Q3

BUSINESS REVIEW
1-9| 2019

CRAMO

NEW STRATEGY FOR EQUIPMENT RENTAL LAUNCHED AND EXECUTION PROCEEDING

The figures in brackets, except cash flow, refer to the corresponding period in the previous year and are illustrative figures with IFRS 16 impact based on illustrative non-IFRS calculations. Unless otherwise stated, all figures of the interim report concern the equipment rental business, i.e. the continuing operations after the partial demerger (Reported (cont.)). More detailed principles are presented on page 24.

JULY–SEPTEMBER 2019

- Sales EUR 154.4 (159.6) million, decreased by 3.2%. In local currencies, sales decreased by 1.9%.
- Organic sales growth -1.9%*.
- Comparable EBITA EUR 26.5 (31.7) million or 17.2% (19.9%) of sales. EBITA EUR 24.9 (31.7) million or 16.1% (19.9%) of sales.
- Comparable earnings per share EUR 0.37 (0.54). Earnings per share EUR 0.34 (0.54).
- Cash flow after investments for continuing operations was EUR 39.2 (-8.6) million.

JANUARY–SEPTEMBER 2019

- Sales EUR 455.9 (459.5) million, decreased by 0.8%. In local currencies, sales increased by 1.0%.
- Organic sales growth -0.4%*.
- Comparable EBITA EUR 53.7 (69.0) million or 11.8% (15.0%) of sales. EBITA EUR 52.4 (68.1) million or 11.5% (14.8%) of sales.
- Comparable earnings per share EUR 0.70 (1.07). Earnings per share EUR 0.67 (1.05).
- Cash flow after investments for continuing operations was EUR 71.6 (-30.2) million.

SIGNIFICANT EVENTS DURING THE QUARTER

- A group-wide performance enhancement programme was initiated and is proceeding as planned and will be finalised during 2019. Run-rate cost savings of EUR 10-12 million will be visible gradually from the fourth quarter of 2019 onwards and are in full effect in 2020.
- Cramo organised a Capital Markets Day on 12 September 2019 presenting Cramo's updated strategy and financial targets for 2019-2023 and gave guidance for 2020.
- Mr Henrik Norrbom was appointed Executive Vice President, Scandinavia and Managing Director, Cramo AB and a member of the Cramo Group Management Team on 8 July 2019. He assumed his position on 12 August.
- Ms Petra Schedin Stergel, Senior Vice President, Human Resources Development and a member of the Cramo Group Management Team, left the company on 20 August 2019.
- On 11 July 2019, in a stock exchange release Cramo Plc estimated its comparable EBITA (for Cramo's continuing operations, excluding Cramo's former Modular Space division) for the second quarter of 2019 to be lower compared to the previous year and comparable EBITA for the full year 2019 to decrease from 2018.

* Organic (rental) sales growth excludes the impact of acquisitions, divestments, exchange rate changes and changes in IFRS standards. KBS Infra, acquired on 28 February 2018, is included in organic sales from the second quarter of 2019 onwards.

KEY FIGURES

KEY FIGURES AND RATIOS (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*		Reported (cont.)	with illustrative IFRS 16 impact*		
	7-9/19	7-9/18	Change %	1-9/19	1-9/18	Change %	2018
Sales	154.4	159.6	-3.2%	455.9	459.5	-0.8%	631.9
EBITDA	57.2	62.0	-7.8%	150.1	157.7	-4.8%	215.4
Comparable EBITA [1)]	26.5	31.7	-16.3%	53.7	69.0	-22.1%	94.8
% of sales	17.2%	19.9%		11.8%	15.0%		15.0%
EBITA	24.9	31.7	-21.4%	52.4	68.1	-23.1%	93.9
% of sales	16.1%	19.9%		11.5%	14.8%		14.9%
Comparable profit for the period [1)]	16.5	24.2	-31.7%	31.1	47.8	-34.9%	61.9
Profit for the period	15.3	24.2	-36.7%	29.9	46.9	-36.2%	61.3
Comparable earnings per share (EPS), EUR [1)]	0.37	0.54	-31.9%	0.70	1.07	-35.0%	1.39
Earnings per share (EPS), EUR	0.34	0.54	-36.8%	0.67	1.05	-36.3%	1.38
Comparable operative ROCE, % [1), 2), 3)]				11.6%	14.4%		13.9%
Operative ROCE, % [2), 3)]				11.4%	14.4%		13.8%
Comparable ROCE, % [1), 2)]				8.7%			10.5%
ROCE, % [2)]				8.6%			10.4%
Comparable ROE, % [1), 4)]				11.7%			15.3%
ROE, % [4)]				11.5%			15.2%
Net debt / EBITDA				1.92	2.08		1.99
Net interest-bearing liabilities				399.9	447.4	-10.6%	428.5
Gross capital expenditure (incl. acquisitions) [5)]	21.7	40.5	-46.5%	68.3	159.1	-57.0%	185.1
of which acquisitions/business combinations					43.2		43.6
Cash flow after investments	39.2	-8.6		71.6	-30.2		-8.5
Operative capital employed [3)]				653.1	691.8	-5.6%	692.9
Capital employed				832.8	877.5	-5.1%	876.9
Total assets				965.8	1,030.7	-6.3%	1,021.7

* Presented 2018 figures with IFRS 16 impact are based on illustrative non-IFRS calculations from reported financial notes to form a comparison basis for IFRS 16 figures in 2019. These calculations have been implemented from the opening balance of 2017. Figures are non-IFRS additional financial information and are not to be considered as reported IFRS figures.
The impact of applying IFRS 16 lessee accounting is significant for the Group's figures, especially on the balance sheet where right-of-use assets and lease liabilities were recognised since the opening balance sheet. Together with material changes between lines of income statement and impact on net profit in a single period, the impact on the Group's KPIs such as ROCE and net debt / EBITDA was significant.

1) Excluding items affecting comparability, more information on IACs is presented on pages 15–16.

2) Cramo changed the calculation method of (operative) ROCE's capital employed component into 12-month average in Q4/2018. The change has been applied to comparison figures. 12-month average better reflects the long-term development of capital employed compared to the previous 2-point average calculation.

3) Operative ROCE% is calculated based on EBITA (rolling 12 months) divided by the operative capital employed (12-month average). Operative capital employed is calculated by deducting goodwill and other intangible assets from the capital employed. Operative ROCE% replaces the previously presented ROCE% to better reflect the operative performance on a segment level providing a more meaningful basis for comparison.

4) ROE% is calculated based on net result (rolling 12 months) divided by the total equity at the end of period.

5) The excluded capital expenditure for new right-of-use (RoU) assets according to IFRS 16 was EUR 9.8 million during 1-9/2019.

KEY FIGURES AND RATIOS (MEUR)	Reported (cont.)						
	7-9/19	7-9/18	Change %	1-9/19	1-9/18	Change %	2018
Sales	154.4	159.6	-3.2%	455.9	459.5	-0.8%	631.9
EBITDA	57.2	55.0	4.0%	150.1	135.9	10.4%	185.4
Comparable EBITA [1)]	26.5	31.0	-14.5%	53.7	66.9	-19.8%	92.1
% of sales	17.2%	19.4%		11.8%	14.6%		14.6%
EBITA	24.9	31.0	-19.7%	52.4	66.1	-20.7%	91.2
% of sales	16.1%	19.4%		11.5%	14.4%		14.4%
Comparable profit for the period [1)]	16.5	24.2	-31.7%	31.1	47.8	-35.9%	61.9
Profit for the period	15.3	24.2	-36.7%	29.9	46.9	-36.2%	61.3
Comparable earnings per share (EPS), EUR [1)]	0.37	0.54	-31.9%	0.70	1.07	-36.0%	1.39
Earnings per share (EPS), EUR	0.34	0.54	-36.8%	0.67	1.05	-36.3%	1.38
Average number of personnel (FTE)				2 661	2 544	4.6%	2 546

1) Excluding items affecting comparability, more information on IACs is presented on pages 15–16.

CEO'S COMMENT

Cramo's third quarter was the first quarter as a stand-alone equipment rental company. The new strategy, Cramo NXT, was launched on 12 September 2019 at the Capital Markets Day. The strategy has new financial targets and works towards the Group vision of becoming the productivity partner in rental, and beyond. The strategy aims at grasping the opportunities in the market via differentiation through products, services and innovative digital solutions aimed at increasing productivity for our customers. This will be key to our success.

Cramo's third quarter performance fell behind last year, as expected, and comparable EBITA decreased in all segments compared to last year. However, the cash flow generation was very strong during the quarter and cash flow from operating activities was EUR 16.9 million above last year. Cash flow after investments was EUR 39.2 million, being EUR 47.8 million above last year.

