



OLVI GROUP'S FINANCIAL STATEMENTS JANUARY TO DECEMBER 2018

FINANCIAL PERFORMANCE IN BRIEF

Full year 2018:

- Olvi Group's sales volume increased by 9.1 percent to 701.3 (643.0) million litres.
- The Group's net sales increased by 11.3 percent and amounted to 384.3 (345.2) million euro
- The Group's operating profit increased by 12.1 percent and amounted to 50.1 (44.7) million euro
- Net profit for the period increased by 13.9 percent to 41.1 (36.1) million euro.
- Olvi Group's earnings per share stood at 1.97 (1.73) euro per share
- The equity to total assets ratio was 64.9 (64.1) percent.

October to December 2018:

- Olvi Group's sales volume increased by 5.5 percent to 150.3 (142.5) million litres.
- The Group's net sales increased by 14.1 percent and amounted to 86.2 (75.6) million euro
- The Group's operating profit stood at 5.7 (4.4) million euro, improving by 30.2 percent
- Net profit for the period stood at 5.1 (4.1) million euro, improving by 25.3 percent
- Olvi Group's earnings per share stood at 0.25 (0.20) euro per share

The Board proposes a dividend of 0.90 (0.80) euro per share.

Olvi's earnings for fiscal 2019 are expected to remain on the previous year's good level.

CONSOLIDATED KEY RATIOS

	10-12/ 2018	10-12/ 2017	Change %	1-12/ 2018	1-12/ 2017	Change % / pp
Sales volume, Mltr	150.3	142.5	5.5	701.3	643.0	9.1
Net sales, MEUR	86.2	75.6	14.1	384.3	345.2	11.3
Gross margin, MEUR	11.2	10.5	6.1	70.8	65.5	8.0
% of net sales	12.9	13.9		18.4	19.0	
Operating profit, MEUR	5.7	4.4	30.2	50.1	44.7	12.1
% of net sales	6.6	5.8		13.0	13.0	
Net profit for the period	5.1	4.1	25.3	41.1	36.1	13.9
% of net sales	5.9	5.4		10.7	10.5	
Earnings per share, EUR	0.25	0.20	25.0	1.97	1.73	13.9
Capital expenditure, MEUR	10.0	6.4	56.3	34.2	21.7	57.7
Equity per share, EUR				11.31	10.41	8.6
Equity to total assets, %				64.9	64.1	0.8
Gearing, %				-6.0	-7.1	-1.1

BUSINESS DEVELOPMENT

LASSE AHO, MANAGING DIRECTOR:

Boosted by the great summer weather, Olvi Group's sales volume exceeded 700 million litres for the first time in the company's history. At the same time, the company's profitability developed favourably, and the operating profit and net profit for 2018 improved clearly on the previous year. In addition to earnings, the Group's balance sheet is strong.

Good sales development continued also in the fourth quarter, and the Group's net sales and earnings increased on the previous year.

Deviating from the previous year, as a result of corporate acquisitions in 2018, the operations in Finland now include the business of Servaali Oy and The Helsinki Distilling Company in addition to Olvi plc. The sales volume in Finland has increased by 6.8 percent. The figure adjusted for comparability is 3.1 percent. Olvi plc made an all-time high by exceeding 200 million litres of production in December. Net sales increased by 21.2 percent, with the comparable figure being 7.0 percent. Factors behind the comparable growth include, among others, an increased share of strong beers after legislative changes. Good net sales development combined with cost-effective operations is also reflected as positive development of operating profit. Operating profit increased by 45.0 percent on the previous year, mostly attributable to the parent company.

The year 2018 in the Baltic states was characterised by the effects of Estonian excise tax hikes on cross-border trade between Estonia and Latvia, as well as harbour and on-board sales in Estonia. In the first half of the year, sales volumes declined substantially in Estonia but also in Latvia. In the second half of the year, sales volumes outperformed the previous year all across the Baltic states, thanks to good seasonal sales, successful launches of new products and increased exports. These factors and adaptation measures resulted in improved profitability as well. In full-year figures, only the net sales in Estonia fell short of the previous year. Lithuania was able to substantially improve earnings through increased sales volume.

Operations in Belarus continued on a growth track. The market position and purchasing power of consumers in the domestic market have improved. The sales volume made an all-time high of 228 million litres, representing an increase of 16.2 percent on the previous year. The company's operating profit improved by 9.4 percent. Measured in the local currency, the accumulated net sales increased by as much as 19.6 percent and operating profit by 20.2 percent.

During 2018, Olvi made substantial investments in its competitive ability for the future. Investments amounted to 50.3 million euro, including corporate acquisitions. One of the most significant investments is an energy plant utilising renewable energy that was commissioned in Finland in the turn of the year 2017-2018. This reduces the environmental impact while also achieving cost savings. Measures to improve the efficiency of production and logistics continued across the Group. A new production investment completed at the end of the year was a single-use glass bottle line at Iisalmi.

We believe in moderate growth in 2019. We will continue to develop our product range and make it more versatile, and invest in improving production efficiency. Even though Olvi Group has a strong market position in all of its main market areas, weather conditions in the high season are of great importance with regard to achieving the full-year sales volume targets. The two first quarters are expected to be most challenging for earnings development; higher prices of raw materials will become effective at the beginning of the year but sales prices will be increased during the spring.

SEASONAL NATURE OF THE OPERATIONS

The Group's business operations are characterised by seasonal variation. The net sales and operating profit from the reported geographical segments do not accumulate evenly but vary according to the time of the year and the characteristics of each season.

SALES DEVELOPMENT

Olvi Group's sales volume in 2018 made an all-time high of 701.3 (643.0) million litres. This represents an increase of 58.3 million litres or 9.1 percent.

The increase in the Group's sales volume originated mainly from Finnish and Belarusian operations. Aggregate sales volume in the Baltic states increased by 2.6 percent, which is attributable to Lithuania.

The Group's fourth-quarter sales volume increased by 5.5 percent, with all segments outperforming their previous year.

Sales volume , million litres	10-12/ 2018	10-12/ 2017	Change %	1-12/ 2018	1-12/ 2017	Change %
Finland	51.4	48.4	6.1	213.2	199.7	6.8
Estonia	23.4	21.5	8.6	110.7	112.8	-1.8
Latvia	15.2	14.9	1.8	75.6	76.3	-1.0
Lithuania	20.4	19.2	5.9	95.4	85.4	11.7
Belarus	43.9	42.3	3.7	228.2	196.4	16.2
Eliminations	-3.9	-3.9		-21.8	-27.6	
Total	150.3	142.5	5.5	701.3	643.0	9.1

The Group's net sales in 2018 increased by 11.3 percent and amounted to 384.3 (345.2) million euro. Net sales improved particularly in Finland, Lithuania and Belarus.

