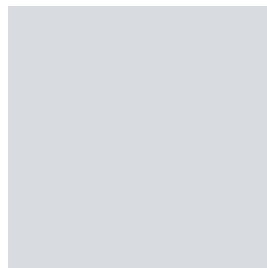
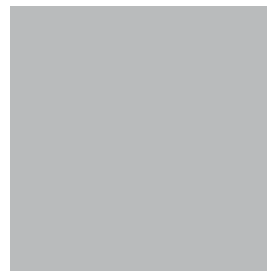


Sanitec Corporation Financial Statements Release 2014



Sanitec
Home of the Bathroom

Financial Statements Release 2014

Fourth quarter 2014 in brief

- Net sales for the fourth quarter amounted to EUR 156.0 million (167.5). This corresponds to a decrease of 6.9%. Comparable net sales for the fourth quarter were 3.6% lower than previous year¹⁾.
- Operating profit for the fourth quarter increased to EUR 16.3 million (14.2), 10.5% (8.5) of net sales.
- Profit for the fourth quarter amounted to EUR 13.4 million (12.1).
- Earnings per share, basic and diluted, were EUR 0.13 (0.12).
- Cash flow from operating activities for the fourth quarter amounted to EUR 30.3 million (38.3).
- Geberit announced a public tender offer to the shareholders of Sanitec to transfer all shares for a consideration of SEK 97 per share.

Full year 2014 in brief

- Net sales for the full year amounted to EUR 689.4 million (701.8). This corresponds to a decrease of 1.8%. Comparable net sales for the year were 0.7% higher than in the previous year¹⁾.
- Operating profit for the period amounted to EUR 78.9 million (67.9), 11.4% (9.7) of net sales.
- Profit for the period amounted to EUR 45.6 million (42.5).
- Earnings per share, basic and diluted, were EUR 0.46 (0.42).
- Cash flow from operating activities amounted to EUR 73.8 million (74.7).
- After the reporting period Geberit has announced that it has completed the acquisition of over 99% of the shares in Sanitec.
- Sanitec has applied for delisting of the company's shares from NASDAQ Stockholm. Last day of trading is 27 February 2015.
- The Board of Directors proposes to the Annual General Meeting that no dividend will be distributed.

Key figures for the Group

EUR million	Q4	Q4	Change	Q1-Q4	Q1-Q4	Change
	2014	2013	%	2014	2013	%
Net sales	156.0	167.5	-3.6 ¹⁾	689.4	701.8	0.7 ¹⁾
Operating profit	16.3	14.2	14.5	78.9	67.9	16.1
Operating margin, %	10.5	8.5		11.4	9.7	
Items affecting comparability	-	-3.7		-	-6.5	
Operating profit, adjusted	16.3	17.9	-9.0	78.9	74.4	6.0
Operating margin, %, adjusted	10.5	10.7		11.4	10.6	
EBITDA, adjusted	21.5	24.8	-13.3	103.5	102.7	0.8
EBITDA margin, %, adjusted	13.8	14.8		15.0	14.6	
Profit before taxes	14.8	8.4	75.4	53.3	48.2	10.7
Profit for the period	13.4	12.1	11.2	45.6	42.5	7.4
Cash flow from operating activities	30.3	38.3	-20.9	73.8	74.7	-1.1
Return on capital employed (ROCE), % rolling 12 months				31.2	19.4	
Net debt				120.1	150.6	
Net debt / EBITDA, adjusted				1.2	1.5	
Earnings per share, EUR, basic	0.13	0.12		0.46	0.42	
Earnings per share, EUR, diluted	0.13	0.12		0.46	0.42	
Number of personnel, average				6,176	6,516	

¹⁾ Calculated for comparable legal structure and in constant currency, i.e. organic change.

For definitions see page 20

Statement by President & CEO, Peter Nilsson:

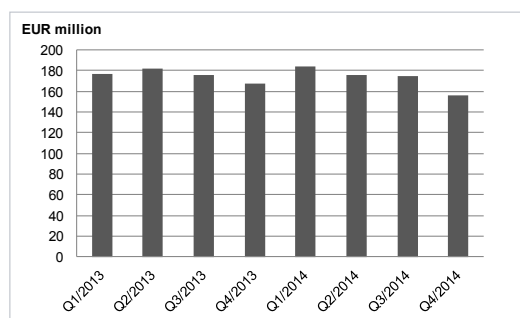
"With a unique complementary offering for in-house water and sanitary management, Geberit and Sanitec will become an unrivalled European player, both in front of and behind the wall. Together, we will have a strong go-to-market organisation with leading brands for both business-to-business (B2B) and business-to-consumer (B2C), and a solid platform for continued expansion options, both geographically and product-wise."



Net sales

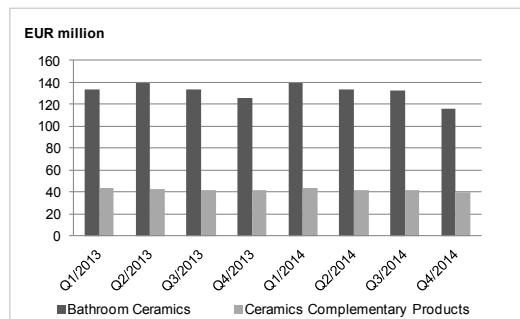
Net sales for the fourth quarter amounted to EUR 156.0 million (167.5), which corresponds to a decrease of 6.9%. Comparable net sales for the quarter were 3.6% lower than previous year due to a negative development in four out of five regions. The impact of net foreign exchange rates in the quarter was EUR 5.6 million negative compared with previous year.

Quarterly net sales



Net sales for the full year 2014 amounted to EUR 689.4 million (701.8), which corresponds to a decrease of 1.8% and an organic growth of 0.7%. The impact for the period of net foreign exchange rates was EUR 17.6 million negative compared with prior year.

Quarterly net sales by product area

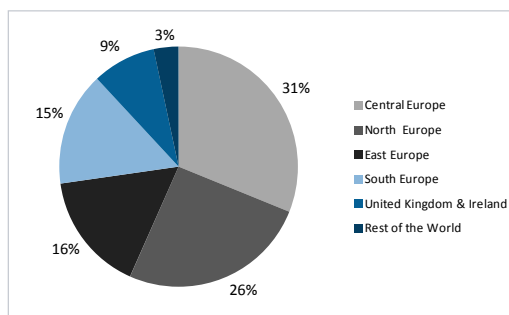


Net sales for Bathroom Ceramics in the fourth quarter declined organically by 4.5% to EUR 115.9 million (125.8), due to lower volume offset by better product mix and increased average sales prices. Net sales for Bathroom Ceramics for the full year amounted to EUR 521.3 million (532.1), with an organic growth for the period of 0.7%. The renewal of the product assortment

that started in 2013 has continued successfully with new product introductions – including the successful introduction of the prize-winning Rimfree® toilet in several more markets.

Net sales for Ceramics Complementary Products in the fourth quarter declined organically by 0.8% to EUR 40.1 million (41.7), due to still challenging market conditions for showers in certain countries, but offset by positive development for furniture, baths and prewall systems. Net sales for Ceramics Complementary Products for the full year amounted to EUR 168.1 million (169.7), with an organic growth of 0.9%.

Quarterly net sales by region



Net sales for the Central Europe region for the fourth quarter amounted to EUR 48.6 million (50.6), due to a lower activity in the overall German economy during the quarter and signs of intensified market conditions. Negative sales development was noted in the Netherlands. The cumulative net sales for the period for the Central Europe region amounted to EUR 215.9 million (217.9). The organic sales development, calculated in constant currency rates, was negative with 1.0%.

