

A close-up photograph of a person's hands, wearing a dark blue long-sleeved shirt, working on a large, circular metal flange. The flange has several circular holes around its perimeter. The person is using a tool to work on the inner edge of one of the holes. The background is blurred, showing what appears to be an industrial setting.

Plc Uutechnic Group Oyj  
**REVIEW OF FINANCIAL STATEMENTS**  
for 1 January – 31 December 2018

# PLC UUTECHNIC GROUP OYJ REVIEW OF FINANCIAL STATEMENTS FOR JANUARY–DECEMBER 2018

## Year of structural change and improved profitability

### Year 2018 in brief

Uutechnic Group's turnover from continuing operations for 2018 increased by 15,8% to EUR 22.1 million (19.1 million), and its operating profit also improved clearly to EUR 2.1 million (1.2 million). Uutechnic Group's continuing operations won a record-high volume of EUR 23.5 million (22.6 million) of new orders during the 2018 financial year, and the order book stood at EUR 9.3 million (8.0 million) at the end of the financial year. The earnings per share from the Group's continuing operations was EUR 0,03 (0.01).

On 28 September 2018, Plc Uutechnic Group Oyj announced that the sale of 81% of Japrotek Oy Ab's shares to the company's management was completed. In the Group's financial reporting, Japrotek Oy Ab is classified under discontinued operations and it was included in the Group's consolidated statement of income until 28 September 2018. The transaction sees Uutechnic Group focus increasingly on developing its mixing technology business in accordance with its strategy.

### July–December in brief

Uutechnic Group's turnover from continuing operations increased to EUR 12.1 million (10.6 million), and its operating profit increased to EUR 1.3 million (1.0 million). Profitability improved clearly, with operating profit increasing to 11,0 % (9.3 %). Order intake and order book remained at a good level.

### Key Figures

	2018 1-12	2017 1-12	2018 7-12	2017 7-12	2018 1-6	2017 1-6
Turnover, continuing operations	22 092	19 077	12 072	10 588	10 020	8 489
Operating profit/loss, continuing operations	2 078	1 196	1 331	988	747	208
% of turnover	9,4	6,3	11,0	9,3	7,5	2,5
Profit/loss, continuing operations	1 646	-566	1 129	-707	517	141
Profit/loss, discontinuing operations	-1 073	-1 140	877	-173	-1 950	-967
Profit/loss for the period	573	-566	2 006	260	-1 433	-826
Order backlog	9 341	8 049	9 341	8 049	10 635	7 769

The reliefs allowed by the retrospective model have been applied in the adoption of IFRS 15 Revenue from Contracts with Customers so that the effect accumulated due to the application of the standard has been recognised as an adjustment to the retained earnings at the time of application, and the comparison figures have not been adjusted. The change in the revenue recognition principles increased the turnover of the Group's continuing operations by EUR 2,4 million and operating profit by EUR 1,0 million.

## OUTLOOK

The Group strives to be a globally known and preferred cooperation partner, with a good financial standing, in selected product and market segments. The Group pursues growth organically and through acquisitions. With regard to potential acquisitions, the aim is to actively survey the market for suitable targets. In addition to the growth target, the Group will continue to focus on enhancing the profitability of its operations. Moreover, the aim is to grow the mixing technology business by strengthening and harmonising the sales and delivery process and expanding into new markets and market segments.

After a few stronger years, global economic growth is slightly slowing down. Uutechnic Group's order book is stronger than in previous years, which will mitigate the impact of possibly decreasing demand. Group's revenue has decreased significantly as a result of the divestment of Japrotek. However, administrative costs will not decrease respectively during the fiscal year 2019, and even being adjusted will still be relatively higher than the previous year. For these reasons, it will be challenging to achieve the same result of 2018 for the financial year 2019.

## BUSINESS REPORTING

Uutechnic Group focuses on improving the competitiveness of its customers by providing advanced process technology and a unique service concept worldwide. The product range includes agitators as well as various types of long welded and machined axially symmetrical parts, such as rolls, cylinders, pipes and cones.

The Group's customer companies operate in a variety of industries, the most important of which are hydrometallurgy and the mining, pulp, paper and food industries, as well as the fertiliser industry and other chemical industries, and environmental technology.

Plc Uutechnic Group Oyj, the parent company of Uutechnic Group, is listed on Nasdaq Helsinki. The Group's subsidiaries are wholly owned by the parent company. The parent company is responsible for the Group's management, strategic planning, financial administration, IT, financing and HR management. The Group's business operations are carried out by the subsidiaries AP-Tela Oy, Uutechnic Oy and Stelzer Rührtechnik International GmbH.

All of the Group's business operations are reported under one segment.

## Mixing technology business

The second half of the year was stronger than the first half for the mixing technology business in terms of both turnover and result.