The Group's net sales continued to grow also in the fourth quarter.

Net sales , million euro	10-12/ 2018	10-12/ 2017	Change %	1-12/ 2018	1-12/ 2017	Change %
Finland	39.5	32.2	22.8	159.3	131.5	21.2
Estonia	14.7	13.6	8.1	70.4	73.8	-4.6
Latvia	8.1	7.3	11.7	39.8	37.5	6.2
Lithuania	9.4	8.7	7.3	43.1	39.2	9.9
Belarus	17.2	15.5	10.6	82.1	75.4	8.8
Eliminations	-2.7	-1.7		-10.3	-12.1	
Total	86.2	75.6	14.1	384.3	345.2	11.3

EARNINGS DEVELOPMENT

The Group's operating profit for January-December increased by 12.1 percent and amounted to 50.1 (44.7) million euro, or 13.0 (13.0) percent of net sales. With the exception of Estonia and Latvia, operating profit improved across all units.

The Group's fourth-quarter operating profit amounted to 5.7 (4.4) million euro. The operating profit included a non-recurring amount of 0.8 million euro attributable to an insurance compensation.

Operating profit , million euro	10-12/ 2018	10-12/ 2017	Change %	1-12/ 2018	1-12/ 2017	Change %
Finland	3.2	1.2	176.9	18.5	12.8	45.0
Estonia	1.8	1.5	18.8	14.0	14.7	-4.9
Latvia	0.2	0.4	-46.9	4.3	4.4	-2.4
Lithuania	0.2	0.3	-32.1	3.7	3.4	8.7
Belarus	0.7	0.9	-21.4	10.3	9.4	9.4
Eliminations	-0.5	0.1		-0.7	0.0	
Total	5.7	4.4	30.2	50.1	44.7	12.1

The Group's net profit for 2018 increased by 13.9 percent and amounted to 41.1 (36.1) million euro. The Group's fourth-quarter net profit was 5.1 (4.1) million euro.

Earnings per share calculated from the profit belonging to parent company shareholders increased in January-December and stood at 1.97 (1.73) euro. Fourth-quarter earnings per share amounted to 0.25 (0.20) euro.

BALANCE SHEET, FINANCING AND INVESTMENTS

Olvi Group's balance sheet total at the end of December 2018 was 365.4 (338.6) million euro. Equity per share at the end of 2018 stood at 11.31 (10.41) euro. The equity to total assets ratio was 64.9 (64.1) percent. The Group's interest-bearing net liabilities decreased by 1.2 million euro during 2018 and amounted to -14.2 million euro at year-end (-15.4). The gearing ratio declined during 2018 and stood at -6.0 (-7.1) percent. Cash flow from operations totalled 63.0 (57.1) million euro. The current ratio, which represents the Group's liquidity, was 1.1 (1.2).

Olvi Group's capital expenditure on extensions and replacements in 2018 amounted to 34.2 (21.7) million euro. The parent company Olvi accounted for 13.4 million euro, the Baltic subsidiaries for 14.1 million euro and Lidskoe Pivo in Belarus for 6.7 million euro of the total. The largest individual investment was an energy plant utilising renewable energy in Finland.

PRODUCT DEVELOPMENT AND NEW PRODUCTS

Research and development includes projects to design and develop new products, packages, processes and production methods, as well as further development of existing products and packages. The R&D costs have mostly been recognised as expenses. The main objective of Olvi Group's product development is to create new products for profitable and growing beverage segments.

Several new products were launched during 2018 both in Finland and by the subsidiaries. New products have been presented in interim reports released during the accounting period, as well as on each company's Web site.

PERSONNEL

Olvi Group's average number of personnel in January-December was 1,797 (1,783). The Group's average number of personnel increased by 0.8 percent.

The average number decreased in the Baltic states but increased in Finland and Belarus. The increase in Finland is mainly attributable to corporate acquisitions.

Olvi Group's average number of personnel by country:

	10-12/ 2018	10-12/ 2017	Change %	1-12/ 2018	1-12/ 2017	Change %
Finland	367	321	14.3	371	337	10.1
Estonia	291	309	-5.8	301	327	-8.0
Latvia	184	172	7.0	194	196	-1.0
Lithuania	220	226	-2.7	215	228	-5.7
Belarus	707	692	2.2	716	695	3.0
Total	1769	1720	2.8	1797	1783	0.8

MANAGEMENT AND AUDITORS

The company's Board of Directors consists of Chairman Pentti Hakkarainen, M.Sc. (Econ), LL.M., Vice Chairperson Nora Hortling, M.Sc. (Econ), as well as other members Lasse Heinonen, M.Sc. (Econ), Elisa Markula, M.Sc. (Econ), Päivi Paltola, M.Sc. (Econ) and Heikki Sirviö, M.Sc. (Engineering), Honorary Industrial Counsellor.

The company's auditor is the authorised public accounting firm PricewaterhouseCoopers Oy, with Juha Toppinen, Authorised Public Accountant, as auditor in charge.

MANAGEMENT

The Management Group of Olvi plc during the period under review consisted of Lasse Aho, Managing Director (Chairman), Ilkka Auvola, Sales Director, Olli Heikkilä, Marketing Director, Pia Hortling, Public Relations and Purchasing Director, Kati Kokkonen, Chief Financial Officer until 31 August 2018, replaced by Tiina-Liisa Liukkonen as of 1 September 2018, Lauri Multanen, Production Director, as well as Marjatta Rissanen, Customer Service and Administrative Director.

The Managing Directors of the subsidiaries are:

AS A. Le Coq, Tartu, Estonia - Tarmo Noop

AS Cēsu Alus, Cēsis, Latvia - Eva Sietiņšone

AB Volfas Engelman, Kaunas, Lithuania - Marius Horbačas

AO Lidskoe Pivo, Lida, Belarus - Audrius Mikšys

Servaali Oy, Helsinki, Finland - Teemu Lehto (Chairman of the Board)

The Helsinki Distilling Company, Helsinki, Finland - Séamus Holohan

The Managing Directors of the subsidiaries report to Lasse Aho, the Managing Director of Olvi plc. The Boards of Directors of the subsidiaries in the Baltic states and Belarus consist of Lasse Aho (Chairman), Pia Hortling, Tiina-Liisa Liukkonen and Lauri Multanen. The Boards of Directors of the subsidiaries in Finland consist of executive managers from the parent company and minority shareholders. The Management Group of each subsidiary consists of the corresponding Managing Director and approximately four sector directors.