Net sales for the North Europe region in the fourth quarter decreased to EUR 39.8 million (43.3) due to negative sales development in Sweden due to backing out of non-profitable volumes as well as in Norway and Finland. The Danish market continued to show positive development. The net sales for the North Europe region amounted to EUR 175.0 million (178.2), organically a growth of 1.2%.



Net sales for the East Europe region in the fourth quarter amounted to EUR 25.1 million (27.9). Despite the ongoing political turmoil in Ukraine, the region had an organic growth of almost 10%, during the quarter due to an especially strong sales development in Ukraine but also in Russia. The net sales for the East Europe region for the full year amounted to EUR 107.6 million (113.9), with an organic growth of 8.2%.

During the fourth quarter, net sales for the South Europe region amounted to EUR 23.9 million (25.4), a decline of 5.8%. The decrease is explained by continued weak market conditions in Italy, but also negative sales development in France during the quarter. Net sales for the South Europe region for the full year amounted to EUR 113.4 million (117.7), a decline of 3.7%.

During the fourth quarter net sales in the United Kingdom & Ireland region showed decline of 2.9% versus a strong quarter previous year, and amounted to EUR 13.4 million (13.8). The net sales for the United Kingdom & Ireland region for the full year increased to EUR 55.8 million (51.6), with an organic growth of 3.0%.

Operating profit

The fourth quarter operating profit amounted to EUR 16.3 (14.2, excluding items affecting comparability 17.9). The impact of net foreign exchange rates was EUR 0.1 million negative compared with the previous year.

Operating margin for the fourth quarter amounted to 10.5% (8.5, excluding items affecting comparability 10.7). The margin was positively influenced by favourable sales mix and by increased average sales prices. Furthermore, "One Sanitec" activities such as more efficient sourcing, lower costs due to previously implemented actions and continuously managed manufacturing efficiency supported the improved performance.

The operating profit for the full year increased to EUR 78.9 million (67.9, excluding items affecting comparability 74.4). The operating margin for the full year increased to 11.4% (9.7, excluding items affecting comparability 10.6). The impact in the period of net foreign exchange rates was EUR 1.8 million negative compared with prior year.

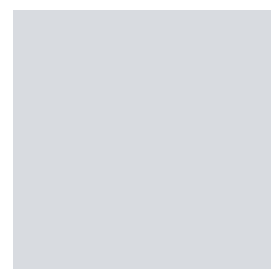
Profit for the period and earnings per share

The financial income and expenses for fourth quarter amounted to EUR -1.5 million (-5.8) of which EUR -0.8 million (-3.2) is interest expenses on borrowings. The decrease in interest expenses on borrowings versus previous year is due to the effects of the refinancing in June 2014. The remaining amount is mainly realised and unrealised currency results related to financial items of EUR -0.1 million (-1.4) and other net financial expenses of EUR -0.6 million (-1.8) including amortisation of capitalised fees. Major part of the currency results in the quarter is related to changes in EUR versus RUB and UAH.

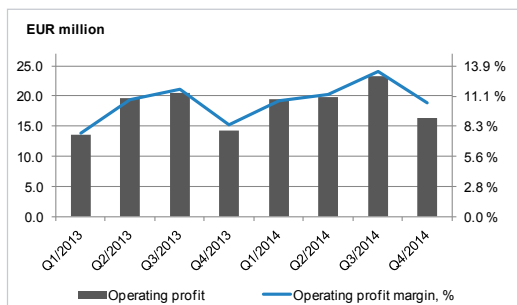
The financial income and expenses year to date amounted to EUR -25.6 million (-19.8), split by interest expenses on borrowings of EUR -7.9 million (-11.6), realised and unrealised currency changes of EUR -4.0 million (-3.9) and other net financial expenses of EUR -13.7 million (-4.3) of which EUR -10.6 million is refinancing transaction costs.

Profit before taxes for the fourth quarter was EUR 14.8 million (8.4), an increase with 75% to the previous year. The increase is related to higher operating profit and decreased financial expenses due to the refinancing. Year to date profit before taxes reported EUR 53.3 million (48.2).

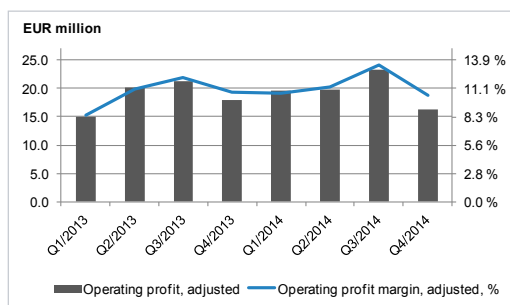
Income taxes for the fourth quarter amounted to EUR -1.4 million (3.6). The effective tax rate year to date is 14.5% (11.9) corresponding to income taxes for the full year of EUR -7.7 million (-5.7). The increase is primarily due to adjustments in income taxes from previous



Quarterly operating profit and operating profit margin



Quarterly operating profit and operating profit margin, adjusted



years, mainly in Germany, while current lower income taxes for the reporting period are offset by a smaller change in deferred taxes compared to last year.

Profit for the period for the fourth quarter reported EUR 13.4 million (12.1) which means earnings per share, basic and diluted, of EUR 0.13 (0.12). Year to date 2014 profit for the period amounted to EUR 45.6 million (42.5) corresponding to earnings per share, basic and diluted, of EUR 0.46 (0.42).

Cash flow

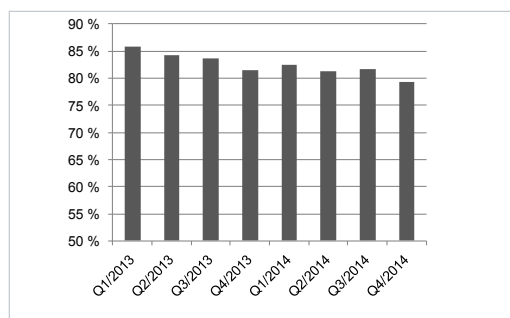
Cash flow from operating activities in the fourth quarter amounted to EUR 30.3 million which is a decrease from the previous year by EUR 8.0 million. The development during the quarter is driven by improved profits but less cash generated from working capital coming from more capital tied up in higher inventory level and less cash generated from change in interest-free liabilities. Cash conversion calculated on a 12 month rolling basis was 79% (82) which means that it exceeds the long term financial target to be more than 70%. Cash flow from operating activities for full year amounted to EUR 73.8 million (74.7). The change in cash flow from operating activities during the year reflects the normal business trend which means that the business normally ties up cash during the first half of the year and releases cash during its second half.

Cash flow from investing activities fourth quarter amounted to EUR -8.5 (-7.4) million, which is slightly higher compared to previous year. The investing activities consumed EUR -21.5 million (-18.9) for the full year. The investing activities are primarily related to customary maintenance investments of property, plant and production for ceramics, upgrade of capacity for WC production as well as investments in the development of the product portfolio.

Cash flow from financing activities in fourth quarter amounted to EUR -53.9 million (-1.4). Year to date the cash flow from financing activities summarised to EUR -127.7 million (-171.6). During the quarter the major financing activities have been to repay the drawn amount on the revolver facility using instead the existing overdraft facilities.

Change in cash and cash equivalents including related effect of exchange rate differences amounted to EUR -31.4 million (29.5) for the fourth quarter, which decreases cash and cash equivalents by the same amount from EUR 55.7 million to EUR 24.3 million end of the quarter. The change in cash year to date records EUR -75.1 million (-116.3), which reduces cash with the same amount from the beginning of the year of EUR 99.4 million to EUR 24.3 million end of period.