To improve competitiveness and profit generation going forward, we have initiated a group-wide performance enhancement programme to ensure a more streamlined cost base. The performance programme is proceeding as planned, including personnel and other operating expense reductions. The programme will be fully executed by the end of 2019 with run-rate cost savings of EUR 10-12 million, visible gradually from the fourth quarter of 2019 onwards, and in full effect in 2020.

The Group's sales in the third quarter were slightly lower compared to last year in comparable currencies. The market environment is levelling out in many countries, which makes the sales growth and profitability improvement more challenging. In Sweden, sales decreased by 8.3% in local currency mainly due to the ending of large industrial projects with new projects being postponed until the late autumn of 2019. However, two large projects were signed during the second quarter of 2019, which will start contributing positively from the fourth quarter of 2019. In Norway, the positive trend in sales development continued, driven by good demand, increased fleet and service sales. In Finland, sales and profitability were almost on last year's level, whereas in other Eastern European countries performance was impacted by a more challenging market environment. In Central Europe, sales were substantially higher compared to last year driven by industrial projects in KBS Infra, however profitability stayed on a non-satisfactory level.

We see many growth opportunities in our markets, particularly within selected customer segments and products areas where we have potential to increase presence and strengthen our market position. In the coming months, we will continue to execute our new strategy and finalise the cost savings programme. Cramo is a trusted brand with a strong product offering, loyal customers and highly engaged employees. This, coupled with our new strategy will leave us well prepared for the future where we will invest in growth opportunities and optimise profitability to meet the performance guidance given for 2020 that EBITA will be above EUR 75 million.

Leif Gustafsson, Cramo Group's President and CEO

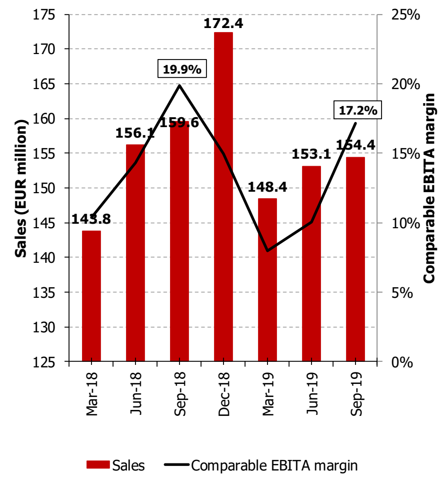
MARKET OUTLOOK

The European Rental Association (ERA) forecasts that the equipment rental market will grow in 2020 in all of Cramo's operating countries, varying approximately between 4 to 5%, except in Poland where the growth is forecasted to be 8.2%. Forecon estimates that the equipment rental market will decrease in 2020 by 1% in Sweden and 2% in Estonia, grow in Norway by 4% and in Finland and Lithuania by 2%.

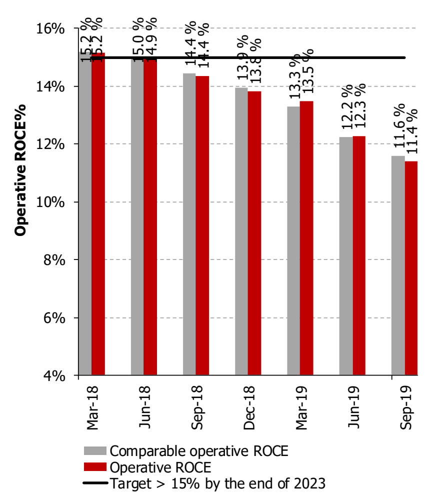
In equipment rental, changes in demand usually follow the construction market with a delay. According to Euroconstruct June 2019 estimates, the construction market will decrease by 3% in Sweden and Finland in 2020. The Sveriges Byggindustrier is projecting that the Swedish construction market will decline by 2% in 2020 according to their latest estimate in October 2019. In Norway, the construction market is expected to grow by 2%. In Germany and Austria, growth is forecast to be -0.7% and 1.2% respectively.

GROUP PERFORMANCE

SALES DEVELOPMENT



OPERATIVE ROCE* (IFRS 16)



Presented figures are with illustrative IFRS 16 impact. The impact for applying IFRS 16 lessee accounting is significant for Cramo's figures, especially on the balance sheet where right-of-use assets and lease liabilities were recognised since the opening balance sheet, as well as KPIs such as ROCE and net debt / EBITDA.

* Cramo changed the calculation method of (operative) ROCE's capital employed component into 12-month average in Q4/2018. The change has been applied to comparison figures.

Cramo Group's consolidated sales for January–September totalled EUR 455.9 (459.5) million, showing a decrease of 0.8% (1.0% increase in local currencies). KBS Infra, acquired on 28 February 2018, supported sales growth. The impact of the exchange rate changes on sales was EUR -8.0 million, mainly due to the weaker Swedish Krona. The Group's organic sales growth was EUR -1.8 million (-0.4%).

Sales decreased in the third quarter by 3.2% (1.9% in local currencies) and amounted to EUR 154.4 (159.6) million. Demand and market environment are levelling out in many countries, which makes sales growth more challenging. The Group's organic sales growth for the quarter was negative and stood at -1.9%. Central Europe contributed positively to the Group's organic sales growth mainly due to positive sales development in KBS Infra. Organic sales growth in Finland and Eastern Europe was negative. Organic sales growth in Scandinavia was poor due to modest sales development in Sweden.

Cramo Group's comparable EBITA for January–September came to EUR 53.7 (69.0) million, showing a decrease of 22.1%. Comparable EBITA margin was 11.8% (15.0%) of sales. Profitability decreased in all segments mainly due to lower sales growth, extraordinary costs related to the organisational transformation of KBS Infra (EUR -0.8 million) in Central Europe as well as weaker Swedish Krona (EUR -1.7 million) in Scandinavia. In January–September, items affecting comparability amounted to EUR -1.3 million (see specification on IAC tables on page 14). In the comparison period, items affecting comparability amounted to EUR -0.9 million and were related to the transaction costs of KBS Infra acquisition.

Comparable EBITA for the third quarter decreased by 16.3%, totalling EUR 26.5 (31.7) million or 17.2% (19.9%) of sales. Profitability decreased in all segments but was driven by sales development in Sweden mainly due to the ending of large industrial projects with new projects being postponed until the late autumn of 2019 together with a weaker Swedish Krona. In July–September, items affecting comparability in EBITA amounted to EUR -1.6 million (see specification on IAC tables on page 14).

Finance net totalled EUR -10.6 (-8.0) million in January–September and finance net for the third quarter was EUR -4.0 (-2.4) million. Variance was especially due to IFRS 5 continuing operations principles used to restate comparison period's reported figures and related timing impact of certain finance items between quarters in FY2018, which levels out for whole financial year.

Profit for the period totalled EUR 29.9 (46.9) million in January–September and profit for the third quarter was EUR 15.3 (24.2) million. Comparable earnings per share for January–September were EUR 0.70 (1.07) and earnings per share EUR 0.67 (1.05). The corresponding figures for the third quarter were EUR 0.37 (0.54) and EUR 0.34 (0.54) respectively. The comparable operative return on capital employed came to 11.6% and operative return on capital employed 11.4%. On 30 September 2019, net debt to EBITDA stood at 1.92 (2.08).

In January–September, cash flow from operating activities for continuing operations was a strong EUR 113.4 (88.2) million, cash flow after investments for continuing operations totalled EUR 71.6 (-30.2) million, where the comparison period figure was impacted by the acquisition of shares of KBS Infra amounting to EUR -43.2 million. IFRS 16 implementation changed the presentation of lease payment cash flows only between the lines as cash payments for the principal portion of lease liability are presented in cash flows from financing activities, thus improving both cash flow from operating activities and cash flow after investments by EUR 30.7 million respectively. In the third quarter, cash flow from operating activities for continuing operations was EUR 58.5 (41.6) million and cash flow after investments for continuing operations was EUR 39.2 (-8.6) million.

Cramo Group's capital expenditure in January–September totalled EUR 68.3 (159.1) million, where investments decreased substantially in all segments. The impact of the acquisition of KBS Infra in capital expenditure was EUR 43.2 million in the comparison period. Cramo Group's capital expenditure during the third quarter was EUR 21.7 (40.5) million.

PERFORMANCE BY SEGMENT

Cramo Group's segments are Scandinavia, Finland and Eastern Europe and Central Europe.

The figures in brackets refer to the corresponding period in the previous year and are illustrative figures with IFRS 16 impact as stated at the beginning of this document. This is also valid in the previous year figures presented in key figures tables of segments (*).

SCANDINAVIA

POSTPONED NEW INDUSTRIAL PROJECTS IN SWEDEN AFFECTED NEGATIVELY ON PROFITABILITY, SOLID PERFORMANCE CONTINUED IN NORWAY

In Scandinavia, January–September sales were below the previous year's level by 6.4% (3.6% in local currencies), totalling EUR 253.2 (270.4) million. Organic sales growth was -3.6%. Unfavourable exchange rate development impact on sales was EUR -7.9 million, mainly due to the weaker Swedish Krona. In Sweden, sales decreased by 8.4% (5.4% in local currency) mainly due to the ending of large industrial projects with new projects being postponed until the late autumn of 2019. In Norway, the positive trend in sales development continued, driven by good demand and increased fleet.