OTHER EVENTS DURING THE REVIEW PERIOD

Annual General Meeting

Olvi plc's Annual General Meeting of 16 April 2018 adopted the financial statements and granted discharge from liability to the members of the Board of Directors and Managing Director for the accounting period that ended on 31 December 2017. In accordance with the Board's proposal, the General Meeting decided that a dividend of 0.80 (0.75) euro be paid on each A and K share for the accounting period 2017. The dividends were paid on 30 April 2018.

All decisions made at the General Meeting can be found in the bulletin released on 16 April 2018.

Changes in corporate structure

On 3 April 2018, Olvi plc acquired 80 percent of the stock of Servaali Oy, and since that date, the company has been consolidated with Olvi Group. Servaali Oy is one of Finland's largest private importers of alcoholic beverages. With the acquisition, Olvi is expanding its product portfolio to wines, strengthening its market position in mild alcoholic beverages and responding actively to the potential for growth provided by the changing operating environment.

On 2 July 2018, Olvi plc acquired 67 percent of the stock of The Helsinki Distilling Company, and since that date, the company has been consolidated in Olvi Group. The Helsinki Distilling Company is a rapidly growing business established in 2013. The acquisition is a part of Olvi's new growth strategy aimed at strengthening Olvi's product portfolio both in the domestic alcoholic beverages market and in the international Premium Craft market.

In Olvi Group's segment reporting, Servaali Oy's and The Helsinki Distilling Company's business operations are included in the figures for Finland. Detailed information on the acquisitions is presented in Note 13 to Table 5 in the tables section of the financial statements bulletin.

Furthermore, during the year, Olvi's subsidiary AB Volfas Engelman acquired UAB Lamate, which owns an area of water and land in Lithuania.

Olvi's holdings in the subsidiaries are:

	31 Dec 2018	31 Dec 2017	Change
AS A. Le Coq, Estonia	100.00	100.00	-
A/S Cēsu Alus, Latvia	99.88	99.88	-
AB Volfas Engelman, Lithuania	99.58	99.58	-
OAo Lidskoe Pivo, Belarus	95.87	95.87	-
Servaali Oy, Finland	80.00	-	80.00
The Helsinki Distilling Company, Finland	67.00	-	67.00

In addition to these, Olvi plc's subsidiaries have holdings in other companies. A. Le Coq has a 49.0 percent holding in AS Karme and 20.0 percent holding in Verska Mineraalvee OÜ in Estonia. AB Volfas Engelman has a 100 percent holding in UAB Lamate. OAo Lidskoe Pivo has a 100 percent holding in Trade House Lidskoe Pivo, which will be consolidated in the Group's figures starting from the financial statements 2018.

SHARES

Olvi's share capital at the end of December 2018 stood at 20.8 million euro. The total number of shares was 20,722,232, of these 16,989,976 or 82.0 percent being publicly traded Series A shares and 3,732,256 or 18.0 percent Series K shares.

Each Series A share carries one (1) vote and each Series K share carries twenty (20) votes. Series A and Series K shares have equal rights to dividends.

Detailed information on Olvi's shares and share capital can be found in the tables attached to this financial statements bulletin, in Table 5, Section 4.

The total trading volume of Olvi A shares on Nasdaq OMX Helsinki Ltd (Helsinki Stock Exchange) in 2018 was 1,741,051 (1,464,747) shares, which represented 10.2 (8.6) percent of all Series A shares. The value of trading was 52.1 (41.9) million euro.

The Olvi A share was quoted on Nasdaq OMX Helsinki Ltd at 31.50 (29.87) euro at the end of 2018. In January-December, the highest quote for the Series A share was 34.00 (32.49) euro and the lowest quote was 27.00 (25.05) euro. The average share price in 2018 was 29.95 (28.59) euro.

At the end of December 2018, the market capitalisation of Series A shares was 534.4 (507.4) million euro and the market capitalisation of all shares was 651.9 (618.8) million euro.

The number of shareholders at the end of December 2018 was 11,601 (10,800). Foreign holdings plus foreign and Finnish nominee-registered holdings represented 24.8 (23.8) percent of the total number of book entries and 5.6 (5.4) percent of total votes.

Foreign and nominee-registered holdings are reported in Table 5, Section 9 of the tables attached to this financial statements bulletin, and the largest shareholders are reported in Table 5, Section 10.

Treasury shares

At the beginning of January 2018, Olvi plc held 41,125 of its own shares as treasury shares. During January-December 2018, the following changes have occurred in treasury shares.

On 9 May 2018, the Board of Directors of Olvi plc decided to initiate a scheme of acquiring treasury shares based on the authorisation issued by the Annual General Meeting on 16 April 2018. On this basis, the Board will repurchase a maximum of 36,280 Series A shares. The acquired shares shall be used for the purpose of financing or executing any upcoming corporate

acquisitions or other arrangements, implementing the company's incentive schemes or for other purposes decided upon by the Board of Directors. The acquisition of shares started on 11 May 2018 and ended on 8 June 2018. At the start of the repurchase scheme, Olvi plc held 41,125 Series A shares as treasury shares. After the end of the scheme, Olvi plc held 77,405 Series A shares as treasury shares. The total purchase price of treasury shares was 1,332,427.31 euro.

Olvi plc's Annual General Meeting on 21 April 2017 made a decision concerning abandoned or "ghost" shares held in a joint book-entry account. The decision was that the right to a share incorporated in the book-entry system and placed in the joint account, and the rights that the share carries have been forfeited, and authorised the Board of Directors to take all measures called for by the decision. On this basis, 36,576 shares have been transferred from Olvi's joint account to treasury shares on 18 May 2017. At its meeting on 28 May 2018, the Board of Directors of Olvi plc decided to cancel the shares that were gratuitously transferred to Olvi on 18 May 2017. The cancellation of shares was recorded in the Trade Register on 15 June 2018.

Olvi Group's share-based incentive plan for key personnel, the performance period of which was from 1 July 2016 to 30 June 2018, has expired. The target group of the plan included approximately 50 people, and in accordance with the terms and conditions of the plan, rewards were paid in Olvi plc Series A shares and partially in cash. A total of 35,830 Series A shares were handed over as share-based rewards.

In the beginning of December 2018, the Board of Directors of Olvi plc decided to initiate a scheme of acquiring treasury shares based on the authorisation issued by the Annual General Meeting on 16 April 2018. On this basis, the Board will repurchase a maximum of 43,000 Series A shares. The acquired shares shall be used for the purpose of financing or executing any upcoming corporate acquisitions or other arrangements, implementing the company's incentive schemes or for other purposes decided upon by the Board of Directors. The acquisition of shares started on 11 December 2018 and ended on 21 January 2019. At the start of the repurchase scheme, Olvi plc held 4,999 Series A shares as treasury shares. The number of Series A shares held by Olvi plc as treasury shares on 31 December 2018 is 25,728 and the total acquisition price up to the end of the year is 956,460.18 euro.