Quarterly cash conversion



Gross capital expenditure, depreciation, amortisation and impairment

Gross capital expenditure for the fourth quarter amounted to EUR 9.1 million (8.4) which corresponds to 5.8% (5.0) of net sales. The investments are mainly customary maintenance investments to maintain and improve the manufacturing and logistics footprint and upgrade of WC production capacity, both for the standard and the rimfree assortment. The gross capital expenditure also includes investments in the development of the product portfolio and investments to support administrative processes.

Gross capital expenditure for the full year 2014 amounted to EUR 22.1 million (19.3) corresponding to 3.2% (2.8) of net sales. The gross capital expenditure has all been financed from cash flow from operations, which is line with the previous years.

Depreciation, amortisation and impairment losses amounted in the fourth quarter to EUR -5.2 million (-4.9), which corresponds to 3.3% (2.9) of net sales and for the period January to December it summarised to EUR -24.6 million (-28.9) or 3.6% (4.1) of net sales. The comparable amounts for previous year were affected by impairments and reversals of impairments of assets reported as items affecting comparability. For the full year the amount was EUR -0.5 million and for the quarter EUR +2.0 million.

Financial position and liquidity

Cash and cash equivalents amounted to EUR 24.3 million (99.4) at the end of the financial year. In addition, Sanitec has a committed revolving credit facility of EUR 150.0 million, which was agreed as part of the refinancing executed in June 2014, and of which EUR 130.7 million was unused at the end of the year.

Sanitec entered into a EUR 275 million Multicurrency Term Loan and a Revolving Credit Facility (RCF) on 13 May 2014, of which the RCF amount to EUR 150 million. The new facility is provided by Danske



Bank, DNB Bank and Nordea. The maturity of the Multicurrency Term Loan is five years and the RCF three years with an extension option for one plus one year. The new facility agreement benefits from net leverage and interest cover covenants, in other words, no real security is provided for loans.

The new financing structure reduces Sanitec's financial expenses, and creates more flexibility for handling of cash and liquidity. After implementation the new financing structure reduces financial expenses by up to EUR 10 million per year, ceteris paribus, of which major part is cash.

In September 2014 Sanitec concluded agreements to convert its revolving credit facility into ancillary overdraft facilities, which further enhanced the cash management efficiency of Sanitec since mid October 2014.

Net debt, calculated from the nominal value of the loans, amounted to EUR 120.1 million (150.6) end of the year which is a decrease of EUR 30.5 million (increase of 193.5) compared to beginning of the year. Leverage calculated as net debt to adjusted EBITDA recorded 1.2 (1.5) at the end of the year, which consolidates comfortable headroom to maximum leverage long-term financial target of 2.5.

Total equity at the end of the period amounted to EUR 46.3 million (44.4). As from beginning of the year payment to the shareholders as refund of capital from the reserve for invested unrestricted equity has been made amounting to EUR 22.0 million. Other items has affected the equity year to date with EUR -22.4 million, of which EUR -8.4 million during the fourth quarter. The main amounts are related to unrealised exchange rate losses on internal loans to our Ukrainian and Russian subsidiaries which have been reported as net investments in foreign operations and the exchange rate effect thereby reported in other comprehensive income, re-measurements of defined benefit plans, change in non-controlling interests and acquisition of treasury shares.

Research and development

Sanitec's research and development activities are focused mainly on four areas: comfort and design, hygiene and easy clean, installation friendly and environmentally friendly. As of 31 December 2014, 179 (181) of the employees (FTEs) were directly involved in this function.

Direct research and development expenses amounted in 2014 to EUR -5.4 million (-4.5). In addition to direct research and development costs, which are costs

related to research and development stages of new products, Sanitec incurs expenses in product enhancement and improvements. Total research and development costs include costs incurred in product development in all stages in the product lifecycle and were EUR -10.4 million (-9.6).

Personnel

The number of employees was 6,149 (6,211) at the end of the year. The reduction is due to continuous efficiency improvements in the manufacturing footprint, mainly related to East Europe region, and additional effects from streamlining processes in other functions.

Shares and share capital

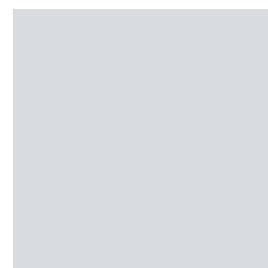
Sanitec's share was listed on NASDAQ Stockholm on 10 December 2013. The share is traded in Swedish krona (SEK). On 31 December 2014, the market capitalisation of the company's registered shares was EUR 1,028.1 million / SEK 9,656.6 million (EUR 761.9 million / SEK 6,750.0 million). During 2014 approximately 141.3 million (19.7) of the company's shares were traded, i.e. around 141.4% (19.7) of the average number of registered shares. The lowest price paid for a share was EUR 6.68 / SEK 62.75 (EUR 7.00 / SEK 62.00) and the highest price EUR 10.35 / SEK 97.25 (EUR 7.62 / SEK 67.50). The volume-weighted average price of shares traded during the period was EUR 9.36 / SEK 85.14 (EUR 7.41 / SEK 64.10). The closing price on 31 December 2014 was EUR 10.30 / SEK 96.75 (EUR 7.62 / SEK 67.50). The share prices have been converted to euros using the closing rate of the period, with the exception of the volume-weighted average price, which has been converted to euros using the average rate of the period.

Litigation

Sanitec is involved in and exposed to various legal actions or claims and other legal and administrative, including tax and environmental, investigations and proceedings that arise out of or are incidental to the ordinary course of business.

Risks and business uncertainties

As a group operating on an international field, Sanitec is exposed to different business and financial risks. The business risks can be described as market, operational and legal risks. The financial risks are related to changes in currency rates, interest rates, liquidity and funding capability. Risk management actions in Sanitec are focused on identifying the controllable risks and reducing risks related to the business. The basis for the management of risks is focusing on evaluating the probability for risks to occur and the potential impact on the Group.



Russia and Ukraine

Sanitec carries out sales operations in Russia and sales and production operations in Ukraine. The Ukrainian production facilities are located in Western part of Ukraine, approximately 250 kilometres from the Polish border and have not been directly affected by on-going hostilities in Eastern part of Ukraine. Due to the on-going hostilities and tightened relationship between Russia and Western countries, country and political risks related to Ukraine and Russia have however increased in general and negative effects on Ukrainian and Russian businesses and operations cannot be entirely excluded going forward.

Events after the reporting period

Geberit AG's public tender offer - change of control in Sanitec Corporation

Geberit AG announced on 14 October 2014 a public tender offer to the shareholders of Sanitec Corporation ("Sanitec") to transfer all of their shares in Sanitec for a consideration of SEK 97 in cash per share. The total value of the offer amounts to SEK 9,700 million. The price of the offer represents a premium of 54.6% for the Sanitec share compared to the closing price the last trading day prior to the announcement (SEK 62.75).

The Board of Directors of Sanitec recommended on 14 October 2014 unanimously Sanitec shareholders to accept the offer of SEK 97 per share in Sanitec. Caspar Callerström, who is a Partner at EQT Partners AB, Joakim Rubin, who is a founding partner of Zeres Capital Partners, and Johan Bygge, who is Chief Operating Officer in EQT Holdings AB, are members of the Board of Directors of Sanitec and did not participate in preparing and deciding upon the statement of the Board of Directors in relation to the Offer.

Geberit AG published an offer document and started the acceptance period on 17 November 2014. The initial acceptance period scheduled to expire on 22 December 2014 was extended by Geberit AG until 2 February 2015 to provide more time for the relevant competition authorities to give their approval for the transaction and to allow the remaining shareholders in Sanitec to consider and accept the offer.