In the third quarter, sales decreased by 8.4% (6.1% in local currencies) and amounted to EUR 79.6 (86.9) million, where the exchange rate effect was EUR -2.1 million. Organic sales growth stood at -6.1%. In Sweden, sales decreased by 10.4% (8.3% in local currency) mainly impacted by the ending of large industrial projects with new projects being postponed until the late autumn of 2019. Third quarter sales were on a good level in Norway driven by services.

In January–September, comparable EBITA decreased by 19.2% and totalled EUR 43.6 (53.9) million, mainly due to lower sales in Sweden. In Norway, rental sales growth led to higher gross profit, but was offset by higher indirect costs, and increased depreciations due to a larger fleet. In January–September, items affecting comparability amounted to EUR -0.1 million and were related to the restructuring costs in Norway raised by the group-wide cost savings programme. In the third quarter, comparable EBITA decreased by 16.6% mainly due to a lower topline in Sweden. The ongoing group-wide cost savings programme is proceeding according to plans with some benefits visible already during the fourth quarter of 2019. Due to the programme, items affecting comparability amounted to EUR -0.1 million for the third quarter.

In Sweden, market growth has been levelling out during the past quarters and the market conditions have varied between the regions. The latest market estimates show that the decline in the Swedish new building construction (residential and non-residential) is expected to continue in 2020. However, the underlying market is still active, and growth can be seen in selected regions and customer segments like in the industrial customer segment, into which Cramo has been shifting resources. Two large projects were signed during the second quarter of 2019 and will start contributing positively from the fourth quarter of 2019.

In Norway, the market continues to be strong; the construction market is expected to continue growing in 2019 by 4.7%, mainly driven by civil engineering. According to Forecon, the rental market is expected to grow by 2% in 2019.

Key figures

	Reported	with illustrative IFRS 16 impact*		Reported	with illustrative IFRS 16 impact*		
(MEUR)	7-9/19	7-9/18	Change %	1-9/19	1-9/18	Change %	2018
Sales	79.6	86.9	-8.4 %	253.2	270.4	-6.4 %	370.5
EBITA	16.0	19.4	-17.1 %	43.5	53.9	-19.3 %	74.8
% of sales	20.2 %	22.3 %		17.2 %	19.9 %		20.2 %
Comparable EBITA	16.1	19.4	-16.6 %	43.6	53.9	-19.2 %	74.8
% of sales	20.3 %	22.3 %		17.2 %	19.9 %		20.2 %
Operative ROCE				19.5 %	22.8 %		22.2 %
Comparable operative ROCE				19.5 %	22.8 %		22.2 %

	Reported						
(MEUR)	7-9/19	7-9/18	Change %	1-9/19	1-9/18	Change %	2018
Sales	79.6	86.9	-8.4 %	253.2	270.4	-6.4 %	370.5
EBITA	16.0	19.0	-15.4 %	43.5	52.8	-17.6 %	73.3
% of sales	20.2 %	21.8 %		17.2 %	19.5 %		19.8 %
Comparable EBITA	16.1	19.0	-14.9 %	43.6	52.8	-17.4 %	73.3
% of sales	20.3 %	21.8 %		17.2 %	19.5 %		19.8 %
Operative ROCE				20.3 %	27.4 %		26.6 %
Comparable operative ROCE				20.4 %	27.4 %		26.6 %

At the end of the period, the Scandinavia segment includes operations in Sweden and Norway.

FINLAND AND EASTERN EUROPE

MARKET STABILISATION IMPACTING ON SALES AND PROFITABILITY

In Finland and Eastern Europe, January–September sales increased slightly by 0.2% (0.3% in local currencies) to EUR 107.5 (107.2) million. Organic sales growth for the segment was 0.3% and driven by Lithuania. Sales growth levelled out in Poland and Estonia and remained flat in Finland. The segment's third-quarter sales decreased by 1.6% (1.6% in local currencies). Sales declined in all countries except for Lithuania. The market development is stabilising in all countries, which impacts on sales growth.

In January–September, comparable EBITA decreased by 11.2%, totalling EUR 14.3 (16.0) million or 13.3% (15.0%) of sales. The profitability decreased in all countries except Lithuania. The decrease was caused by moderate sales performance and lower other operating income. In Finland, performance improvement actions and executed transformation programme started to show benefits and profitability was almost at last year's level. In Lithuania, sales growth continued strong and profitability improved. Third quarter comparable EBITA amounted to EUR 8.1 (8.7) million and decreased mainly due to lower sales performance and different sales mix. In order to improve profitability going forward, the execution of a cost savings programme kicked off in all countries.

In Finland demand in the equipment rental market remained rather flat during the third quarter. According to Forecon, the equipment rental market is expected to grow in 2020 by 2%. Growth is being supported by sectors outside new residential construction. For example, the industrial customer segment as well as in renovation are expected to grow. In Estonia, the market is still solid, however growth is levelling out. In Lithuania, good market conditions continue, but growth has slowed down. In Poland, the market is stabilising due to the smaller number of start-ups in housing construction, leaving this year on the same level as last year, contrary to expectations.

The EBITA of Finland and Eastern Europe includes Cramo's share of its joint venture Fortrent's net result in Russia and Ukraine. In January–September, Fortrent's net result amounted to EUR 2.6 (0.8) million. Cramo's share of the consolidated net result was EUR 1.3 (0.4) million. In July–September, Fortrent's net result amounted to EUR 1.2 (0.6) million of which Cramo's share was EUR 0.6 (0.3) million.

Key figures

	Reported (cont.)	with illustrative IFRS 16 impact*		Reported (cont.)	with illustrative IFRS 16 impact*		
(MEUR)	7-9/19	7-9/18	Change %	1-9/19	1-9/18	Change %	2018
Sales	38.3	38.9	-1.6 %	107.5	107.2	0.2 %	147.0
EBITA	8.1	8.7	-6.7 %	14.3	16.0	-11.2 %	23.6
% of sales	21.1 %	22.3 %		13.3 %	15.0 %		16.0 %
Comparable EBITA	8.1	8.7	-6.7 %	14.3	16.0	-11.2 %	23.6
% of sales	21.1 %	22.3 %		13.3 %	15.0 %		16.0 %
Operative ROCE				11.8 %	13.1 %		12.9 %
Comparable operative ROCE				11.8 %	13.0 %		12.9 %

	Reported (cont.)						
(MEUR)	7-9/19	7-9/18	Change %	1-9/19	1-9/18	Change %	2018
Sales	38.3	38.9	-1.6 %	107.5	107.2	0.2 %	147.0
EBITA	8.1	8.5	-4.9 %	14.3	15.6	-8.4 %	22.9
% of sales	21.1 %	21.8 %		13.3 %	14.5 %		15.6 %
Comparable EBITA	8.1	8.5	-4.9 %	14.3	15.6	-8.4 %	22.9
% of sales	21.1 %	21.8 %		13.3 %	14.5 %		15.6 %
Operative ROCE				12.2 %	15.0 %		14.7 %
Comparable operative ROCE				12.2 %	14.8 %		14.7 %

At the end of the period, the Finland and Eastern Europe segment includes operations in Finland, Poland, Estonia, Lithuania and Fortrent Group. Former Modular Space operations in Estonia and Lithuania, not transferred to Adapteo, are included in the segment figures.

CENTRAL EUROPE

STRONG SALES GROWTH DRIVEN BY KBS INFRA

In Central Europe, January–September sales increased by 16.5% (16.6% in local currencies) totalling EUR 95.4 (81.9) million. Sales were positively affected by the acquisition of KBS Infra. The segment's organic sales growth was a strong 9.3% supported by KBS Infra. In the Czech Republic and Austria, sales grew during the period. In Germany, rental sales continued to develop below expectations. Lower rental sales were compensated by higher trading sales. Change in the sales mix is, however, affected negatively on profitability with lower gross margin. The segment's organic rental sales increased by 3.9%.

In the third quarter, sales were EUR 36.5 (33.7) million. The increase was mainly attributable to KBS Infra, which grew by EUR 2.5 million in the quarter. The segment's organic sales growth for the quarter was 8.3% and organic rental sales 6.1%.