At the end of December 2018, Olvi held 25,728 treasury shares, which is 0.1 percent of the total number of shares. Treasury shares held by the company itself are ineligible for voting.

Detailed information on treasury shares is provided in Table 5, Section 6 of the tables attached to this financial statements bulletin.

Flagging notices

During January-December 2018, Olvi has not received any flagging notices in accordance with Chapter 2, Section 10 of the Securities Markets Act.

EVENTS AFTER THE REVIEW PERIOD

Olvi plc's share repurchase scheme continued until 21 January 2019. On the basis of the repurchase scheme, Olvi plc acquired a total of 43,000 Series A shares for a total acquisition price of 1,391,253.37 euro. Olvi plc initiated a new share-based incentive plan for key personnel, the performance period of which is from 1 February 2019 to 31 January 2021. The plan is directed to approximately 60 people. In accordance with the share-based incentive plan, Olvi plc sold a total of 36,456 treasury shares to the target group members for a price of 1,179,522.94 euro. After this, Olvi holds 11,543 treasury shares, the acquisition price of which is 502,763.70 euro.

BUSINESS RISKS AND THEIR MANAGEMENT

Risk management

Risk management is a part of Olvi Group's everyday management and operations. The objective of risk management is to ensure the realisation of the company's strategy and secure its financial development and the continuity of business. The task of risk management is to operate proactively and create operating conditions in which business risks are managed comprehensively and systematically in all of the Group companies and all levels of the organisation.

Business risks and uncertainties in the near term

The most substantial factor hampering the predictability of Olvi Group's business relates to Belarus and its economic and political outlook for the next few years. Furthermore, changes in the Russian economy may impose challenges on the Belarusian operating environment.

Operations in Belarus involve foreign exchange risks arising from the cash flows of purchases and sales in foreign currency, as well as the investment in the Belarusian subsidiary and the conversion of its income statement and balance sheet items into euro. The Group's other foreign exchange risks can be considered minor.

Other short-term risks and uncertainties are related to development of the general economic circumstances, changes in the competitive situation, as well as the impacts these may have on the company's operations. In addition to the risks described above, there have been no significant changes in Olvi Group's business risks. A more detailed description of the risks is provided in the Board of Directors' report and the notes to the financial statements, as well as in the Investors/Corporate Governance section of the company's Web site.

NEAR-TERM OUTLOOK

Olvi has decided to change the way of presenting its near-term outlook. From now on, the outlook is limited to financial prospects.

Olvi's operating profit for fiscal year 2019 are expected to remain on the previous year's good level.

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFIT

The parent company Olvi plc had 70.3 (52.3) million euro of distributable funds on 31 December 2018, of which profit for the period accounted for 35.2 (19.9) million euro.

Olvi plc's Board of Directors proposes to the Annual General Meeting that distributable funds be used as follows:

1) A dividend of 0.90 (0.80) euro shall be paid for 2018 on each Series K and Series A share, totalling 18.6 (16.6) million euro. The dividend represents 45.7 (46.1) percent of Olvi Group's earnings per share. The dividends will be paid in two instalments. The first instalment of 0.45 euro per share will be paid on 9 May 2019 to shareholders registered in the register of shareholders held by Euroclear Finland Ltd on the record date 18 April 2019. The second instalment of 0.45 euro per share will be paid on 9 September 2019 to shareholders registered in the register of shareholders held by Euroclear Finland Ltd on the record date 2 September 2019.

No dividend shall be paid on treasury shares.

2) 51.7 million euro shall be retained in the parent company's non-restricted equity.

FINANCIAL REPORTS IN 2019

Olvi Group's Annual Report will be published in week 13. The Annual Report will include the Board of Directors' report and corporate responsibility report, the consolidated and the parent company's financial statements and the auditors' report for the financial year 1 January to 31 December 2018. At the same time, the company will issue its corporate governance statement and a report on wages, salaries and emoluments in fiscal 2018.

The notice to convene Olvi plc's Annual General Meeting, which will be held on 16 April 2019 in Iisalmi, will be published in week 13. The financial statements, Board of Directors' report and notice to convene the AGM will be available on Olvi plc's Web site on the same day.

The following interim reports will be released in 2019:

Interim report from January to March on 2 May 2019,
Interim report from January to June on 15 August 2019, and
Interim report from January to September on 30 October 2019.

OLVI PLC
Board of Directors

Further information: Lasse Aho, Managing Director, Olvi plc, phone +358 290 00 1050 or +358 400 203 600

TABLES:

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DISTRIBUTION:

NASDAQ OMX Helsinki Ltd
Key media
www.olvi.fi

INCOME STATEMENT

EUR 1,000

	10-12/2018	10-12/2017	1-12/2018	1-12/2017
Net sales	86217	75574	384302	345185
Other operating income	963	596	2144	2034
Operating expenses	-76021	-65646	-315694	-281717
Depreciation and impairment	-5456	-6142	-20602	-20755
Operating profit	5703	4382	50150	44747
Financial income	101	-1409	432	477
Financial expenses	-184	-33	-1429	-2819
Share of profit in associates	23	-69	23	-69
Earnings before tax	5643	2871	49176	42336
Taxes *)	-557	1187	-8039	-6212
NET PROFIT FOR THE PERIOD	5086	4058	41137	36124
Other comprehensive income items that may be subsequently reclassified to profit and loss:				
Translation differences related to foreign subsidiaries	-453	321	-2713	-7278
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	4633	4379	38424	28846
Distribution of profit:				
- parent company shareholders	5132	4054	40809	35956
- non-controlling interests	-46	4	328	168
Distribution of comprehensive income:				
- parent company shareholders	4691	4398	38169	28872
- non-controlling interests	-58	-19	255	-26
Earnings per share calculated from the profit belonging to parent company shareholders, EUR				
- undiluted	0.25	0.20	1.97	1.73
- diluted	0.25	0.20	1.97	1.73

*) Taxes calculated from the profit for the review period.

The notes constitute an essential part of the financial statements.