The full-year 2018 turnover and profitability were successfully increased. Order intake reached a historic high, and the average size of projects increased. In addition, projects were executed for new customers and markets. The biggest individual development and investment project, the renewal of the operating system, has proceeded almost as planned; below the cost estimate, but slightly delayed. Deployment will take place in phases, starting in early 2019.

In order to increase the efficiency of product sales and operations, a large-scale commercialisation project and increasing the efficiency of internal operations have continued in the mixing technology business.

The full-year result of the mixing technology business was clearly positive and significantly better than the previous year. Growth opportunities through mergers and acquisitions are actively being investigated.

## Roll and pipe business

The second half of the year was two-fold in the roll and pipe business. The order book hit a historic high, while delivery time challenges were experienced at the same time due to delays in subcontracting and material deliveries. Supplier controls and audits have now been addressed more systematically than before. The result for the second half of the year weakened compared to the first half.

Due to increased demand for rolls and drying cylinders, a product development project was launched to enhance cost efficiency and manufacturability.

Because of challenges in the roll and pipe business during the second half, the full-year result fell short of the previous year but was profitable. The order book for 2019 is record high.

## Discontinued operations

In accordance with stock exchange releases issued on 4 June and 28 September, Plc Uutechnic Group Oyj sold 81% of Japrotek Oy Ab's shares to the company's management at a nominal price. The divestment of a majority interest in the company that has reported quite fluctuating profitability was decided on following careful as-

assessments of the strategic alternatives. Japrotek Oy Ab was included in the Group's consolidated reporting as a discontinued operation until 28 September. The result of discontinued operations for the financial year at the end of consolidation stood at approximately EUR 1.1 million negative.

The above-mentioned stock exchange releases provide more detailed information about the effects of the transaction on Uutechnic Group. Interest-bearing subordinated loans of EUR 2.87 million to Japrotek Oy Ab remained in the Group's balance sheet. A write-down of a total of EUR 1.4 million on intangible assets and goodwill and EUR 0.2 million of deferred tax assets were recognised in conjunction with the Japrotek transaction. In addition, the Group retained commercial guarantor liabilities relating to Japrotek's business operations. The guarantor liabilities associated with the divestment of the majority interest will expire step by step on 15 October 2021 at the latest.

## NEW ORDERS AND ORDER BOOK

The new orders of continuing operations amounted to a record-high EUR 23.5 million (22.6 million) during the 2018 financial year. The Group's order book stood at EUR 9.3 million (8.0 million) at the end of the financial year. The comparable order book disregarding revenue recognition stood at EUR 11.9 million.

## TURNOVER AND PROFITABILITY

Uutechnic Group's turnover from continuing operations for 2018 increased to EUR 22.1 million (19.1 million), and its operating profit improved clearly to EUR 2.1 million (1.2 million).

Finland represented approximately 42% of the Group's turnover. The rest of Europe accounted for 58% of turnover, while Asia represented 13% and other countries 2%.

The adoption of IFRS15 introduced the percentage-of-completion method to continuing operations during the year. The change in the revenue recognition principles increased the turnover of the Group's continuing operations by EUR 2.4 million and operating profit by EUR 1.0 million.

## FINANCIAL STANDING AND LIQUIDITY

At the end of the financial year, Uutechnic Group's balance sheet total stood at EUR 20.4 million (20.3 million). The Group's interest-bearing liabilities totalled EUR 4.8 million (3.7 million), including EUR 1.0 million in subordinated loans. The Group's cash flow from operations for the financial year was EUR -0.8 million (0.3 million).

At the end of the financial year, the Group's equity ratio was 44.7% (68.2%) and gearing was 42.0% (31.4%). Return on investment for the financial year was 5.6% (reference year neg.) and return on equity was 3.1% (reference year neg.).

Non-current assets on Uutechnic Group's balance sheet totalled EUR 11.7 million (10.6 million).

## EQUITY

The Group's equity stood at EUR 10.6 million (9.9 million) at the end of the financial year.

The company has unsecured subordinated loans granted by two shareholders, totalling EUR 1 million. These loans are subordinated loans in accordance with chapter 12 of the Limited Liability Companies Act, and their capital repayments and interest payments must meet the conditions provided in the Act. The annual interest rate on the outstanding loan capital is 4%. In accordance with the loan terms, the loans will be repaid as a one-off payment on 31 December 2019. However, the company is entitled to repay early.

## RESEARCH, PRODUCT DEVELOPMENT AND INVESTMENTS

During the current financial year, the Group has invested strongly in developing the company's internal efficiency and product development, taking into consideration changes in the business environment.