In January–September, the segment's comparable EBITA decreased to EUR 4.1 (6.9) million. During the reporting period, extraordinary costs related to the organisational transformation of KBS Infra decreased the segment's profitability by EUR -0.8 million. In the comparison period, net extraordinary items were EUR -0.4 million related to the incentive costs of termination agreement and consulting costs related to the market and strategy review and positive impact of KBS Infra contingent liability remeasurement. Low rental sales and higher trading sales in Germany decreased the profitability with lower gross margin. KBS Infra's performance is proceeding according to plan supported by expansion investments. In order to increase the profitability of the business, the German organisation is currently executing focused performance improvement actions, like cost base optimisation, fleet and operational efficiency improvements and sales measures. In January–September, items affecting comparability amounted to EUR 1.1 million (see specification on IAC tables on page 14).

Comparable EBITA for the third quarter was EUR 4.3 (5.7) million or 11.7% (17.0%) of sales. The profitability was impacted by sales mix as well as increased indirect costs and depreciation due to KBS Infra growth investments. In July–September, items affecting comparability amounted to EUR -0.9 million and were related to the settlement of certain KBS Infra acquisition related items.

In Germany construction market growth has been slowing down. For KBS Infra, the market remains quite strong and the project pipeline is promising. In Czech Republic and Slovakia market growth is stabilising and the market has become more competitive in certain areas. In Austria and Hungary, the market has remained good.

Key figures

	Reported	with illustrative IFRS 16 impact*		Reported	with illustrative IFRS 16 impact*		
(MEUR)	**7-9/19**	**7-9/18**	**Change %**	**1-9/19**	**1-9/18**	**Change %**	**2018**
Sales	36.5	33.7	8.3 %	95.4	81.9	16.5 %	114.4
EBITA	3.4	5.7	-40.3 %	5.2	6.0	-14.0 %	8.6
% of sales	9.4 %	17.0 %		5.4 %	7.3 %		7.5 %
Comparable EBITA	4.3	5.7	-25.3 %	4.1	6.9	-40.8 %	9.5
% of sales	11.7 %	17.0 %		4.3 %	8.4 %		8.3 %
Operative ROCE				4.7 %	5.5 %		5.8 %
Comparable operative ROCE				4.0 %	6.1 %		6.4 %

	Reported						
(MEUR)	**7-9/19**	**7-9/18**	**Change %**	**1-9/19**	**1-9/18**	**Change %**	**2018**
Sales	36.5	33.7	8.3 %	95.4	81.9	16.5 %	114.4
EBITA	3.4	5.6	-38.9 %	5.2	5.6	-8.0 %	8.1
% of sales	9.4 %	16.6 %		5.4 %	6.8 %		7.1 %
Comparable EBITA	4.3	5.6	-23.6 %	4.1	6.5	-37.3 %	8.9
% of sales	11.7 %	16.6 %		4.3 %	7.9 %		7.8 %
Operative ROCE				4.8 %	6.1 %		6.5 %
Comparable operative ROCE				4.1 %	6.9 %		7.2 %

The Central Europe segment includes operations in Germany, Austria, Hungary, the Czech Republic and Slovakia.

GROUP INFORMATION CONTINUING OPERATIONS

CONSOLIDATED STATEMENT OF INCOME (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Sales	**154.4**	**159.6**	**455.9**	**459.5**	**631.9**
Other operating income	4.1	3.7	13.3	12.8	17.3
Materials and services	-50.0	-48.9	-148.6	-146.8	-204.4
Employee benefit expenses	-34.1	-34.1	-111.9	-109.2	-147.9
Other operating expenses	-17.8	-25.6	-59.9	-80.7	-112.0
Share of profit / loss of joint ventures	0.6	0.3	1.3	0.4	0.5
EBITDA	**57.2**	**55.0**	**150.1**	**135.9**	**185.4**
Depreciation and impairment on tangible assets	-32.3	-24.0	-97.8	-69.9	-94.2
EBITA	**24.9**	**31.0**	**52.4**	**66.1**	**91.2**
% of sales	**16.1 %**	**19.4 %**	**11.5 %**	**14.4 %**	**14.4 %**
Amortisation and impairment resulting from acquisitions	-1.0	-1.0	-2.9	-2.8	-3.8
Operating profit (EBIT)	**23.9**	**30.0**	**49.5**	**63.2**	**87.4**
% of sales	**15.5 %**	**18.8 %**	**10.8 %**	**13.8 %**	**13.8 %**
Finance costs (net)	-4.0	-1.7	-10.6	-6.0	-10.2
Profit before taxes	**19.9**	**28.3**	**38.9**	**57.2**	**77.2**
% of sales	**12.9 %**	**17.7 %**	**8.5 %**	**12.5 %**	**12.2 %**
Income taxes	-4.6	-4.1	-8.9	-10.3	-15.9
Profit for the period	**15.3**	**24.2**	**29.9**	**46.9**	**61.3**
% of sales	**9.9 %**	**15.2 %**	**6.6 %**	**10.2 %**	**9.7 %**
Attributable to:					
Owners of the parent company, continuing operations	15.3	24.2	29.9	46.9	61.3
Profit attributable to owners of the parent company					
Earnings per share, undiluted, EUR	0.34	0.54	0.67	1.05	1.38
Earnings per share, diluted, EUR	0.34	0.54	0.67	1.05	1.37

The balance sheet includes only continuing operations for comparison periods, which is an exception to IFRS 5, and therefore is not equal with the previously reported.

CONSOLIDATED BALANCE SHEET (MEUR)	30 Sep 2019	30 Sep 2018	31 Dec 2018
ASSETS			
Non-current assets			
Tangible assets	635.9	562.5	559.1
Goodwill	116.5	119.1	119.1
Other intangible assets	54.7	60.1	59.1
Deferred tax assets	9.1	13.0	10.2
Investments in joint ventures	8.4	6.3	5.7
Other interest-bearing receivables *	6.4	9.7	8.7
Trade and other receivables *	2.8	2.3	2.3
Total non-current assets	**833.8**	**773.0**	**764.2**
Current assets			
Inventories	8.3	9.2	7.9
Other interest-bearing receivables *	0.1	0.8	0.1
Trade and other receivables *	112.3	126.0	124.4
Income tax receivables	4.4	3.9	3.4
Derivative financial instruments	0.5	0.9	1.9
Cash and cash equivalents	6.4	3.0	3.0
Total current assets	**132.0**	**143.9**	**140.7**
TOTAL ASSETS	**965.8**	**916.9**	**904.9**
EQUITY AND LIABILITIES			
Total equity	**386.6**	**388.9**	**403.6**
Non-current liabilities			
Interest-bearing liabilities	235.7	217.6	206.7
Lease liabilities	59.3	0.9	0.4
Derivative financial instruments	7.2	6.6	7.2
Deferred tax liabilities	52.9	59.8	55.4
Retirement benefit liabilities	1.8	1.8	1.8
Other non-current liabilities		2.0	1.6
Total non-current liabilities	**356.9**	**288.8**	**273.2**
Current liabilities			
Interest-bearing liabilities	78.2	116.9	106.2
Lease liabilities	33.0	1.1	1.3
Derivative financial instruments	1.0	0.8	0.4
Trade and other payables	103.9	117.9	113.6
Income tax liabilities	6.1	2.2	6.4
Provisions		0.2	0.2
Total current liabilities	**222.3**	**239.2**	**228.1**
Total liabilities	**579.2**	**528.0**	**501.3**
TOTAL EQUITY AND LIABILITIES	**965.8**	**916.9**	**904.9**

* Due to a classification change in comparative figures, other interest-bearing receivables for the period 1–12/2018 have increased by EUR 5.5 million and trade and other receivables have decreased accordingly. In the current receivables, the corresponding impact was EUR 5.4 million.

The reported cash flow statement is presented as per the standard requirements effective for the reporting periods. Cash flows for 2019 are presented according to IFRS 16, whereas cash flows for 2018 are presented according to the previous Leases standard IAS 17. The implementation of IFRS 16 did not change the amount of total cash flows but instead changed the presentation of lease payment cash flows only between the lines as cash payments for the principal portion of lease liability (effect compared to previous period EUR 30.7 million) are presented in cash flows from financing activities, leaving only the interest portion in the cash flow from operating activities.

Cash flow includes both continuing and discontinued operations for comparable periods according to IFRS 5, and therefore is not comparable with the current one. Discontinued operations include demerger gain amounting to EUR 369.8 million in Profit before taxes and related non-cash adjustment in Non-cash adjustment on fair value gain on demerger.