BALANCE SHEET

EUR 1,000

31 Dec 2018 31 Dec 2017

ASSETS

Non-current assets

Tangible assets	195599	188155
Goodwill	26134	15279
Other intangible assets	11481	5340
Shares in associates	1016	1113
Investments	543	543
Loans receivable and other non-current receivables	235	433
Deferred tax receivables	558	379
Total non-current assets	235566	211242

Current assets

Inventories	39882	34336
Accounts receivable and other receivables	71038	64181
Income tax receivable	440	235
Liquid assets	18520	28625
Total current assets	129880	127377
TOTAL ASSETS	365446	338619

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity held by parent company shareholders

Share capital	20759	20759
Other reserves	1092	1092
Treasury shares	-956	-228
Translation differences	-46746	-44106
Retained earnings	259864	238242
	234013	215759
Share belonging to non-controlling interests	3165	1228
Total shareholders' equity	237178	216987

Non-current liabilities

Financial liabilities	1167	4651
Other liabilities	4765	28
Deferred tax liabilities	8085	6443

Current liabilities

Financial liabilities	3554	8573
Accounts payable and other liabilities	110222	100052
Income tax liability	475	1885
Total liabilities	128268	121632
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	365446	338619

The notes constitute an essential part of the financial statements.

CHANGES IN SHAREHOLDERS' EQUITY

EUR 1,000	Share capital	Other reserves	Treasury shares reserve	Translation differences	Retained earnings	Share of non-controlling interests	Total
Shareholders' equity 1 Jan 2017	20759	1092	-228	-37022	217234	1714	203549
Comprehensive income:							
Net profit for the period					35956	168	36124
Other comprehensive income items:							
Translation differences				-7084		-194	-7278
Total comprehensive income for the period				-7084	35956	-26	28846
Transactions with shareholders:							
Payment of dividends					-15561	-35	-15596
Share-based incentives					534		534
Total transactions with shareholders					-15027	-35	-15062
Changes in holdings in subsidiaries:							
Acquisition of shares from non-controlling interests					258		258
Change in share belonging to non-controlling interests					-179	-425	-604
Total changes in holdings in subsidiaries					79	-425	-346
Shareholders' equity 31 Dec 2017	20759	1092	-228	-44106	238242	1228	216987
EUR 1,000	Share capital	Other reserves	Treasury shares reserve	Translation differences	Retained earnings	Share of non-controlling interests	Total
Shareholders' equity 1 Jan 2018	20759	1092	-228	-44106	238242	1228	216987
Comprehensive income:							
Net profit for the period					40809	328	41137
Other comprehensive income items:							
Translation differences				-2640		-73	-2713
Total comprehensive income for the period				-2640	40809	255	38424
Transactions with shareholders:							
Payment of dividends					-16574	-200	-16774
Acquisition of treasury shares			-1770				-1770
Share-based incentives, value of work performed					391		391
Issue of treasury shares to employees			1042		-1042		0
Adjustment to previous periods					37	2	39
Total transactions with shareholders			-728		-17188	-198	-18114
Changes in holdings in subsidiaries:							
Obligation to redeem shares from non-controlling interests					-1999		-1999
Change in share belonging to non-controlling interests						1880	1880
Total changes in holdings in subsidiaries					-1999	1880	-119
Shareholders' equity 31 Dec 2018	20759	1092	-956	-46746	259864	3165	237178

Other reserves include the share premium account, legal reserve and other reserves.

The notes constitute an essential part of the financial statements.

OLVI GROUP

TABLE 4

CASH FLOW STATEMENT

EUR 1,000

	1-12/2018	1-12/2017
Net profit for the period	41137	36124
Adjustments to profit for the period	31061	29649
Change in net working capital	1409	-3764
Interest paid	-603	-491
Interest received	440	271
Dividends received	123	4
Taxes paid	-10525	-4713
Cash flow from operations (A)	63042	57080
Investments in tangible and intangible assets	-32315	-22108
Sales gains from tangible and intangible assets	1796	1682
Acquisition of shares from non-controlling interests	0	-345
Shares purchased in subsidiaries	-16059	0
Cash flow from investments (B)	-46578	-20771
Withdrawals of loans	13543	0
Repayments of loans	-21641	-11491
Acquisition of treasury shares	-1770	0
Dividends paid	-16587	-15574
Increase (-) / decrease (+) in current interest-bearing business receivables	316	15
Cash flow from financing (C)	-26139	-27050
Increase (+)/decrease (-) in liquid assets (A+B+C)	-9675	9259
Liquid assets 1 January	28625	20297
Effect of exchange rate changes	-430	-931
Liquid assets 31 December	18520	28625

The notes constitute an essential part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

The financial statements for 1 January to 31 December 2018 have been prepared in compliance with the International Financial Reporting Standards (IFRS), including IFRS 9 Financial Instruments, IFRS 15 Revenue from Contracts with Customers and IFRS 2 Share-based Payments, observing the IAS and IFRS standards as well as the official SIC and IFRIC interpretations valid on 31 December 2018.

Preparation of financial statements in accordance with the IFRS standards requires the company's management to make estimates and assumptions that have an effect on the amount of assets and liabilities on the balance sheet at the closing date as well as the amounts of income and expenses for the accounting period. In addition, the management must exercise its judgment regarding the application of accounting policies. Since the estimates and assumptions are based on the views on the date of the financial statements, they include risks and uncertainties. The actual results may differ from the estimates and assumptions.

The accounting policies used for the preparation of this financial statements bulletin are the same as those used for the annual financial statements 2017. The accounting policies are presented in the Annual Report 2017, which was published on 26 March 2018. Standards that entered into force in 2018 have not caused any changes in the income statement and balance sheet but some amendments to standards affect the scope of notes to the financial statement.

The information in the financial statements bulletin is presented in thousands of euros (EUR 1000). For the sake of presentation, individual figures and totals have been rounded to full thousands, which causes rounding differences in additions. The ratios are calculated from exact amounts in euros. The information disclosed in the financial statements bulletin is unaudited.

New standards

Olvi has adopted the new standards that entered into force on 1 January 2018 (IFRS 9 Financial Instruments, IFRS 15 Revenue from Contracts with Customers and IFRS 2 Share-based Payments).

IFRS 9 Financial Instruments addresses the classification of financial assets and liabilities, their measurement and derecognition, revises the rules for hedge accounting and provides for a new impairment model for financial assets. The adoption of the standard in Olvi Group affects the presentation of information in the financial statements and the timing of recognition of credit losses.

Olvi Group's financial assets consist mainly of funds in bank accounts and accounts receivable. Furthermore, the Group has had a minor amount (approximately 0.5 million euro) of equity investments classified as "Financial assets available for sale" under the old standard. These assets have been classified as "Financial assets measured at fair value through other comprehensive income". The change in classification thus does not have any substantial impact on the Group's earnings.

Furthermore, the Group has introduced a provision matrix for credit losses on accounts receivable. According to this, a credit loss provision is booked to the amount of expected credit losses over the entire life of an asset when a financial asset is initially recognised on the balance sheet. The special characteristics of each country are accounted for. The adoption has had an impact of 149 thousand euro on consolidated earnings. No retroactive adjustments have been made to accrued earnings.