Geberit AG announced its offer to the shareholders of Sanitec unconditional via a press release dated 3 February 2015 and that the purchase of the offered shares would take place on or about 10 February 2015 (the "Settlement"). Geberit AG announced furthermore an extended acceptance period, allowing the remaining shareholders of Sanitec to accept the offer until 17 February 2015.

The Settlement of the offer took place on 11 February 2015 and Geberit AG has, via its Finnish subsidiary Geberit Investment Oy, acquired ownership and control of 99.22%¹⁾ of the shares and votes in Sanitec Corporation, and Sanitec became thus a subsidiary of Geberit Investment Oy on the same date within the meaning of the Finnish Accounting Act (1997/1336), as amended. At settlement day Geberit announced to extend the acceptance period until 2 March 2015 at 17:00 CET.

Squeeze-out proceedings

Geberit AG has informed Sanitec that pursuant to Geberit Investment Oy becoming a >90% shareholder in Sanitec Corporation, Geberit Investment Oy became entitled and obliged to redeem the outstanding shares in Sanitec from the minority shareholders of Sanitec in accordance with section 18 of the Finnish Companies' Act (2006/624) and that Geberit Investment Oy will initiate such redemption proceedings. Sanitec has registered the redemption right and obligation of Geberit Investment Oy with the Trade Register of the National Board of Patents and Registration of Finland.

Delisting

Sanitec has been informed by NASDAQ Stockholm that the delisting application has been approved and that the last day of trading in the Sanitec shares is on 27 February 2015.

Prepayment of external loan facilities

Sanitec has on 16 February 2015 voluntarily prepaid and cancelled the EUR 275 million Multicurrency Term Loan and Revolving Credit Facility agreement dated 13 May 2014 between Sanitec as the borrower and Danske Bank A/S and other financial institutions as the lenders. The voluntary prepayment was funded with a EUR 175 million credit facility made available to Sanitec by Geberit Group.

Extraordinary general meeting of shareholders

The Board of Directors of Sanitec has convened an extraordinary general meeting of shareholders to take place in Stockholm, Sweden on 9 March 2015 in order to adopt decisions, inter alia, regarding new members and chairman of the Board of Directors.

Directed share issue without consideration

In connection with the Geberit AG's tender offer, Sanitec transferred on 4 February 2015 50,802 treasury shares to the participants of the share-based incentive plan 2014 ("Performance Share Plan 2014") as adopted by the annual general meeting of shareholders 2014. The transfer of shares took place pursuant to the terms and conditions of the Performance Share Plan 2014 and on the basis of authorisation of the Board of



¹⁾ Calculated excluding 139,198 treasury shares held by Sanitec as of 11 February 2015.

Directors adopted by the annual general meeting of shareholders 2014 and was executed by way of directed share issue without consideration. The number of treasury shares held by Sanitec after the issuance is 139,198 shares.

Of the in total 50,802 shares transferred, 25,475 shares were transferred to related parties (Peter Nilsson 9,686 shares, Harald Tremml 3,022 shares, Gun Nilsson 1,490 shares, Magnus Terrvik 954 shares, Miguel Definti 2,872 shares, Krister Boethius 2,980 shares and Anders Spetz 4,471 shares).

Board of Director's proposal on distribution of funds

The distributable funds of Sanitec Corporation, the parent of Sanitec Group, total to EUR 418,975,414.13, of which the profit for the financial year is EUR 68,607,312.19. The funds available for dividend distribution are EUR 93,858,929.42, and the funds available for refund of capital are EUR 325,116,484.71.

The Board of Directors proposes to the Annual General Meeting that no dividend will be distributed from the result for the year nor from retained earnings and that the profit for the financial year is transferred to retained earnings in shareholders' equity. In total EUR 418,975,414.13 will be left in distributable funds.

Helsinki, 27 February 2015

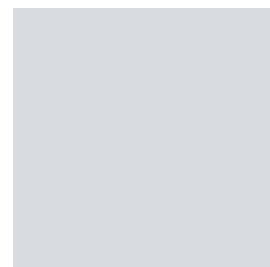
Board of Directors

Financial calendar

Extraordinary General Meeting:
9 March 2015

For additional information:

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Email: corporate.communications@geberit.com



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

EUR million	1 October - 31 December		1 January - 31 December	
	2014	2013	2014	2013
NET SALES	156.0	167.5	689.4	701.8
Other operating income	1.0	0.0	3.6	11.7
Materials and services	-65.7	-73.4	-294.4	-312.0
Employee benefits	-47.9	-52.9	-200.3	-208.1
Production for own use	1.1	0.4	2.0	1.8
Other operating expenses	-23.0	-22.5	-96.8	-98.5
Depreciation, amortisation and impairment losses	-5.2	-4.9	-24.6	-28.9
OPERATING PROFIT	16.3	14.2	78.9	67.9
Financial income and expenses	-1.5	-5.8	-25.6	-19.8
PROFIT BEFORE TAXES	14.8	8.4	53.3	48.2
Income taxes	-1.4	3.6	-7.7	-5.7
PROFIT FOR THE PERIOD	13.4	12.1	45.6	42.5
Profit for the period attributable to:				
Owners of the parent	13.4	12.0	45.6	42.4
Non-controlling interest	-	0.0	-	0.0
Total	13.4	12.1	45.6	42.5
Earnings per share, basic, EUR	0.13	0.12	0.46	0.42
Earnings per share, diluted, EUR	0.13	0.12	0.46	0.42

STATEMENT OF OTHER COMPREHENSIVE INCOME

EUR million	1 October - 31 December		1 January - 31 December	
	2014	2013	2014	2013
PROFIT FOR THE PERIOD	13.4	12.1	45.6	42.5
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit plans	-2.7	-0.7	-7.3	-1.5
Income tax relating to items that will not be reclassified	0.7	-0.2	1.6	0.1
Total	-2.0	-0.9	-5.7	-1.3
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges	0.4	0.1	-0.3	-0.1
Exchange rate differences	-6.5	0.5	-13.6	-2.0
Income tax relating to items that may be reclassified	-0.1	0.0	0.1	0.0
Total	-6.2	0.6	-13.8	-2.1
Total comprehensive income	5.2	11.7	26.2	39.0
Comprehensive income for the period attributable to:				
Owners of the parent	5.2	11.7	26.1	39.0
Non-controlling interest	0.0	0.0	0.0	0.0
Total	5.2	11.7	26.2	39.0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	31 December 2014	31 December 2013
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	7.2	5.6
Property, plant and equipment	156.1	173.3
Long-term investments	0.0	0.0
Deferred tax assets	28.3	26.2
Interest-bearing receivables and other non-current receivables	0.9	4.2
Defined benefit assets	0.2	1.1
TOTAL NON-CURRENT ASSETS	192.8	210.6
CURRENT ASSETS		
Inventories	99.5	93.2
Other current receivables ¹⁾	111.3	118.3
Assets for current tax	10.7	9.5
Cash and cash equivalents	24.3	99.4
TOTAL CURRENT ASSETS	245.7	320.4
TOTAL ASSETS	438.5	531.0
EQUITY AND LIABILITIES		
EQUITY		
Share capital	2.8	2.8
Share premium	43.7	43.7
Fair value reserve	-0.1	0.1
Reserve for invested unrestricted equity	325.1	347.1
Treasury shares	-1.6	-
Exchange differences	-24.8	-11.2
Retained earnings	-298.9	-338.4
Total equity attributable to owners of the parent	46.3	44.2
Non-controlling interests	-	0.1
TOTAL EQUITY	46.3	44.4
NON-CURRENT LIABILITIES		
Deferred tax liabilities	4.7	5.8
Defined benefit obligations	35.2	31.0
Provisions	6.4	8.1
Interest-bearing liabilities	143.7	241.5
TOTAL NON-CURRENT LIABILITIES	190.0	286.5
CURRENT LIABILITIES		
Interest-bearing liabilities	0.0	0.0
Provisions	3.0	3.7
Other current liabilities	188.5	188.3
Liabilities for current tax	10.8	8.1
TOTAL CURRENT LIABILITIES	202.3	200.1
TOTAL EQUITY AND LIABILITIES	438.5	531.0