CONSOLIDATED CASH FLOW STATEMENT (MEUR)		Incl. continuing and discontinued operations Reported			
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Cash flow from operating activities					
Profit before taxes	19.4	35.9	427.9	80.3	105.3
Non-cash adjustments	33.9	32.0	126.8	90.6	126.1
Non-cash adjustment on fair value gain on demerger			-369.8		
Change working capital	10.7	-8.8	2.9	-17.3	1.0
Cash flow before financial items and taxes	**64.0**	**59.2**	**187.8**	**153.6**	**232.3**
Net financial items	-3.0	-4.5	-15.3	-15.5	-19.8
Income taxes paid	-2.6	-4.8	-11.3	-14.2	-17.1
Net cash flow from operating activities	**58.5**	**49.9**	**161.3**	**123.9**	**195.5**
Cash flow from investing activities					
Investments in tangible and intangible assets	-24.9	-61.1	-102.9	-156.0	-212.7
Sale of tangible and intangible assets	5.6	6.9	16.3	21.1	26.9
Acquisition of subsidiaries and business operations, net of cash		-1.2	-0.8	-19.7	-160.0
Net cash flow from investing activities	**-19.3**	**-55.4**	**-87.4**	**-154.5**	**-345.9**
Cash flow after investments	**39.2**	**-5.5**	**73.9**	**-30.6**	**-150.4**
Cash flow from financing activities					
Change in interest-bearing receivables	20.6	0.4	22.3	0.6	3.0
Repayment of lease liabilities	-8.6		-32.6		
Change in interest-bearing liabilities	-47.0	5.2	-23.2	71.3	190.6
Dividends paid			-40.2	-37.9	-37.9
Net cash flow from financing activities	**-35.0**	**4.7**	**-73.7**	**31.9**	**153.3**
Change in cash and cash equivalents	**4.2**	**-0.8**	**0.2**	**1.3**	**3.0**
Cash and cash equivalents at period start	2.3	4.8	6.4	2.6	2.6
Cash and cash equivalents related to disposals	-0.1	0.0	-0.1	0.1	0.9
Exchange differences	-0.1	0.0	-0.1	0.0	-0.1
Cash and cash equivalents at period end	**6.4**	**4.0**	**6.4**	**4.0**	**6.4**

SEGMENT INFORMATION REPORTED

Sales (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	79.6	86.9	253.2	270.4	370.5
Finland and Eastern Europe (Reported (cont.))	38.3	38.9	107.5	107.2	147.0
Central Europe	36.5	33.7	95.4	81.9	114.4
Non-allocated & eliminations	0.0	0.0	-0.1	0.0	0.0
Group	**154.4**	**159.6**	**455.9**	**459.5**	**631.9**

EBITA (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	16.0	19.0	43.5	52.8	73.3
Finland and Eastern Europe (Reported (cont.))	8.1	8.5	14.3	15.6	22.9
Central Europe	3.4	5.6	5.2	5.6	8.1
Non-allocated & eliminations	-2.7	-2.1	-10.5	-7.9	-13.1
Group	**24.9**	**31.0**	**52.4**	**66.1**	**91.2**

EBITA margin	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	20.2 %	21.8 %	17.2 %	19.5 %	19.8 %
Finland and Eastern Europe (Reported (cont.))	21.1 %	21.8 %	13.3 %	14.5 %	15.6 %
Central Europe	9.4 %	16.6 %	5.4 %	6.8 %	7.1 %
Group	**16.1 %**	**19.4 %**	**11.5 %**	**14.4 %**	**14.4 %**

IACs** in EBITA (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia [1)]	-0.1		-0.1		
Finland and Eastern Europe (Reported (cont.))					
Central Europe [2)]	-0.9		1.1	-0.9	-0.9
Non-allocated & eliminations [3)]	-0.7		-2.4		
Group	**-1.6**		**-1.3**	**-0.9**	**-0.9**

** IAC = Items affecting comparability

1) In Scandinavia, items affecting comparability of EBITA in January-September 2019 amounted to EUR -0.1 million and were related to the restructuring costs raised by the ongoing group-wide cost savings programme. There were no items affecting comparability in the comparison period.

2) In Central Europe, items affecting comparability of EBITA in January-September 2019 amounted to EUR 1.1 million and were related to the release of liability on contingent part of the acquisition price of KBS Infra (EUR 1.9 million) and the settlement of KBS Infra acquisition related items (EUR -0.9 million). In July-September 2019, items affecting comparability amounted to EUR -0.9 million and were related to the settlement of KBS Infra acquisition related items. In January-September 2018, EUR -0.9 million was related to transaction costs of the KBS Infra acquisition.

3) Group EBITA for January-September included EUR -1.8 million advisory costs related to remaining Cramo strategy process and EUR -0.5 million related to the restructuring and advisory costs raised by the ongoing group-wide cost savings programme. The corresponding figure for July-September 2019 was EUR -0.7 million, out of which EUR -0.2 million was related to advisory costs of the remaining Cramo strategy process and EUR -0.5 million restructuring and related advisory costs.

Comparable EBITA (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	16.1	19.0	43.6	52.8	73.3
Finland and Eastern Europe (Reported (cont.))	8.1	8.5	14.3	15.6	22.9
Central Europe	4.3	5.6	4.1	6.5	8.9
Non-allocated & eliminations	-2.0	-2.1	-8.2	-7.9	-13.1
Group	**26.5**	**31.0**	**53.7**	**66.9**	**92.1**

Comparable EBITA margin	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	20.3 %	21.8 %	17.2 %	19.5 %	19.8 %
Finland and Eastern Europe (Reported (cont.))	21.1 %	21.8 %	13.3 %	14.5 %	15.6 %
Central Europe	11.7 %	16.6 %	4.3 %	7.9 %	7.8 %
Group	**17.2 %**	**19.4 %**	**11.8 %**	**14.6 %**	**14.6 %**

EBIT (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	15.6	18.5	42.1	51.3	71.3
Finland and Eastern Europe (Reported (cont.))	7.9	8.3	13.6	14.9	22.0
Central Europe	3.1	5.3	4.3	4.9	7.1
Non-allocated & eliminations	-2.7	-2.1	-10.5	-7.9	-13.1
Group	**23.9**	**30.0**	**49.5**	**63.2**	**87.4**

EBIT margin	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	19.6 %	21.3 %	16.6 %	19.0 %	19.2 %
Finland and Eastern Europe (Reported (cont.))	20.6 %	21.3 %	12.7 %	13.9 %	15.0 %
Central Europe	8.6 %	15.7 %	4.5 %	6.0 %	6.2 %
Group	**15.5 %**	**18.8 %**	**10.8 %**	**13.8 %**	**13.8 %**

IACs** in EBIT (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia [1)]	-0.1		-0.1		
Finland and Eastern Europe (Reported (cont.))					
Central Europe [2)]	-0.9		1.1	-0.9	-0.9
Non-allocated & eliminations [3)]	-0.7		-2.4		
Group	**-1.6**		**-1.3**	**-0.9**	**-0.9**

** IAC = Items affecting comparability

1) In Scandinavia, items affecting comparability of EBITA in January-September 2019 amounted to EUR -0.1 million and were related to the restructuring costs raised by the ongoing group-wide cost savings programme. There were no items affecting comparability in the comparison period.

2) In Central Europe, items affecting comparability of EBITA in January-September 2019 amounted to EUR 1.1 million and were related to the release of liability on contingent part of the acquisition price of KBS Infra (EUR 1.9 million) and the settlement of KBS Infra acquisition related items (EUR -0.9 million). In July-September 2019, items affecting comparability amounted to EUR -0.9 million and were related to the settlement of KBS Infra acquisition related items. In January-September 2018, EUR -0.9 million was related to transaction costs of the KBS Infra acquisition.

3) Group EBITA for January-September included EUR -1.8 million advisory costs related to the remaining Cramo strategy process and EUR -0.5 million related to the restructuring and advisory costs raised by the ongoing group-wide cost savings programme. The corresponding figure for July-September 2019 was EUR -0.7 million, out of which EUR -0.2 million was related to advisory costs of the remaining Cramo strategy process and EUR -0.5 million restructuring and related advisory costs.

Comparable EBIT (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	15.7	18.5	42.1	51.3	71.3
Finland and Eastern Europe (Reported (cont.))	7.9	8.3	13.6	14.9	22.0
Central Europe	4.0	5.3	3.2	5.8	8.0
Non-allocated & eliminations	-2.0	-2.1	-8.2	-7.9	-13.1
Group	**25.6**	**30.0**	**50.8**	**64.1**	**88.3**

Comparable EBIT margin	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	19.7 %	21.3 %	16.6 %	19.0 %	19.2 %
Finland and Eastern Europe (Reported (cont.))	20.6 %	21.3 %	12.7 %	13.9 %	15.0 %
Central Europe	10.9 %	15.7 %	3.3 %	7.1 %	7.0 %
Group	**16.6 %**	**18.8 %**	**11.1 %**	**14.0 %**	**14.0 %**

Operative capital employed** (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia			305.6	285.8	285.2
Finland and Eastern Europe (Reported (cont.))			179.9	159.2	159.8
Central Europe			171.4	133.8	135.5
Non-allocated & eliminations			-3.8	-1.0	-4.4
Group			**653.1**	**577.9**	**576.1**

** Group operative capital employed figures only includes capital of continuing operations. Modular Space operations not transferred to Adapteo are included in the respective restated Equipment Rental segment figures.