IFRS 15 Revenue from Contracts with Customers includes a five-step model applicable to revenue recognition. The standard is based on the principle that revenue is recognised when control of a good or service transfers to the customer. In accordance with the standard, revenue is recognised on the basis of transfer of control either over time or at a specific point of time.

The adoption of the standard has not had any effect on the Group's earnings, the time of revenue recognition or the accounting policies. However, the amendment affects the presentation of the financial statements through the imposed requirements on the disclosure of notes. The Group will adopt the standard by providing additional information non-retroactively.

IFRS 2 Share-based Payments has been amended to clarify the accounting for certain types of share-based transactions. The adoption of the standard has not had any effect on the consolidated financial statements.

IFRIC 22 provides guidance on the exchange rate that should be applied to foreign currency items (such as sales transactions) at the time of reporting when performance has been provided or received in advance. The Group will take the guidance into account. The interpretation has no effect on the consolidated financial statements.

Olvi will adopt one new standard in 2019 (IFRS 16 Leases). Information on the adoption and estimated effects of the standard can be found below.

IFRS 16 Leases

From the lessee's point of view, the standard has abandoned the current division between operational leases and finance leases, and according to the standard, in practice all leases result in the recognition of an asset (right to use the leased asset) and a financial liability pertaining to the lease payment obligation. The standard also has effect on the income statement as the total costs are typically higher in the beginning of the lease period and lower towards the end. Furthermore, the lease costs now included in operating expenses will be replaced by interest and depreciation, which will affect crucial indicators such as EBITDA (gross margin). The standard also has an impact on the presentation of the cash flow statement.

The Group has contracts classified as operational leases under the current standard, and upon adoption of the new standard, these will be recognised in the balance sheet with the exception of minor and short-term contracts. The Group's leases concern the rental of individual office spaces and logistics premises, as well as machinery and equipment. Due to the adoption of IFRS 16, some of the lease payments now recognised as other operating expenses in the consolidated income statement will be moved to depreciation, and the share of interest will be moved to financial expenses. The standard will mainly affect the recognition of the Group's operational leases, increasing the balance sheet total and causing some changes in the key indicators. The Group's operational lease commitments that will hereafter be recognised in the balance sheet amount to 1,399 thousand euro at the balance sheet date. The standard will be adopted as of 1 January 2019. A simplified approach to adoption will be taken, with no adjustments to the comparison figures for the previous year.

1. SEGMENT INFORMATION

SALES VOLUME BY GEOGRAPHICAL SEGMENT (1,000 litres)

	10-12/2018	10-12/2017	1-12/2018	1-12/2017
Olvi Group total	150273	142498	701273	643024
Finland	51379	48404	213205	199717
Estonia	23356	21515	110733	112794
Latvia	15207	14936	75590	76326
Lithuania	20372	19245	95384	85381
Belarus	43884	42321	228161	196389
- sales between segments	-3925	-3923	-21800	-27583

NET SALES BY GEOGRAPHICAL SEGMENT (EUR 1,000)

	10-12/2018	10-12/2017	1-12/2018	1-12/2017
Olvi Group total	86217	75574	384302	345185
Finland	39488	32161	159296	131457
Estonia	14736	13627	70377	73751
Latvia	8120	7271	39831	37512
Lithuania	9359	8719	43051	39155
Belarus	17173	15531	82093	75437
- sales between segments	-2659	-1735	-10346	-12127

OPERATING PROFIT BY GEOGRAPHICAL SEGMENT (EUR 1,000)

	10-12/2018	10-12/2017	1-12/2018	1-12/2017
Olvi Group total	5703	4382	50150	44747
Finland	3233	1167	18510	12763
Estonia	1804	1519	14011	14734
Latvia	230	433	4328	4437
Lithuania	218	321	3658	3365
Belarus	695	885	10320	9435
- eliminations	-477	57	-677	13

Finland (Olvi Oyj, Servaali Oy and The Helsinki Distilling Company), Estonia (AS A. Le Coq), Latvia (A/S Cēsu Alus), Lithuania (AB Volfas Engelman and UAB Lamate) and Belarus (OAO Lidskoe Pivo and Trade House Lidskoe Pivo).

2. PERSONNEL ON AVERAGE	10-12/2018	10-12/2017	1-12/2018	1-12/2017
Finland	367	321	371	337
Estonia	291	309	301	327
Latvia	184	172	194	196
Lithuania	220	226	215	228
Belarus	707	692	716	695
Total	1769	1720	1797	1783

3. RELATED PARTY TRANSACTIONS

Employee benefits to management

Salaries and other short-term employee benefits to the Board of Directors and Managing Director

EUR 1,000

	1-12/2018	1-12/2017
Managing Director	823	689
Chairman of the Board	71	69
Other members of the Board	164	148
Total	1058	906

4. SHARES AND SHARE CAPITAL

	31 Dec 2018	%
Number of A shares	16989976	82.0
Number of K shares	3732256	18.0
Total	20722232	100.0
Total votes carried by A shares	16989976	18.5
Total votes carried by K shares	74645120	81.5
Total number of votes	91635096	100.0
Votes per Series A share	1	
Votes per Series K share	20	

The registered share capital on 31 December 2018 totalled 20,759 thousand euro.

Olvi plc's shares received a dividend of 0.80 euro per share for 2017 (0.75 euro per share for 2016), totalling 16.6 (15.6) million euro. The dividends were paid on 30 April 2018. The Series K and Series A shares entitle to equal dividend. The Articles of Association include a redemption clause concerning Series K shares.

5. SHARE-BASED PAYMENTS

During the review period, Olvi Group has had an active share-based incentive plan for key personnel. The aim of the share-based incentive plan was to combine the objectives of the shareholders and the key employees in order to increase the value of the company, to make the key employees committed to the company, and to offer them a competitive reward plan based on earning the company's shares.

The share-based incentive plan for key personnel that started in 2016 has been active during the review period and expired on 30 June 2018. The performance period for the share-based incentive plan was two years. The prerequisite for receiving reward was that a key employee purchased the company's Series A shares up to the maximum number determined by the Board of Directors. Furthermore, entitlement to a reward was tied to the continuance of employment upon reward payment. Rewards were paid partly in the company's Series A shares and partly in cash in July 2018. The cash proportion was intended to cover taxes and tax-related costs arising from the rewards to the key employees. The plan was directed to approximately 50 people. The rewards paid on the basis of the plan were 35,830 Series A shares in Olvi plc and a cash payment needed for taxes and tax-related costs arising from the shares. The costs of the plan were recognised over the performance period from 1 July 2016 to 30 June 2018. From January to December 2018, costs associated with the plan were recognised for a total of 782.3 thousand euro.