¹⁾ Other current receivables include assets held for sale of EUR 2.0 thousands consisting of Sanitec's remaining share in a former subsidiary (Ifo Sanitär Eesti AS). Sanitec has a binding agreement to sell the remaining holding in the company. The remaining share ownership has no material value.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Share capital	Share premium	Fair value reserve	Reserve for invested unrestricted equity	Treasury shares	Exchange differences	Retained earnings	Total	Non-controlling interests	Total equity
Equity at 1 January 2013	2.8	43.7	0.3	585.2	-	-9.3	-379.1	243.6	0.2	243.7
Total other comprehensive income	-	-	-0.1	-	-	-2.0	-1.3	-3.5	0.0	-3.4
Profit for the period	-	-	-	-	-	-	42.4	42.4	0.0	42.5
Total comprehensive income	-	-	-0.1	-	-	-2.0	41.1	39.1	0.0	39.0
Change in non-controlling interest	-	-	-	-	-	-	0.0	0.0	0.0	0.0
Reclassification	-	-	-	0.3	-	0.1	-0.3	-	-	-
Dividend distribution	-	-	-	-	-	-	-	-	-0.1	-0.1
Refund of capital from reserve for invested unrestricted equity	-	-	-	-238.3	-	-	-	-238.3	-	-238.3
Equity at 31 December 2013	2.8	43.7	0.1	347.1	-	-11.2	-338.4	44.2	0.1	44.4
Total other comprehensive income	-	-	-0.2	-	-	-13.6	-5.7	-19.5	0.0	-19.4
Profit for the period	-	-	-	-	-	-	45.6	45.6	-	45.6
Total comprehensive income	-	-	-0.2	-	-	-13.6	39.9	26.1	0.0	26.2
Change in non-controlling interest	-	-	-	-	-	-	-0.5	-0.5	-0.1	-0.6
Dividend distribution	-	-	-	-	-	-	-0.1	-0.1	0.0	-0.2
Refund of capital from reserve for invested unrestricted equity	-	-	-	-22.0	-	-	-	-22.0	-	-22.0
Acquisition of treasury shares	-	-	-	-	-1.6	-	-	-1.6	-	-1.6
Share-based payments, net of tax	-	-	-	-	-	-	0.2	0.2	-	0.2
Equity at 31 December 2014	2.8	43.7	-0.1	325.1	-1.6	-24.8	-298.9	46.3	-	46.3

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	1 October - 31 December		1 January - 31 December	
	2014	2013	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before income taxes	14.8	8.5	53.3	48.2
Adjustments:				
Depreciation, amortisation and impairment losses	5.2	4.9	24.6	28.9
Unrealised foreign exchange gains and losses	-0.2	1.2	1.4	3.6
Other non-cash income and expenses	0.2	8.1	-0.2	1.0
Financial income and expenses	1.7	4.6	24.2	16.2
Cash flow before working capital changes	21.7	27.3	103.3	97.7
Change in interest-free receivables	25.4	20.1	3.3	-9.7
Change in inventories	-5.8	-2.9	-12.0	6.3
Change in interest-free liabilities	-6.2	2.0	3.3	2.4
Cash flow from change in working capital	13.5	19.2	-5.3	-1.0
Interest expenses paid and other financial items paid (-) / received (+)	-0.8	-6.0	-15.5	-16.2
Interest income received	-1.7	0.9	1.0	2.9
Income taxes paid (-) / received (+)	-2.3	-3.1	-9.7	-8.8
CASH FLOW FROM OPERATING ACTIVITIES	30.3	38.3	73.8	74.7
CASH FLOW FROM INVESTING ACTIVITIES				
Investments in intangible assets and property, plant and equipment	-8.7	-6.9	-21.3	-19.0
Investments in subsidiaries	0.0	0.0	-0.4	0.0
Proceeds from disposal of intangible assets and property, plant and equipment	0.2	-0.5	0.2	0.0
CASH FLOW FROM INVESTING ACTIVITIES	-8.5	-7.4	-21.5	-18.9
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend distribution	-	-	-0.1	0.0
Refund of capital from reserve for invested unrestricted equity	-	-	-22.0	-238.3
Acquisition of treasury shares	-	-	-1.6	-
Increase (-) / decrease (+) in interest-bearing receivables	-0.1	-0.9	2.4	-1.1
Draw down (+) / repayment (-) of current interest-bearing liabilities	0.0	0.0	0.0	-24.2
Draw down (+) of non-current interest-bearing liabilities	-	-0.6	223.3	240.4
Repayment (-) of non-current interest-bearing liabilities	-53.7	0.1	-329.7	-148.4
CASH FLOW FROM FINANCING ACTIVITIES	-53.9	-1.4	-127.7	-171.6
CHANGE IN CASH AND CASH EQUIVALENTS	-32.0	29.5	-75.4	-115.8
Cash and cash equivalents at the beginning of the period	55.7	69.8	99.4	215.7
Effect of exchange rate differences on cash and cash equivalents	0.6	0.1	0.3	-0.5
Change in cash and cash equivalents	-32.0	29.5	-75.4	-115.8
Cash and cash equivalents at the end of the period	24.3	99.4	24.3	99.4

Condensed notes to the financial statements

General information

Sanitec Corporation and its subsidiaries form a multinational group ("Sanitec" or the "Group") engaged in designing, manufacturing and marketing of bathroom ceramics, bath and shower products and bathroom furniture. The Group's production plants are situated in Europe and the sales and marketing network extends globally.

Sanitec Corporation is a public limited company and it is domiciled in Helsinki, Finland. The address of Group Head Office is Kaupintie 2, 00440 Helsinki, Finland.

This financial statements release is unaudited. Financial statements for 2014 are audited.

Accounting policies

The consolidated financial statements of Sanitec Group are prepared in accordance with International Financial Reporting Standards (IFRS), including International Accounting Standards (IAS) and Interpretations issued by the IFRS Interpretations Committee (SIC and IFRIC). International Financial Reporting Standards are standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and of the Council. The Notes to the Financial Statements are also in accordance with the Finnish Accounting Act and Ordinance and the Finnish Limited Liability Companies' Act. These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Reporting as approved by the European Union. They do not include all the information required for full annual financial statements.

The presentation of consolidated financial statements is in millions of euro. As a result of rounding differences, the figures presented in the tables may not add up to the total.

In the beginning of 2014 Sanitec reclassified in accordance with IAS 21 the intercompany loans given to the Ukrainian subsidiary as a net investment in foreign operation, as the settlement of the loans is neither planned nor likely to occur in the foreseeable future. In the beginning of November 2014 Sanitec

reclassified also the intercompany loans given to the Russian subsidiary as a net investment in foreign operation, as the settlement of the loans is neither planned nor likely to occur in the foreseeable future. Due to the reclassification, the exchange differences arising from the loans are no longer recognised in the statement of profit or loss but in other comprehensive income and in exchange differences in equity.