Sales by country (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Sweden	64.1	71.5	203.8	222.5	303.8
Finland	24.5	24.6	70.9	71.2	97.6
Germany	29.6	27.3	78.0	65.8	92.3
Norway	15.5	15.4	49.4	47.9	66.7
Other countries (Reported (cont.))	20.9	20.9	54.6	52.6	72.2
Group	**154.4**	**159.6**	**455.9**	**459.5**	**631.9**

Reconciliation of Group EBITA to profit before taxes (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Group EBITA	**24.9**	**31.0**	**52.4**	**66.1**	**91.2**
Amortisation and impairment resulting from acquisitions and disposals	-1.0	-1.0	-2.9	-2.8	-3.8
Operating profit	**23.9**	**30.0**	**49.5**	**63.2**	**87.4**
Net finance items	-4.0	-1.7	-10.6	-6.0	-10.2
Profit before taxes	**19.9**	**28.3**	**38.9**	**57.2**	**77.2**

Depreciation, amortisation and impairment on fixed assets** (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	-14.7	-11.1	-45.6	-32.9	-44.0
Finland and Eastern Europe (Reported (cont.))	-8.8	-7.0	-26.4	-20.6	-27.6
Central Europe	-8.3	-5.5	-24.2	-15.2	-21.0
Non-allocated & eliminations	-0.5	-0.4	-1.5	-1.3	-1.7
Group	**-32.3**	**-24.0**	**-97.8**	**-69.9**	**-94.2**

** Depreciation, amortisation and impairment on tangible assets and intangible assets excluding amortisation and impairment arising from purchase price allocations (acquisitions).

Gross Capital Expenditure** (MEUR)	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	6.7	16.2	17.2	56.2	69.5
Finland and Eastern Europe (Reported (cont.))	6.7	11.9	18.1	32.0	36.6
Central Europe	8.1	12.0	31.8	69.1	77.1
Non-allocated & Eliminations	0.1	0.4	1.3	1.8	1.8
Group	**21.7**	**40.5**	**68.3**	**159.1**	**185.1**

** Gross capital expenditure only includes the capital expenditure for owned assets. The excluded capital expenditure for new right-of-use assets according to IFRS 16 was EUR 9.8 million during January-September 2019.

Sales growth specification by segments				
Sales (MEUR)	Scandinavia	Finland and Eastern Europe (Reported (cont.))	Central Europe	Group
1-9/2018	**270.4**	**107.2**	**81.9**	**459.5**
Acquisitions			6.3	6.3
Organic growth	-9.4	0.4	7.3	-1.8
Exchange rate changes	-7.9	-0.1	-0.1	-8.0
1-9/2019	**253.2**	**107.5**	**95.4**	**455.9**

Sales growth specification by segments				
Sales (MEUR)	Scandinavia	Finland and Eastern Europe (Reported (cont.))	Central Europe	Group
7-9/2018	**86.9**	**38.9**	**33.7**	**159.6**
Acquisitions			0.0	0.0
Organic growth	-5.2	-0.6	2.8	-3.0
Exchange rate changes	-2.1	0.0	0.0	-2.2
7-9/2019	**79.6**	**38.3**	**36.5**	**154.4**

GROUP INFORMATION WITH ILLUSTRATIVE IFRS 16 IMPACT*

* Presented 2018 figures with IFRS 16 impact are based on illustrative non-IFRS calculations from reported financial notes to form a comparison basis for IFRS 16 figures in 2019. Unaudited illustrative financial information with the illustrative non-IFRS impacts on IFRS 16 standard for the year ended 31 December 2018 was published in the stock exchange release on 29 March 2019. The presented cash flow statement is recalculated to concern only continuing operations, but IFRS 16 impact is excluded from the comparison period.

CONSOLIDATED STATEMENT OF INCOME (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Sales	**154.4**	**159.6**	**455.9**	**459.5**	**631.9**
Other operating income	4.1	3.7	13.3	12.8	17.3
Materials and services	-50.0	-48.9	-148.6	-146.8	-204.4
Employee benefit expenses	-34.1	-34.1	-111.9	-109.2	-147.9
Other operating expenses	-17.8	-18.5	-59.9	-59.0	-82.0
Share of profit / loss of joint ventures	0.6	0.3	1.3	0.4	0.5
EBITDA	**57.2**	**62.0**	**150.1**	**157.7**	**215.4**
Depreciation and impairment on tangible assets	-32.3	-30.3	-97.8	-89.6	-121.5
EBITA	**24.9**	**31.7**	**52.4**	**68.1**	**93.9**
% of sales	**16.1 %**	**19.9 %**	**11.5 %**	**14.8 %**	**14.9 %**
Amortisation and impairment resulting from acquisitions	-1.0	-1.0	-2.9	-2.8	-3.8
Operating profit (EBIT)	**23.9**	**30.7**	**49.5**	**65.3**	**90.1**
% of sales	**15.5 %**	**19.3 %**	**10.8 %**	**14.2 %**	**14.3 %**
Finance costs (net)	-4.0	-2.4	-10.6	-8.0	-12.9
Profit before taxes	**19.9**	**28.3**	**38.9**	**57.2**	**77.2**
% of sales	**12.9 %**	**17.7 %**	**8.5 %**	**12.5 %**	**12.2 %**
Income taxes	-4.6	-4.1	-8.9	-10.3	-15.9
Profit for the period	**15.3**	**24.2**	**29.9**	**46.9**	**61.3**
Attributable to:					
Owners of the parent company	15.3	24.2	29.9	46.9	61.3
Profit attributable to owners of the parent company					
Earnings per share, undiluted, EUR	0.34	0.54	0.67	1.05	1.38
Earnings per share, diluted, EUR	0.34	0.54	0.67	1.05	1.37

CONSOLIDATED BALANCE SHEET (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	
	30 Sep 2019	30 Sep 2018	31 Dec 2018
ASSETS			
Non-current assets			
Tangible assets	635.9	676.3	676.0
Goodwill	116.5	119.1	119.1
Other intangible assets	54.7	60.1	59.1
Deferred tax assets	9.1	13.0	10.2
Investments in joint ventures	8.4	6.3	5.7
Other interest-bearing receivables **	6.5	9.7	8.7
Trade and other receivables **	2.7	2.4	2.2
Total non-current assets	**833.8**	**886.9**	**881.0**
Current assets			
Inventories	8.3	9.2	7.9
Other interest-bearing receivables **	0.1	0.8	0.1
Trade and other receivables **	112.3	126.0	124.4
Income tax receivables	4.4	3.9	3.4
Derivative financial instruments	0.5	0.9	1.9
Cash and cash equivalents	6.4	3.0	3.0
Total current assets	**132.0**	**143.9**	**140.7**
TOTAL ASSETS	**965.8**	**1,030.7**	**1,021.7**
EQUITY AND LIABILITIES			
Total equity	**386.6**	**388.9**	**403.6**
Non-current liabilities			
Interest-bearing liabilities	235.7	157.0	144.4
Lease liabilities ***	59.3	88.2	90.0
Derivative financial instruments	7.2	6.6	7.2
Deferred tax liabilities	52.9	59.8	55.4
Retirement benefit liabilities	1.8	1.8	1.8
Other non-current liabilities		2.0	1.6
Total non-current liabilities	**356.9**	**315.5**	**300.5**
Current liabilities			
Interest-bearing liabilities	78.2	177.5	168.5
Lease liabilities ***	33.0	27.8	28.6
Derivative financial instruments	1.0	0.8	0.4
Trade and other payables	103.9	117.9	113.6
Income tax liabilities	6.1	2.2	6.4
Provisions		0.2	0.2
Total current liabilities	**222.3**	**326.4**	**317.7**
Total liabilities	**579.2**	**641.9**	**618.1**
TOTAL EQUITY AND LIABILITIES	**965.8**	**1,030.7**	**1,021.7**

** Due to a classification change in comparative figures, other interest-bearing receivables for the period 1–12/2018 have increased by EUR 5.5 million and trade and other receivables have decreased accordingly. In the current receivables, the corresponding impact was EUR 5.4 million.
*** The split between current and non-current lease liabilities has been corrected.

CONSOLIDATED CASH FLOW STATEMENT (MEUR)	Illustrative Continuing operations				
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Net cash flow from operating activities	58.5	41.6	113.4	88.2	141.1
Net cash flow from investing activities	-19.3	-50.2	-41.8	-118.4	-149.6
Cash flow after investments	**39.2**	**-8.6**	**71.6**	**-30.2**	**-8.5**

SEGMENT INFORMATION WITH ILLUSTRATIVE IFRS 16 IMPACT

* Presented 2018 figures with IFRS 16 impact are based on illustrative non-IFRS calculations from reported financial notes to form a comparison basis for IFRS 16 figures in 2019. Unaudited illustrative financial information with the illustrative non-IFRS impacts on IFRS 16 standard for the year ended 31 December 2018 was published in the stock exchange release on 29 March 2019.