Olvi Group has initiated a new share-based incentive plan for key employees with terms and conditions equivalent to the previous plan. The performance period is from 1 February 2019 to 31 January 2021. This has been described in the section "Events after the review period" in this bulletin.

6. TREASURY SHARES

Authorisations related to treasury shares

On 16/04/2018, the General Meeting of Shareholders of Olvi plc decided to revoke any unused authorisations to acquire treasury shares and authorise the Board of Directors of Olvi plc to decide on the acquisition of the company's own shares using distributable funds. The authorisation is valid for one year starting from the General Meeting and covers a maximum of 500,000 Series A shares.

The Annual General Meeting also decided to revoke all existing unused authorisations for the transfer of own shares and authorise the Board of Directors to decide on the issue of a maximum of 1,000,000 new Series A shares and the transfer of a maximum of 500,000 Series A shares held as treasury shares.

Transactions related to treasury shares

On 9 May 2018, the Board of Directors of Olvi plc decided to initiate a scheme of acquiring treasury shares based on the authorisation issued by the Annual General Meeting on 16 April 2018. On this basis, the Board will repurchase a maximum of 36,280 Series A shares. The acquired shares shall be used for the purpose of financing or executing any upcoming corporate acquisitions or other arrangements, implementing the company's incentive schemes or for other purposes decided upon by the Board of Directors. The acquisition of shares started on 11 May 2018 and ended on 8 June 2018. The total acquisition price for the 36,280 shares acquired was 1,104,266 euro. At the start of the repurchase scheme, Olvi held 41,125 Series A shares as treasury shares.

Olvi plc's Annual General Meeting on 21 April 2017 made a decision concerning abandoned or "ghost" shares held in a joint book-entry account. The decision was that the right to a share incorporated in the book-entry system and placed in the joint account, and the rights that the share carries have been forfeited, and authorised the Board of Directors to take all measures

called for by the decision. On this basis, 36,576 shares have been transferred from Olvi's joint account to treasury shares on 18 May 2017. At its meeting on 28 May 2018, the Board of Directors of Olvi plc decided to cancel the shares that were gratuitously transferred to Olvi on 18 May 2017. The cancellation of shares was recorded in the Trade Register on 15 June 2018.

Olvi Group's share-based incentive plan for key personnel, the performance period of which was from 1 July 2016 to 30 June 2018, has expired. The target group of the plan included approximately 50 people, and in accordance with the terms and conditions of the plan, rewards were paid in Olvi plc Series A shares and partially in cash. A total of 35,830 Series A shares were handed over as share-based rewards at the beginning of July.

In the beginning of December 2018, the Board of Directors of Olvi plc decided to initiate a scheme of acquiring treasury shares based on the authorisation issued by the Annual General Meeting on 16 April 2018. On this basis, the Board will repurchase a maximum of 43,000 Series A shares. The acquired shares shall be used for the purpose of financing or executing any upcoming corporate acquisitions or other arrangements, implementing the company's incentive schemes or for other purposes decided upon by the Board of Directors. The acquisition of shares started on 11 December 2018 and ended on 21 January 2019. At the start of the repurchase scheme, Olvi plc held 4,999 Series A shares as treasury shares.

Series A shares held by Olvi plc as treasury shares on 31 December 2018 (25,728 shares) represent 0.01 percent of all shares and 0.02 percent of the aggregate number of votes. The treasury shares represented 0.1 percent of all Series A shares and associated votes. The total purchase price of treasury shares was 956,460.18 euro. Treasury shares held by the company itself are ineligible for voting.

7. NUMBER OF SHARES *)	1-12/2018	1-12/2017
- average	20711397	20728115
- at end of period	20696504	20717683

*) Treasury shares deducted.

8. TRADING OF SERIES A SHARES ON THE HELSINKI STOCK EXCHANGE

	1-12/2018	1-12/2017
Trading volume of Olvi A shares	1741051	1464747
Total trading volume, EUR 1,000	52140	41884
Traded shares in proportion to all Series A shares, %	10.2	8.6
Average share price, EUR	29.95	28.59
Price on the closing date, EUR	31.50	29.87
Highest quote, EUR	34.00	32.49
Lowest quote, EUR	27.00	25.05

9. FOREIGN AND NOMINEE-REGISTERED HOLDINGS ON 31 DECEMBER 2018

	Book entries		Votes		Shareholders	
	qty	%	qty	%	qty	%
Finnish total	15587556	75.22	86500420	94.40	11549	99.55
Foreign total	294293	1.42	294293	0.32	42	0.37
Nominee-registered (foreign) total	110477	0.53	110477	0.12	4	0.03
Nominee-registered (Finnish) total	4729906	22.83	4729906	5.16	6	0.05
Total	20722232	100.00	91635096	100.00	11601	100.00

10. LARGEST SHAREHOLDERS ON 31 DECEMBER 2018

	Series K	Series A	Total	%	Votes	%
1. Olvi Foundation	2363904	890613	3254517	15.71	48168693	52.57
2. The Estate of Hortling Heikki *)	903488	103280	1006768	4.86	18173040	19.83
3. Hortling Timo Einari	212600	49577	262177	1.27	4301577	4.69
4. Hortling-Rinne Marit	149064	14699	163763	0.79	2995979	3.27
5. OP Corporate Bank plc, nominee reg.		2153674	2153674	10.39	2153674	2.35
6. Nordea Bank Abp, nominee register		1428482	1428482	6.89	1428482	1.56
7. Skandinaviska Enskilda Banken AB (publ) Helsinki branch, nominee register		1062064	1062064	5.13	1062064	1.16
8. Ilmarinen Mutual Pension Insurance Company		901401	901401	4.35	901401	0.98
9. Varma Mutual Pension Insurance Company		828075	828075	4.00	828075	0.90
10. Hortling Pia Johanna	23388	22066	45454	0.22	489826	0.53
Others	79812	9536045	9615857	46.39	11132285	12.16
Total	3732256	16989976	20722232	100.00	91635096	100.00

*) The figures include the shareholder's own holdings and shares held by parties in his control.

