, EUR million	72	109	88	92	92	84

SHAREHOLDERS

20 LARGEST SHAREHOLDERS AT MARCH 31, 2020 BY NUMBER OF SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Sundholm Göran	-	500 000	500 000	11,7	500 000	2,2
2. Mandatum Henkivakuutus-osakeyhtiö	-	138 405	138 405	3,2	138 405	0,6
3. Laakkonen Mikko Kalervo	-	119 919	119 919	2,8	119 919	0,5
4. Suominen Pekka	48 000	62 429	110 429	2,6	1 022 429	4,4
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
7. Suominen Tiina Sini-Maria	48 000	52 856	100 856	2,4	1 012 856	4,4
8. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
9. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
10. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
11. Mustakallio Kari Pauli	60 480	-	60 480	1,4	1 209 600	5,2
12. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
13. Särkijärvi Anu Riitta	12 000	43 256	55 256	1,3	283 256	1,2
14. Särkijärvi Timo Juha	12 000	43 256	55 256	1,3	283 256	1,2
15. Mustakallio Ulla Sinikka	47 740	7 240	54 980	1,3	962 040	4,2
16. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
17. Keskinäinen työeläkevakuutusyhtiö Varma	-	51 950	51 950	1,2	51 950	0,2
18. Relander Pär-Gustaf	-	51 000	51 000	1,2	51 000	0,2
19. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
20. Keskiaho Ilta Marjaana	24 780	19 094	43 874	1,0	514 694	2,2
Total	635 200	1 326 091	1 961 291	46,0	14 030 091	60,7

20 LARGEST SHAREHOLDERS AT MARCH 31, 2020 BY NUMBER OF VOTES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
2. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
3. Mustakallio Kari Pauli	60 480	-	60 480	1,4	1 209 600	5,2
4. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Suominen Pekka	48 000	62 429	110 429	2,6	1 022 429	4,4
7. Suominen Tiina Sini-Maria	48 000	52 856	100 856	2,4	1 012 856	4,4
8. Mustakallio Ulla Sinikka	47 740	7 240	54 980	1,3	962 040	4,2
9. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
10. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
11. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
12. Mustakallio Hanna Leena	32 975	5 565	38 540	0,9	665 065	2,9
13. Mustakallio Jukka Jeremias	32 975	-	32 975	0,8	659 500	2,9
14. Keskiaho Vesa Heikki	29 680	-	29 680	0,7	593 600	2,6
15. Keskiaho Juha-Pekka	27 880	5 716	33 596	0,8	563 316	2,4
16. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
17. Keskiaho Ilta Marjaana	24 780	19 094	43 874	1,0	514 694	2,2
18. Sundholm Göran	-	500 000	500 000	11,7	500 000	2,2
19. Kultanen Leea Annikka	21 595	8 031	29 626	0,7	439 931	1,9
20. Piik Ari	20 855	418	21 273	0,5	417 518	1,8
Total	777 160	898 035	1 675 195	39,3	16 441 235	71,2

MANAGEMENT'S SHAREHOLDING AND NOMINEE-REGISTERED SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
Management's holding at March 31, 2020						
The Board of Directors, The Group's President and CEO and	127 890	132 039	259 929	6,1	2 689 839	11,6
TOTAL	127 890	132 039	259 929	6,1	2 689 839	11,6

*The figures include the holdings of their own, minor children and control entities.

Nominee-registered shares at March 31, 2020						
	-	116 975	116 975	2,7	116 975	0,6

RAUTE CORPORATION
Board of Directors

PRESENTATION OF THE INTERIM REPORT ONLINE:

Analysts, investors and the media can watch the presentation of the Interim Report online on April 29, 2020 starting at 2 p.m. using [this link](#). The Interim Report will be presented by Mr. Tapani Kiiski, President and CEO, and Ms. Tarja Järvinen, CFO. The presentation will be held in Finnish.

Analysts, investors and the media can send in advance questions related to the Interim Report to the email address ir@raute.com on April 29, 2020 until 2.30 p.m., after which President and CEO Tapani Kiiski and Group Vice President, CFO Tarja Järvinen will answer the sent questions in the live Interim Report presentation up until around 3 p.m.

President and CEO Tapani Kiiski has also reserved time for answering questions over the phone after the Interim Report presentation, starting at 3 p.m. The phone number is 03 829 11.

NEXT INTERIM REPORT:

Raute Corporation's half-year report January 1–June 30, 2020 will be released on Thursday, July 23, 2020.

FURTHER INFORMATION:

Mr. Tapani Kiiski, President and CEO, Raute Corporation, mobile phone +358 400 814 148

Ms. Tarja Järvinen, Group Vice President, Finance, CFO, Raute Corporation, mobile phone +358 40 658 3562

DISTRIBUTION:

Nasdaq Helsinki Ltd, main media, www.raute.com

RAUTE IN BRIEF:

Raute is a technology and service company that operates worldwide. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL (Laminated Veneer Lumber) and sawn timber. Its technology offering covers the entire production process for veneer, plywood and LVL and special measurement equipment for sawn timber. As a supplier of mill-scale projects, Raute is a global market leader both in the plywood and LVL industries. Additionally, Raute's full-service concept includes technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations. Raute's head office is located in the Nastola area of Lahti, Finland. The company's other production plants are located in Kajaani, Finland, the Vancouver area of Canada, the Shanghai area of China and in Pullman, Washington, USA. Raute's net sales in 2019 were EUR 151.3 million. The Group's headcount at the end of 2019 was 778. More information about the company can be found at www.raute.com.



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