Sales (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	79.6	86.9	253.2	270.4	370.5
Finland and Eastern Europe	38.3	38.9	107.5	107.2	147.0
Central Europe	36.5	33.7	95.4	81.9	114.4
Non-allocated & Eliminations	0.0	0.0	-0.1	0.0	0.0
Group	**154.4**	**159.6**	**455.9**	**459.5**	**631.9**

EBITA (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	16.0	19.4	43.5	53.9	74.8
Finland and Eastern Europe	8.1	8.7	14.3	16.0	23.6
Central Europe	3.4	5.7	5.2	6.0	8.6
Non-allocated & Eliminations	-2.7	-2.1	-10.5	-7.8	-13.0
Group	**24.9**	**31.7**	**52.4**	**68.1**	**93.9**

EBITA margin	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	20.2 %	22.3 %	17.2 %	19.9 %	20.2 %
Finland and Eastern Europe	21.1 %	22.3 %	13.3 %	15.0 %	16.0 %
Central Europe	9.4 %	17.0 %	5.4 %	7.3 %	7.5 %
Group	**16.1 %**	**19.9 %**	**11.5 %**	**14.8 %**	**14.9 %**

IACs** in EBITA (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia 1)	-0.1		-0.1		
Finland and Eastern Europe					
Central Europe 2)	-0.9		1.1	-0.9	-0.9
Non-allocated & Eliminations 3)	-0.7		-2.4		
Group	**-1.6**		**-1.3**	**-0.9**	**-0.9**

** IAC = Items affecting comparability

1) In Scandinavia, items affecting comparability of EBITA in January-September 2019 amounted to EUR -0.1 million and were related to the restructuring costs raised by the ongoing group-wide cost savings programme. There were no items affecting comparability in the comparison period.

2) In Central Europe, items affecting comparability of EBITA in January-September 2019 amounted to EUR 1.1 million and were related to the release of liability on the contingent part of the acquisition price of KBS Infra (EUR 1.9 million) and the settlement of KBS Infra acquisition related items (EUR -0.9 million). In July-September 2019, items affecting comparability amounted to EUR -0.9 million and were related to the settlement of KBS Infra acquisition related items. In January-September 2018, EUR -0.9 million was related to transaction costs of the KBS Infra acquisition.

3) Group EBITA for January-September included EUR -1.8 million advisory costs related to the remaining Cramo strategy process and EUR -0.5 million related to the restructuring and advisory costs raised by the ongoing group-wide cost savings programme. The corresponding figure for July-September 2019 was EUR -0.7 million, out of which EUR -0.2 million was related to advisory costs of the remaining Cramo strategy process and EUR -0.5 million restructuring and related advisory costs.

Comparable EBITA (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	16.1	19.4	43.6	53.9	74.8
Finland and Eastern Europe	8.1	8.7	14.3	16.0	23.6
Central Europe	4.3	5.7	4.1	6.9	9.5
Non-allocated & Eliminations	-2.0	-2.1	-8.2	-7.8	-13.0
Group	**26.5**	**31.7**	**53.7**	**69.0**	**94.8**

Comparable EBITA margin	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	20.3 %	22.3 %	17.2 %	19.9 %	20.2 %
Finland and Eastern Europe	21.1 %	22.3 %	13.3 %	15.0 %	16.0 %
Central Europe	11.7 %	17.0 %	4.3 %	8.4 %	8.3 %
Group	**17.2 %**	**19.9 %**	**11.8 %**	**15.0 %**	**15.0 %**

EBIT (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	15.6	18.9	42.1	52.4	72.8
Finland and Eastern Europe	7.9	8.5	13.6	15.4	22.7
Central Europe	3.1	5.4	4.3	5.3	7.6
Non-allocated & Eliminations	-2.7	-2.1	-10.5	-7.8	-13.0
Group	**23.9**	**30.7**	**49.5**	**65.3**	**90.1**

EBIT margin	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	19.6 %	21.7 %	16.6 %	19.4 %	19.7 %
Finland and Eastern Europe	20.6 %	21.7 %	12.7 %	14.3 %	15.4 %
Central Europe	8.6 %	16.1 %	4.5 %	6.5 %	6.6 %
Group	**15.5 %**	**19.3 %**	**10.8 %**	**14.2 %**	**14.3 %**

IACs** in EBIT (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia 1)	-0.1		-0.1		
Finland and Eastern Europe					
Central Europe 2)	-0.9		1.1	-0.9	-0.9
Non-allocated & Eliminations 3)	-0.7		-2.4		
Group	**-1.6**		**-1.3**	**-0.9**	**-0.9**

** IAC = Items affecting comparability

1) In Scandinavia, items affecting comparability of EBITA in January-September 2019 amounted to EUR -0.1 million and were related to the restructuring costs raised by the ongoing group-wide cost savings programme. There were no items affecting comparability in the comparison period.

2) In Central Europe, items affecting comparability of EBITA in January-September 2019 amounted to EUR 1.1 million and were related to the release of liability on contingent part of the acquisition price of KBS Infra (EUR 1.9 million) and the settlement of KBS Infra acquisition related items (EUR -0.9 million). In July-September 2019, items affecting comparability amounted to EUR -0.9 million and were related to the settlement of KBS Infra acquisition related items. In January-September 2018, EUR -0.9 million was related to transaction costs of the KBS Infra acquisition.

3) Group EBITA for January-September included EUR -1.8 million advisory costs related to the remaining Cramo strategy process and EUR -0.5 million related to the restructuring and advisory costs raised by the ongoing group-wide cost savings programme. The corresponding figure for July-September 2019 was EUR -0.7 million, out of which EUR -0.2 million was related to advisory costs of the remaining Cramo strategy process and EUR -0.5 million restructuring and related advisory costs.

Comparable EBIT (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	15.7	18.9	42.1	52.4	72.8
Finland and Eastern Europe	7.9	8.5	13.6	15.4	22.7
Central Europe	4.0	5.4	3.2	6.2	8.5
Non-allocated & eliminations	-2.0	-2.1	-8.2	-27.1	-36.2
Group	**25.6**	**30.7**	**50.8**	**66.1**	**91.0**

Comparable EBIT margin	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	19.7 %	21.7 %	16.6 %	19.4 %	19.7 %
Finland and Eastern Europe	20.6 %	21.7 %	12.7 %	14.3 %	15.4 %
Central Europe	10.9 %	16.1 %	3.3 %	7.5 %	7.4 %
Group	**16.6 %**	**19.3 %**	**11.1 %**	**14.4 %**	**14.4 %**

Operative capital employed ** (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
			30 Sep 2019	30 Sep 2018	31 Dec 2018
Scandinavia			305.6	348.8	349.6
Finland and Eastern Europe			179.9	187.4	187.2
Central Europe			171.4	156.3	160.0
Non-allocated & eliminations			-3.8	-0.7	-3.9
Group			**653.1**	**691.8**	**692.9**

** Group operative capital employed figures only includes capital of continuing operations. Modular Space operations not transferred to Adapteo are included in the respective restated Equipment Rental segment figures.

Sales by country (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Sweden	64.1	71.5	203.8	222.5	303.8
Finland	24.5	24.6	70.9	71.2	97.6
Germany	29.6	27.3	78.0	65.8	92.3
Norway	15.5	15.4	49.4	47.9	66.7
Other countries	20.9	20.9	54.6	52.6	72.2
Group	**154.4**	**159.6**	**455.9**	**459.5**	**631.9**

Reconciliation of Group EBITA to profit before taxes (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Group EBITA	**24.9**	**31.7**	**52.4**	**68.1**	**93.9**
Amortisation and impairment resulting from acquisitions and disposals	-1.0	-1.0	-2.9	-2.8	-3.8
Operating profit	**23.9**	**30.7**	**49.5**	**65.3**	**90.1**
Net finance items	-4.0	-2.4	-10.6	-8.0	-12.9
Profit before taxes	**19.9**	**28.3**	**38.9**	**57.2**	**77.2**

Depreciation, amortisation and impairment on fixed assets** (MEUR)	Reported (cont.)	with illustrative IFRS 16 impact*	Reported (cont.)	with illustrative IFRS 16 impact*	
	7-9/19	7-9/18	1-9/19	1-9/18	2018
Scandinavia	-14.7	-14.1	-45.6	-42.4	-57.5
Finland and Eastern Europe	-8.8	-8.7	-26.4	-25.6	-34.4
Central Europe	-8.3	-7.1	-24.2	-20.0	-27.6
Group	**-32.3**	**-30.3**	**-97.8**	**-89.6**	**-121.5**

** Depreciation, amortisation and impairment on tangible assets and intangible assets excluding amortisation and impairment arising from purchase price allocations (acquisitions).