Sanitec launched during the second quarter of 2014 a share-based incentive plan. IFRS 2 is applied in accounting for the plan.

Sanitec acquired treasury shares during the third quarter of 2014. The acquisition of shares has been conducted in SEK, and the purchase price has been converted to EUR using the settlement date EUR/SEK closing rate.

New accounting principles

The accounting policies and valuation principles are in accordance with those of the consolidated financial statements for the financial year ended 31 December 2013, with the exception of the following new or revised or amended standards and interpretations which have been applied from 1 January 2014, and which have no material effect on Sanitec: IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities, Amendment to IAS 32 Financial Instruments: Presentation, Amendment to IAS 36 Impairment of Assets, Amendment to IAS 39 Financial Instruments: Recognition and Measurement and IFRIC 21 Levies. Other new, revised or amended standards or interpretations applicable for the financial year 2014 have no effect or no material effect on Sanitec's consolidated financial statements.

Sanitec Group will apply the following new, revised or amended standards and interpretations as from 1 January 2015:

- Amendment to IAS 19 Employee Benefits: Employee Contributions. The amended standard has no material effect on Sanitec.
- Other new, revised or amended standards or interpretations have either no effect or no material effect on Sanitec's consolidated financial statements.

The Group has not yet adopted the following new and amended standards already issued by the IASB. The Group will adopt them as of the effective date or, if that date is other than the first day of the financial year, from the beginning of the subsequent financial year.

- IFRS 15 Revenue from Contracts with Customers. The standard is effective for annual periods beginning on or after 1 January 2017. The new standard is not expected to have any major effects on Sanitec's revenue recognition, but it will increase the revenue-related disclosure information.
- IFRS 9 Financial Instruments. The standard is effective for annual periods beginning on or after 1 January 2018. The application of IFRS 9 will have an impact of classification and measurement of financial assets as it establishes two measurement categories for financial assets: amortised cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial assets. Financial liabilities are measured at amortised cost or at fair value through profit or loss. The new impairment requirements of IFRS 9 are based on expected credit loss method which will replace the earlier used incurred loss model. Entities are required to recognise either 12-months' or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. IFRS 9 will also change the guidance for hedge accounting. Due to the nature of the business of Sanitec and due to the limited use of financial instruments, applying IFRS 9 is not expected to have any major effect on Sanitec result or financial position.
- Other new, revised or amended standards or interpretations have either no effect or no material effect on Sanitec's consolidated financial statements.

Intangible assets and property, plant and equipment

EUR million	31 December 2014	31 December 2013
Intangible assets		
Carrying amount on 1 January	5.6	7.2
Changes in exchange rates	-0.1	0.0
Additions	2.4	1.1
Amortisation and impairment	-2.1	-2.8
Disposals and reclassifications	1.3	0.2
Carrying amount at the end of the period	7.2	5.6

EUR million	31 December 2014	31 December 2013
Property, plant and equipment		
Carrying amount on 1 January	173.3	185.0
Changes in exchange rates	-12.4	-3.6
Additions	18.8	18.2
Depreciation and impairment	-22.5	-26.0
Disposals, reclassifications and other changes	-1.1	-0.2
Carrying amount at the end of the period	156.1	173.3

Gross capital expenditure

EUR million	1 October - 31 December		1 January - 31 December	
	2014	2013	2014	2013
Intangible assets and property, plant and equipment	9.0	8.4	21.2	19.3
Investments in shares in subsidiaries	0.1	0.0	1.0	0.0
Total	9.1	8.4	22.1	19.3

Items affecting comparability

EUR million	1 October - 31 December		1 January - 31 December	
	2014	2013	2014	2013
Other non-recurring costs	-	-2.0	-	-2.9
Divested businesses	-	-0.3	-	-0.6
Restructuring costs	-	-1.3	-	-8.8
EC fine and related legal fees	-	-0.1	-	5.8
Total	-	-3.7	-	-6.5

Sanitec includes in items affecting comparability mainly items arising from restructuring, structural changes, such as losses and gains on divestments of

businesses, costs for executive management dismissals, costs related to the EU cartel fine as well as other costs considered to be non-recurring, such as costs for listing on NASDAQ Stockholm.

The items affecting comparability have been reported in the statement of profit or loss in the following line items:

EUR million	1 October - 31 December		1 January - 31 December	
	2014	2013	2014	2013
Other operating income	-	0.2	-	7.3
Materials and services	-	-1.1	-	-2.8
Employee benefits	-	-4.5	-	-8.2
Other operating expenses	-	-0.3	-	-2.2
Depreciation, amortisation and impairment losses	-	2.0	-	-0.5
Total	-	-3.7	-	-6.5

Interest-bearing liabilities

EUR million	31 December	31 December
	2014	2013
Non-current interest-bearing liabilities		
Senior secured floating rate notes	-	241.5
Term loan	124.4	-
Revolving credit facility and overdraft facilities	19.3	-
Other interest-bearing loans	0.0	0.0
Total	143.7	241.5
Current interest-bearing liabilities		
Other interest-bearing loans	0.0	0.0
Total	0.0	0.0
Total interest-bearing liabilities	143.7	241.6

Term loan, with nominal value of EUR 125.0 million was drawn in June 2014. Its carrying amount in the statement of financial position has been adjusted with the transaction costs related to the loan agreement. The costs are amortised over the loan period with effective interest method. The maturity date of the term loan is in June 2019.

In connection with the refinancing in June 2014, a committed revolving credit facility agreement of EUR 150.0 million was

concluded by Sanitec. In September 2014 Sanitec concluded agreements to convert its revolving credit facility into ancillary overdraft facilities, which conversion was fully effective mid October. EUR 19.3 million under these facilities were drawn as of 31 December 2014. The initial maturity date of the revolving credit facility is in June 2017, but there are two possible extension options, with each of which the revolving credit facility maturity can be prolonged with one year.

In connection with the refinancing in June 2014, the senior secured floating rate notes with nominal value of EUR 250 million were prepaid and the committed super senior revolving credit facility agreement of EUR 50 million was terminated.

At the end of December 2014 and at the end of December 2013, the other interest-bearing loans consist of minor local loans.

Fair and nominal values of derivative instruments

Sanitec applies hedge accounting for its cash flow and fair value hedges.

All foreign currency derivatives are categorised on level 2 when using fair value hierarchy.

No transfers between levels occurred during the reporting period.

The fair values of derivatives are determined by using market prices and generally available valuation models. The data and assumptions used in valuation models are based on verifiable market prices.

In the Group the applied principle is that transfers between levels of fair value hierarchy are recognised on the date on which the event triggering the transfer has occurred.

The majority of the hedges are related to protection against currency exchange rate fluctuation in the following currencies: DKK, EUR, GBP, NOK, PLN and SEK.

EUR million	31 December 2014	31 December 2013
Positive		
Currency forward contracts and currency swaps		
Fair value	0.7	0.6
Nominal value	17.2	33.2
Negative		
Currency forward contracts and currency swaps		
Fair value	-0.9	-0.3
Nominal value	43.4	27.6

Related party information

Related parties of Sanitec Group include the parent, Sanitec Corporation, and all Sanitec group companies, the members of the Board of Directors of Sanitec Corporation, their close members of family as well as their controlled entities, members of the Top Management Team and their close members of family as well as their controlled entities and shareholders having significant influence over Sanitec through ownership. Sofia IV S.à r.l., which was the parent of the Group before Sanitec's listing on NASDAQ Stockholm in 2013, owned 40% of the shares and votes in Sanitec until 23 May 2014, when it reduced its ownership in Sanitec to 20%. Sofia IV

S.à r.l. is still considered to be a related party to Sanitec.