In order to increase the efficiency of product sales and deliveries and achieve synergy benefits, a large-scale commercialisation project and a project to increase the efficiency of internal operations have continued in the mixing technology business, resulting in the digitisation of product structures. A patent application concerning a new mixing technology-related product was submitted during the financial year. In addition, a research project relating to updating the production strategy was launched in the mixing technology business.

A development project associated with the manufacturing technology of rolls and axially symmetrical products was launched towards the end of last year, aiming to develop and enhance proprietary products and production activities so that we can respond to customers' future service and product needs more cost efficiently.

The Group's capitalised investments for the financial year totalled EUR 0.8 million (0.2 million). The company received EUR 0.1 million of external grants for the development projects.

The Group's investments in fixed assets totalled

EUR 0.5 million (0.3 million). The investments were primarily minor purchases of equipment.

## PERSONNEL

At the end of the financial year, Uutechnic Group had 117 (128) employees, of whom 54 (59) were white collar and 63 (69) were blue collar. Of the employees, 55 worked in Finland and 62 in Germany.

## ENVIRONMENTAL POLICY

Uutechnic Group takes environmental impact into account in its business operations. The Group's environmental policy aims at the development of our own operations and customers' processes while also considering environmental aspects. Responsibility concerns the entire life cycles of the Group's products. We create positive environmental effects in particular by improving the energy efficiency and quality of our customers' processes. In line with our operating principles, we make use of technologies that minimise our environmental impact. We engage in open dialogue about environmental issues and seek to optimise our energy use and reduce our emissions.

## SHARES

On 31 December 2018, Plc Uutechnic Group Oyj had 1,459 registered shareholders. There were in total 4,459,234 nominee-registered shares. The total number of shares owned directly or through controlled companies by the Board of Directors, CEO, Deputy CEO and Group Management Team was 11,113,476 shares, or 19.67% of all shares and votes in the company.

Board members, CEO, Deputy CEO or other members of the Group Management Team have no holdings or special rights based on the company's share-based incentive systems.

## AUTHORISATION TO ISSUE SHARES

The Annual General Meeting of 12 April 2018 decided to authorise the Board of Directors to resolve on the issue of new shares and other special rights that entitle their holders to subscribe for shares in accordance with Chapter 10, Section 1 of the Limited Liability Companies Act, in one or more instalments. The Board is authorised to issue a maximum of 10,000,000 new shares, including shares based on special rights. The authorisation entitles the Board to decide on all terms and conditions for the issuance of shares and special rights, including any deviations from the shareholders' pre-emptive right. The authorisation is valid until the following Annual General Meeting, unless a general meeting decides to amend or revoke the authorisation before that date. The

authorisation revoked all previously granted unused authorisations to issue shares.

## BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

On 12 April 2018, the Annual General Meeting re-elected Sami Alatalo, Hannu Kottonen, Kristiina Lagerstedt and Jouko Peräaho as Board members. Hannu Kottonen and Kristiina Lagerstedt are independent of the company and its major shareholders. Sami Alatalo was re-elected as the Chairman of the Board.

Jouko Peräaho has served as the CEO since 9 March 2017.

Ernst & Young, Authorised Public Accountants, served as the Group's auditor, with Osmo Valovirta, APA, as the principal auditor.

The Company adheres to the Finnish Corporate Governance Code 2015 for companies listed on Nasdaq Helsinki.

## REMARKABLE RISKS AND UNCERTAINTY FACTORS AND THEIR MANAGEMENT

The demand for Uutechnic Group's products is dependent on trends and developments in the global economy and the Group's customer industries, which poses a general external risk to its operations. The Group seeks to mitigate the risks arising from changes in demand by targeting its sales operations in line with current trends in various market areas and customer industries.

According to the Board of Directors of the Group's parent company, other significant risks and uncertainty factors to which the Group is exposed are related to at least the following aspects:

- The Group will continue to implement consolidation processes and pursue identified synergies to improve profitability. It is possible that not all of the identified synergies will be achieved, or that processes will fail.
- The Group aims to grow organically as well as through acquisitions. There is no certainty that the Group will be able to find suitable candidates for acquisition, obtain the financing required for acquisitions or acquire businesses on satisfactory terms.
- The acquisition prices paid in the context of business combinations and the goodwill generated by them also involve risks. The Group's calculations to test goodwill are based on financial forecasts and assumptions prepared by the management.