PRESENTATION PRINCIPLES SPECIFIC TO THIS BUSINESS REVIEW

Cramo adopted the new IFRS 16 Leases standard on 1 January 2019. The figures in brackets, except cash flow, refer to the corresponding period in the previous year and are illustrative figures with IFRS 16 impact based on illustrative non-IFRS calculations from reported financial notes to form a comparison basis for IFRS 16 figures in 2019. These calculations have been implemented from the opening balance of 2017. Figures are non-IFRS additional financial information and are not to be considered as reported IFRS figures. Impacts on profit for the period have been offset in a single period. The cash flow statement was only impacted between operating and financing cash flows as most of the former lease cost is now presented as amortisation of lease liability in financing cash flow.

Cramo decided to present the figures for the corresponding period in the previous year with illustrative IFRS 16 impact in order to give a more comparable view of the business. Cramo published non-IFRS additional financial information concerning the impact of IFRS 16 implementation on 2018 financials on 29 March 2019 (www.cramogroup .com).

The partial demerger of Cramo Plc was completed on 30 June 2019. Unless otherwise stated, all figures of the interim report concern the equipment rental business, i.e. the continuing operations after the partial demerger (Reported (cont.)). The corresponding periods in the previous year are restated to concern only continuing operations to reflect the financial position of continuing operations, thus comparable data is not equal with the previously reported. Cash flow includes both continuing and discontinued operations for comparable periods according to IFRS 5, and therefore is not comparable with the current one. The unaudited illustrative financial information to illustrate the results of operations and financial position for Cramo's continuing operations had the partial demerger taken place on 1 January 2018 was published on 4 June 2019. The release can be found on Cramo's website (www.cramogroup.com).

CALCULATION OF KEY FIGURES

Return on equity, % *	=	$\frac{\text{Profit for the period (rolling 12 months)}}{\text{Total equity}} \times 100$
Return on capital employed (ROCE), % **	=	$\frac{\text{EBIT (rolling 12 months)}}{\text{Capital employed (12-month average)}} \times 100$
Return on operative capital employed (operative ROCE), % **	=	$\frac{\text{EBITA (rolling 12 months)}}{\text{Operative capital employed (12-month average)}} \times 100$
Equity ratio, %	=	$\frac{\text{Total equity}}{\text{Balance sheet total - advance payments received}} \times 100$
Net debt	=	Interest-bearing liabilities - cash and cash equivalents
Gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$
Personnel on average	=	The average number of employees at the end of each calendar month during the accounting period, adjusted with the number of part-time employees
Earnings per share (EPS)	=	$\frac{\text{Profit for the year attributable to owners of the parent company}}{\text{Adjusted average number of shares during the period}}$
Shareholders' equity per share	=	$\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares at the end of the period}}$
EBITA	=	Operating profit (EBIT) + amortisation and impairment on intangible assets (purchase price allocations) arising from acquisitions
EBITDA	=	EBITA + depreciation
Capital employed	=	Fixed assets + net working capital
Operative capital employed	=	Capital employed - goodwill - other intangible assets
Net debt /EBITDA	=	$\frac{\text{Period end net debt}}{\text{Rolling 12 months EBITDA}}$
Comparable EBITA	=	EBITA - items affecting comparability
Comparable EPS	=	$\frac{\text{Profit for the period excluding items affecting comparability (rolling 12 months)}}{\text{Adjusted average number of shares during the period}}$
Comparable return on equity, % *	=	$\frac{\text{Profit for the period excluding items affecting comparability (rolling 12 months)}}{\text{Total equity}}$
Comparable return on capital employed (ROCE), % **	=	$\frac{\text{EBIT excluding items affecting comparability (rolling 12 months)}}{\text{Capital employed (12-month average)}} \times 100$
Comparable return on operative capital employed (ROCE), % **	=	$\frac{\text{EBITA excluding items affecting comparability (rolling 12 months)}}{\text{Operative capital employed (12-month average)}} \times 100$
Organic (rental) sales growth, %	=	(Rental) sales growth of assets owned by the company for the whole current and previous reporting period (i.e. excluding acquisitions, divestments and exchange rate
Gross margin, %	=	$\frac{\text{Sales - Materials and services}}{\text{Sales}} \times 100$

* ROE% is calculated based on net result (rolling 12 months) divided by the total equity at the end of period.

** Cramo changed the calculation method of (operative) ROCE's capital employed component into 12-month average in Q4/2018. The change has been applied into comparison figures. 12-month average reflects better the long term development of capital employed compared to previous 2 point average calculation.

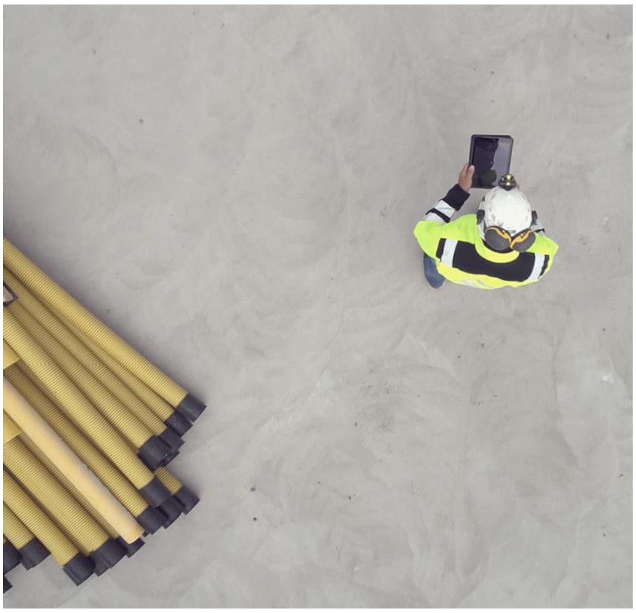
The European Securities and Markets Authority (ESMA) has issued guidelines regarding Alternative Performance Measures ("APM"). Cramo presents APMs to improve the business analysis and comparability from period to period. APMs presented in this report are not performance measures used in IFRS reporting and should not be considered as a substitute for measures of performance in accordance with the IFRS.

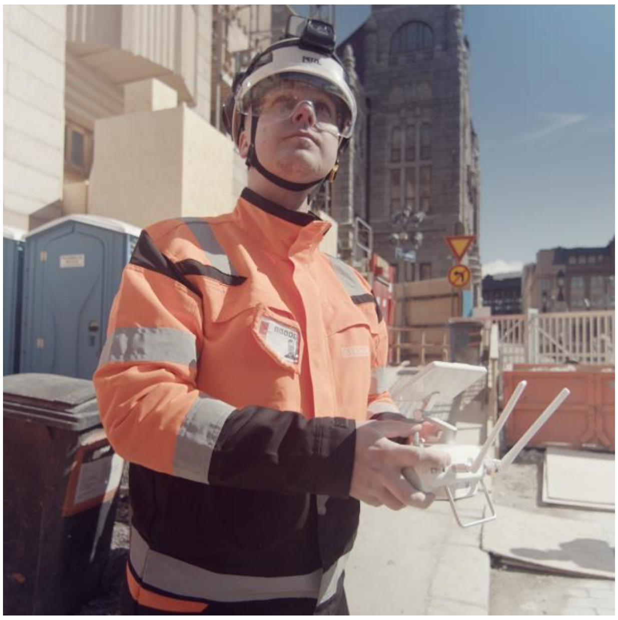
STRATEGY 2019–2023

YOUR PRODUCTIVITY PARTNER IN RENTAL AND BEYOND

The key strategic objectives are:

- Top-tier performance
- Stronghold in the industrial segment
- Leading partner for services
- Digital leader





STRATEGY 2019–2023

FINANCIAL TARGETS

Based on the Cramo NXT strategy, Cramo has set financial targets for 2019-2023. The financial targets are:

- Double-digit EPS growth between 2019 and 2023
- Operative ROCE > 15% by end of 2023
- Net debt to EBITDA lower than 3.0x
- Dividend pay-out ratio > 50% of EPS

Cramo Plc's Financial Statements for 2019 will be published on Tuesday, 11 February 2020.

The Annual report containing the full financial statements for 2019 will be published on the company's website in week 10/2020.

In 2020, Cramo will publish its Half Year Financial Report and two Business Reviews as follows:

- **28 April 2020: Business Review for January - March 2020**
- **29 July 2020: Half Year Financial Report for January - June 2020**
- **30 October 2020: Business Review for January - September 2020**

The Annual General Meeting 2020 will take place on Thursday, 26 March 2020 in Helsinki.

This is not an interim report as specified in the IAS 34 standard. The company complies with half-yearly reporting according to the Finnish Securities Markets Act and discloses business reviews for the first three- and nine-month periods of the year, in which key information regarding the company's financial situation and development will be presented. The financial information presented in this business review is unaudited.

MORE INFORMATION

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