11. PROPERTY, PLANT AND EQUIPMENT

EUR 1,000

	1-12/2018	1-12/2017
Opening balance	188155	196239
Additions	32833	20806
Deductions and transfers	-4395	-3655
Depreciation	-18922	-18498
Exchange rate differences	-2072	-6737
Closing balance	195599	188155

12. CONTINGENT LIABILITIES

EUR 1,000

	31 Dec 2018	31 Dec 2017
Pledges and contingent liabilities		
For own commitments	2114	1886
Leasing and rental liabilities:		
Due within one year	1129	1163
Due within 1 to 5 years	805	739
Due in more than 5 years	2	2
Leasing and rental liabilities total	1936	1904
Other liabilities	57	2000

13. BUSINESS COMBINATIONS

The Helsinki Distilling Company

On 2 July 2018, Olvi plc acquired 67 percent of the stock of The Helsinki Distilling Company. The Helsinki Distilling Company focuses on the manufacture of strong alcoholic products, of which Helsinki Whiskey and Helsinki Dry Gin are the best known. The company also has a subsidiary called Tislaamo – Distillery Bar, which operates an exhibition space and restaurant. Through the acquisition, Olvi expands its operations to strong alcoholic beverages. The Helsinki Distilling Company brings a substantial addition to our expertise in this sector.

The acquisition was executed through a share purchase, and the debt-free sales price for a 67 percent stake was approximately 2.3 million euro, paid on 2 July 2018. Furthermore, Olvi subscribed to 195,643 Series B shares in a private placing. The agreement also includes a conditional additional sales price that will be due for payment on 30 April 2019.

The agreement includes an option for Olvi to redeem the remaining 33% within the next few years, and accordingly includes the right of minority shareholders to sell this remainder to Olvi. A liability has been recognised in the financial statement report for this obligation of redemption.

The Helsinki Distilling Company has been consolidated in Olvi Group since the beginning of July 2018. The share of non-controlling interests has not been recognised but the acquisition has been treated as a 100-percent takeover. In Olvi Group's segment reporting, The Helsinki Distilling Company's business operations are included in the figures for Finland.

The operating profit for January-December includes 223.5 thousand euro of expenses related to the acquisition.

The following tables present a summary of the acquisition price and the fair value of the assets acquired and liabilities assumed at the time of acquisition. The balance sheet has been prepared in its essential parts in accordance with IFRS and Olvi Group's accounting policies. The acquisition has been booked in Olvi Group's figures as preliminary.

Acquisition price

EUR 1,000

Paid in cash	2.261
Estimated fair value of conditional additional sales price	27
Estimated fair value of redemption obligation	899
Total acquisition price (100%)	3.187

Amounts recognised for assets acquired and liabilities assumed (100%)
EUR 1,000

Tangible assets	561
Intangible assets	
Intangible rights based on customers	207
Intangible rights related to markets	653
Other intangible assets	312
Inventories	1.373
Accounts receivable and other receivables	355
Deferred tax receivables	165
Liquid assets	8
Accounts payable and other liabilities	730
Deferred tax liabilities	402
Interest-bearing liabilities	518
Identifiable net assets total	1.984
Goodwill	1.203

Servaali Oy

On 3 April 2018, Olvi plc acquired 80 percent of the stock of Servaali Oy. Servaali Oy is one of Finland's largest private importers of alcoholic beverages. With the acquisition, Olvi is expanding its product portfolio to wines, strengthening its market position in mild alcoholic beverages and responding actively to the potential for growth provided by the changing operating environment.

The acquisition was executed through a share purchase, and the debt-free sales price for an 80 percent stake was 15.8 million euro, paid on 3 April 2018. The agreement also includes an additional sales price based on the company's profitability development over an agreed review period of several years. The additional sales price has been determined on the basis of the current value of estimated future cash flows. The applicable discount rate of interest has been 9%. The conditional additional sales price will be due for payment on 30 November 2021.

The agreement includes an option for Olvi to redeem the remaining 20% of Servaali within the next few years, and accordingly includes the right of Momentin Group Oy to sell this remainder to Olvi. A liability has been recognised for this obligation of redemption.

Servaali Oy has been consolidated in Olvi Group since the beginning of April 2018. In Olvi Group's segment reporting, Servaali's business operations are included in the figures for Finland.

The operating profit for January-December includes 570.9 thousand euro of expenses related to the acquisition.

The following tables present a summary of the acquisition price and the fair value of the assets acquired and liabilities assumed at the time of acquisition. The balance sheet has been prepared in its essential parts in accordance with IFRS and Olvi Group's accounting policies. The acquisition has been booked in Olvi Group's figures as preliminary.

Acquisition price
EUR 1,000

Paid in cash	15.800
Estimated fair value of conditional additional sales price	1.592
Share belonging to non-controlling interests (20%)	1.880
Total acquisition price (100%)	19.272

Amounts recognised for assets acquired and liabilities assumed (100%)
EUR 1,000

Tangible assets	190
Intangible assets	
Intangible rights based on customers	3.325
Intangible rights related to markets	1.122
Inventories	3.261
Accounts receivable and other receivables	5.992
Deferred tax receivables	93
Liquid assets	1.994
Accounts payable and other liabilities	5.300
Deferred tax liabilities	935
Interest-bearing liabilities	343
Identifiable net assets total	9.400
Goodwill	9.872
Share of net assets belonging to non-controlling interests (20%) *)	1.880

*) The company has measured the share of non-controlling interests (20%) as a share of the fair value of the object's net assets.

If the companies had been included in the Group since the beginning of the accounting period, the net sales for January-December would have been approximately 390.3 million euro and the operating profit 50.2 million euro.

14. CALCULATION OF FINANCIAL RATIOS

In the summary of financial indicators (page 1), the Group presents figures directly derived from the consolidated income statement: net sales, operating profit and profit for the period, the corresponding percentages in proportion to net sales, as well as the earnings per share ratio. (Earnings per share = Profit belonging to parent company shareholders / Average number of shares during the period, adjusted for share issues.)

In addition to the consolidated financial statements prepared in accordance with IFRS, Olvi Group presents Alternative Performance Measures that describe the financial development of its business and provide a commensurate overall view of the company's profitability, financial position and liquidity.

The Group has applied the ESMA (European Securities and Markets Authority) new guidelines on Alternative Performance Measures that entered into force on 3 July 2016 and defined APMs as described below.

As an APM supporting net sales, the Group presents sales volumes in millions of litres. Sales volume is an important indicator of the extent of operations generally used in the industry.

The definition of gross margin is operating profit plus depreciation and impairment.

Capital expenditure consists of total expenditure on fixed assets, including the effect of any corporate acquisitions.

Equity per share = Shareholders' equity held by parent company shareholders / Number of shares at end of period, adjusted for share issues

Equity to total assets, % = $100 * (\text{Shareholders' equity held by parent company shareholders} + \text{non-controlling interests}) / (\text{Balance sheet total})$

Gearing, % = $100 * (\text{Interest-bearing debt} - \text{cash in hand and at bank}) / (\text{Shareholders' equity held by parent company shareholders} + \text{non-controlling interests})$