On 31 December 2014, the Group had EUR 0.0 million receivables from related parties.

Market prices have been used in transactions with related parties.

Sanitec Corporation's Annual General Meeting resolved on 13 May 2014 to introduce a share-based incentive plan to key personnel of the Group. A maximum of 340,000 shares in Sanitec may be allocated under the share-based plan, representing 0.34% of the outstanding shares and votes in Sanitec

Corporation. In connection with the share-based incentive plan, and within limits thereof, the meeting authorised the Board of Directors to resolve on directed acquisition and transfer of own shares in one or several occasions. The authorisations shall stay in force until 30 June 2015 and 12 May 2018, respectively. The costs arising from share-based payments in January - December 2014 were EUR 0.3 million. In total 22 key persons participated the incentive plan, and a maximum of 171,360 shares in Sanitec will be allocated to the key persons if vesting conditions are met. On 3 February 2015 50,802 treasury shares were transferred to the participants of the plan.

Treasury shares

In accordance with the authorisation granted in the Annual General Meeting of Sanitec Corporation, Sanitec's Board of Directors resolved to acquire own shares. The purpose for the acquisition of own shares was to ensure that the company is able to meet its obligations arising from Sanitec's share based incentive plan 2014,

and to deliver the shares to participants of the incentive plan. In total 190,000 shares in Sanitec were acquired in August 2014, with a total consideration of EUR 1.6 million.

After acquisition of the treasury shares, the Board of Directors has authorisation to acquire additionally 150,000 shares in Sanitec and transfer own shares in connection with the share-based incentive plan. The Board of Directors has no other authorisations. After the

transfer of treasury shares on 3 February 2015, Sanitec holds 139,198 treasury shares.

Refund of capital from reserve for invested unrestricted equity

Sanitec Corporation refunded in June 2014 in total EUR 22 million as refund of capital from reserve for invested unrestricted equity, ie. EUR 0.22 per share.

Commitments and contingent liabilities

EUR million	31 December 2014	31 December 2013
Operating lease commitments		
Within one year	11.7	12.4
Between one and five years	20.1	22.1
After five years	18.7	16.6
Total operating lease commitments	50.5	51.1
Mortgages and pledged assets		
Mortgages		
On behalf of own commitments	0.0	0.0
Carrying amount of pledged assets		
On behalf of own commitments	6.3	5.5
Total	6.3	5.6
Guarantees and other commitments		
Other commitments		
On behalf of own commitments	4.4	2.6
Guarantees		
On behalf of own commitments	0.3	0.3
On behalf of others	0.1	0.1
Total	4.8	3.0
Total guarantees, mortgages, and pledged assets¹⁾	11.1	8.6

¹⁾ With reference to 31 December 2013: this table does not include the value of guarantees, mortgages, liens on chattel and pledged assets that secured loans. The nominal value of all collateral granted by the Group exceeded the combined carrying amount of the loans for which they were given as a security.

In connection with the refinancing which took place in June 2014, the pledges, mortgages and guarantees of the Group related to the prepaid EUR 250.0 million senior secured floating rate notes and the terminated EUR 50.0 million undrawn super senior revolving credit facility were released. The new loans taken (EUR 125 million term-loan and EUR 150 million revolving credit facility) are unsecured.

As of 31 December 2014, the Group had in addition some other commitments totalling to EUR 4.3 million. This includes e.g. a contractual commitment in Ukraine for acquisition of property, plant and equipment relating to leased assets.

Litigation

Sanitec is involved in a number of legal actions, claims and other proceedings. The final outcome of these matters cannot be predicted. Taking into account all available information to date the outcome is not expected to have material impact on the financial position of the Group.

Supplementary information

Key figures for the Group

EUR million	Full year 2014	Full year 2013	Full year 2012
Net sales	689.4	701.8	752.8
Operating profit	78.9	67.9	73.0
Operating margin, %	11.4	9.7	9.7
Items affecting comparability	–	-6.5	-4.9
Operating profit, adjusted	78.9	74.4	77.9
Operating margin, %, adjusted	11.4	10.6	10.4
EBITDA, adjusted	103.5	102.7	107.7
EBITDA margin, %, adjusted	15.0	14.6	14.3
Profit before taxes	53.3	48.2	67.0
Profit for the period	45.6	42.5	71.7
Cash flow from operating activities	73.8	74.7	87.9

EUR million	31 December 2014	31 December 2013	31 December 2012
Net debt	120.1	150.6	-42.9
Net debt / EBITDA, adjusted	1.2	1.5	-0.4
Equity ratio, %	10.6	8.4	37.1
Net gearing, %	259.6	339.7	-17.6
Return on capital employed (ROCE), %, rolling 12 months	31.2	19.4	19.3
Return on equity, %, rolling 12 months	110.9	35.7	34.5
Cash conversion, %, rolling 12 months	79	82	88

Share related figures

Sanitec's share was listed on Nasdaq Stockholm on 10 December, 2013. Shares are quoted in SEK.

EUR million	31 December 2014	31 December 2013	31 December 2012
Number of shares, end of period, share issue adjusted	100,000,000	100,000,000	100,000,000
Number of shares, end of period, share issue adjusted, excluding treasury shares	99,810,000	100,000,000	100,000,000
Number of shares, average, share issue adjusted, excluding treasury shares	99,931,466	100,000,000	100,000,000
Number of shares, average, diluted, excluding treasury shares	99,941,769	100,000,000	100,000,000
Share price, end of period, SEK	96.75	67.50	–
Share price, end of period, EUR ¹⁾	10.30	7.62	–
Share price, year high, SEK	97.25	67.50	–
Share price, year high, EUR ¹⁾	10.35	7.62	–
Share price, year low, SEK	62.75	62.00	–
Share price, year low, EUR ¹⁾	6.68	7.00	–
Share price, volume-weighted average, SEK	85.14	64.10	–
Share price, volume-weighted average, EUR ²⁾	9.36	7.41	–
Market capitalisation, SEK million	9,656.6	6,750.0	–
Market capitalisation, EUR million ¹⁾	1,028.1	761.9	–
Number of shares traded during the period, million shares	141.3	19.7	–
Share turnover, (%)	141.4	19.7	–
Earnings per share (EPS), basic, EUR	0.46	0.42	0.72
Earnings per share (EPS), diluted, EUR	0.46	0.42	0.72
Earnings per share (EPS), basic, SEK ¹⁾	4.29	3.76	6.15
Earnings per share (EPS), diluted, SEK ¹⁾	4.28	3.76	6.15
Equity attributable to owners of the parent per share, EUR	0.46	0.44	2.44
Dividend / distribution per share, EUR	–	0.22	2.38
Dividend / distribution payout ratio, %	–	51.8	332.3
Dividend / distribution yield, %	–	2.9	–
Price / earnings per share (P/E)	22.6	17.9	–
Price / equity per share	22.2	17.2	–
EUR / SEK closing rate for the period	9.3930	8.8591	8.5820
EUR / SEK average rate for the period	9.0985	8.6515	8.7041

¹⁾ Converted to EUR or SEK with closing rate of the period.

²⁾ Converted to EUR with average rate of the period.

Net sales, quarterly

EUR million	2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales by product area								
Bathroom Ceramics	115.9	132.5	133.3	139.6	125.8	133.9	139.0	133.4
Ceramics Complementary Products	40.1	41.8	42.1	44.1	41.7	41.5	43.2	43.3
Total	156.0	174.3	175.4	183.7	167.5	175.4	182.2	176.8

EUR million	2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales by region								
Central Europe	48.6	55.3	52.7	59.4	50.6	57.2	54.2	55.9
North Europe	39.8	41.4	46.2	47.6	43.3	39.8	50.4	44.9
East Europe	25.1	29.5	26.9	26.1	27.9	31.3	28.1	26.5
South Europe	23.9	27.2	30.1	32.1	25.4	27.8	32.2	32.3
United Kingdom & Ireland	13.4	15.0	13.7	13.6	13.8	13.2	11.9	12.8
Rest of the World	5.2	5.9	5.7	4.9	6.5	6.1	5.4	4.4
Total	156.0	174.3	175.4	183.7	167.5	175.4	182.2	176.8

Main countries included in the Sanitec regions: **Central Europe** - Germany, Belgium, the Netherlands; **North Europe** - Sweden, Denmark, Finland, Norway; **East Europe** - Poland, Russia, Ukraine; **South Europe** - France, Italy

Operating profit, quarterly

EUR million	2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Operating profit	16.3	23.3	19.8	19.5	14.2	20.5	19.7	13.5
Operating profit margin, %	10.5	13.4	11.3	10.6	8.5	11.7	10.8	7.7
Operating profit, adjusted	16.3	23.3	19.8	19.5	17.9	21.3	20.1	15.0
Operating profit margin, adjusted, %	10.5	13.4	11.3	10.6	10.7	12.1	11.0	8.5

Exchange rates, quarterly

Closing	2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
EUR/NOK	9.0420	8.1190	8.4035	8.2550	8.3630	8.1140	7.8845	7.5120
EUR/PLN	4.2732	4.1776	4.1568	4.1719	4.1543	4.2288	4.3376	4.1804
EUR/GBP	0.7789	0.7773	0.8015	0.8282	0.8337	0.8361	0.8572	0.8456
EUR/SEK	9.3930	9.1465	9.1762	8.9483	8.8591	8.6575	8.7773	8.3553
Average	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
EUR/NOK	8.3544	8.2762	8.2766	8.3471	7.8067	7.6624	7.5209	7.4290
EUR/PLN	4.1843	4.1752	4.1755	4.1843	4.1975	4.2016	4.1772	4.1558
EUR/GBP	0.8061	0.8118	0.8213	0.8279	0.8493	0.8521	0.8508	0.8511
EUR/SEK	9.0985	9.0405	8.9535	8.8569	8.6515	8.5825	8.5312	8.4965

Largest shareholders 31 December 2014

Shareholder	Ownership registration in	Registration type	Number of shares	% of shares and votes
1 Sofia IV S.à r.l.	Finland	DIR	20,000,000	20.00%
2 Zeres Public Market Fund	Sweden	NOM	5,000,000	5.00%
3 Goldman Sachs International Ltd, W8IMY	Sweden	NOM	5,249,417	5.25%
4 Morgan Stanley & Co Int.l Plc, W-8BEN	Sweden	NOM	4,226,045	4.23%
5 Goldman Sachs & CO, W9	Sweden	NOM	4,178,292	4.18%
6 UBS AG LDN Branch A/C CLIENT, IPB	Sweden	NOM	3,378,309	3.38%
7 Citigroup Global Markets	Sweden	NOM	3,197,006	3.20%
8 BNY Mellon SA/NV (former BNY), W8IMY	Sweden	NOM	2,918,196	2.92%
9 Morgan Stanley and CO LLC, W9	Sweden	NOM	2,711,946	2.71%
10 Societe General Paris	Sweden	NOM	2,308,649	2.31%
11 JPM Chase NA	Sweden	NOM	2,245,705	2.25%
12 Citibank NA New York	Sweden	NOM	2,068,357	2.07%
13 SEB	Sweden	DIR	1,855,636	1.86%
14 J P Morgan Clearing Corp, W9	Sweden	NOM	1,852,760	1.85%
15 SEB Nordenfond	Sweden	NOM	1,800,610	1.80%
16 Credit Suisse Securities (USA)	Sweden	NOM	1,642,654	1.64%
17 Barclays CAP SEC Cayman Client	Sweden	NOM	1,600,000	1.60%
18 MSIL IPB Client Account	Sweden	NOM	1,579,436	1.58%
19 Caceis France treaty account	Sweden	NOM	1,261,500	1.26%
20 Citigroup Global Markets	Sweden	NOM	1,237,378	1.24%
21 Deutsche Bank AG LDN-Prime Broker, Age Full Tax	Sweden	NOM	1,202,436	1.20%
22 Credit Suisse Sec. Europe LTD	Sweden	NOM	1,195,643	1.20%
23 Credit Industriel et Commercial	Sweden	NOM	1,111,815	1.11%
24 LUX-Non-resident/Domestic Rates	Sweden	NOM	973,180	0.97%
25 HSBC Bank PLC A/C IB Main A/C, W-8BEN	Sweden	NOM	954,090	0.95%
Total 25 largest shareholders			75,749,060	75.75%
Other shareholders			24,250,940	24.25%
Total			100,000,000	100.00%
Treasury shares			-190,000	
Total excluding treasury shares			99,810,000	

The list of largest shareholders is a combination of shareholders owning the shares via Euroclear Finland or Euroclear Sweden. The shares can be owned directly (DIR) or via nominee (NOM).

Calculation of key figures and per share data

Key figure	Definition
Operating profit (EBIT)	Profit before interest and taxes
Operating profit (EBIT), adjusted	Profit before interest and taxes adjusted with items affecting comparability
EBITDA	Operating profit adjusted with depreciation, amortisation and impairment losses
EBITDA, adjusted	Operating profit adjusted with depreciation, amortisation and impairment losses and items affecting comparability
Items affecting comparability	Losses and gains on divestments of businesses, restructuring costs, costs for executive management dismissal, costs related to EU cartel fine, other costs considered to be non-recurring
Net debt	(Non-current interest bearing liabilities + current interest bearing liabilities at nominal value) - cash and cash equivalents
Net debt / EBITDA, adjusted	Net debt / EBITDA, adjusted, rolling 12 months
Equity ratio, %	Total equity / (total assets - advance payments received) x 100
Net gearing, %	Net debt (at nominal value) / total equity x 100
Financial expenses	Interest and other financial expenses from financial liabilities, including foreign currency differences from financial liabilities
Return on equity, %, rolling 12 months	(Profit for the period, rolling 12 months) / (Total equity, quarterly average) x 100
Return on capital employed (ROCE), %, rolling 12 months	(Profit before income taxes + financial expenses, rolling 12 months) / (Total equity + interest bearing liabilities, quarterly average) x 100
Cash conversion	(EBITDA, adjusted less paid investments in tangible and intangible assets) / EBITDA, adjusted (rolling 12 months)
Earnings per share, EUR	Profit for the period / Weighted share issue adjusted average number of shares during the period
Market capitalisation	Number of shares at the end of period x share price at the end of period
Share turnover, %	Number of shares traded during the period / weighted average number of shares x 100
Equity attributable to owners of the parent per share	Equity attributable to owners of the parent at the end of period / adjusted number of shares at the end of period
Dividend / distribution per share	Dividends or other equity distribution paid / adjusted number of issued shares at the end of period
Dividend / distribution payout ratio, %	(Dividend / distribution per share) / (earnings per share) x 100
Dividend / distribution yield, %	(Dividend / distribution per share) / (share price at the end of period) x 100
Price / earnings per share (P/E)	Share price at the end of period / earnings per share
Price / equity per share	Share price at the end of period / equity attributable to owners of the parent per share

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