- Part of the Group's business operations consist of major or large project deliveries. Extensive and complicated projects involve the risk that the future costs and any other risks related to the delivery cannot be estimated sufficiently accurately in the bidding phase. In such cases, the result of the project may prove weaker than expected. In contracts for extensive projects, the claims for compensation for delayed delivery or deficient performance may be significant.
- Unfavourable changes in the financial markets may have an effect on the Group's results and the availability of equity and debt financing on competitive terms. Uncertainty in the international economy may lead to payment delays and an increased risk of credit losses.
- In conjunction with the divestment of the majority of shares in Japrotek Oy Ab, Uutechnic Group's intra-group receivables and guarantor liabilities became external receivables and liabilities. It is possible that the receivables or guarantor liabilities will result in credit losses or payment obligations over time.

markable risks using all measures that can reasonably be implemented. These include, among other things, measures aimed at improving profitability and productivity, training for employees, guidelines and instructions, insurance policies, critical examination of the terms and conditions of commercial agreements and the systematic monitoring and development of operations.

### **THE BOARD'S PROPOSAL FOR THE DISTRIBUTION OF DIVIDEND**

The parent company's loss for the financial year is EUR -2.9 million. At the end of the financial year, the parent company's distributable funds stood at EUR 4.3 million. The Board of Directors proposes to the Annual General Meeting that no dividend be paid and the result for the period be transferred to the retained earnings account.

### **ANNUAL GENERAL MEETING**

The Annual General Meeting of Plc Uutechnic Group Oyj will be held at Scandic Hotel Simonkenttä in Helsinki on 10 April 2019 at 1:00 p.m. The invitation to the Annual General Meeting will be published not later than 15 March 2019.

The Group seeks to protect itself against re-

## **STOCK EXCHANGE RELEASES PUBLISHED DURING THE REVIEW PERIOD**

28.02.2018	Review of the financial statements for 1 January – 31 December 2017
09.03.2018	Financial statements, corporate governance statement and remuneration statement for 2017 published
19.03.2018	Invitation to the annual general meeting of Plc Uutechnic Group Oyj
23.03.2018	Uutechnic Group received a remarkable order for complete delivery to Norway
12.4.2018	The resolutions of the annual general meeting of Plc Uutechnic Group Oyj and the decisions of the board of directors
27.04.2018	Uutechnic Group's business review from January to March 2018
04.06.2018	Uutechnic Group to sell 81% of Japrotek Oy Ab's shares to the company's management. The implementation of this transaction is conditional on the final decisions of the financiers.
29.06.2018	Finalization for selling majority of Japrotek Oy Ab's shares is postponed, financial negotiations will continue.
27.07.2018	Half Year Report 1 January – 30 June 2018
17.09.2018	FIN-FSA impose penalty payment of EUR 50.000 on previous Vaahto Group Olc Oyj for violation of disclosure obligation
28.09.2018	The sale of 81% Japrotek Oy Ab's shares to the company's management, announced on June 4th 2018, is completed
25.10.2018	Changes in Plc Uutechnic Group Oyj's management team
29.10.2018	Business Review, January-September 2018
27.11.2018	Publication of the Financial Statements 2019
12.12.2018	Correction to the Half Year Report 1 January – 30 June 2018
12.12.2018	Correction to the Business Review from January – September 2018

## **STOCK EXCHANGE RELEASES PUBLISHED AFTER THE REVIEW PERIOD**

13.2.2019	Notification according to chapter 9, section 6 and 7 of the securities markets act
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## KEY FIGURES FOR THE FINANCIAL STATEMENTS OF UUTECHNIC GROUP

The figures are presented in thousands of euros (EUR 1,000), unless otherwise mentioned. The figures are unaudited.

Japrotek Oy Ab, classified discontinued operations, is included in the Group's reporting until 28 September 2018.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 000 EUR	1.1.2018- 31.12.2018	1.1.2017- 31.12.2017
<b>UUTECHNIC GROUP</b>		
<b>REVENUE</b>	<b>22 092</b>	<b>19 077</b>
Change in inventories of finished goods and work in progress	893	591
Work performed for own purposes and capitalised	30	48
Other operating income	60	259
Material and services	-9 484	-7 889
Employee benefits expense	-7 801	-7 671
Depreciation and amortisation	-440	-439
Impairment	0	-12
Other operating expenses	-3 271	-2 768
<b>OPERATING PROFIT</b>	<b>2 078</b>	<b>1 196</b>
Depreciation, amortization and impairment loss of acquisition	-92	-92
Financing income	47	-9
Financing expenses	-152	-421
<b>PROFIT/LOSS BEFORE TAX</b>	<b>1 881</b>	<b>674</b>
Tax on income from operations	-235	-100
<b>Profit/loss from continuing operations</b>	<b>1 646</b>	<b>574</b>
<b>UUTECHNIC GROUP</b>	<b>0</b>	<b>0</b>
Profit/loss from discontinued operations	-1 073	-1 140
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>573</b>	<b>-566</b>
<b>Other comprehensive income:</b>	<b>0</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>573</b>	<b>-566</b>
<b>Profit attributable to:</b>		
Owners of the parent company	1 646	574
<b>Total comprehensive income attributable to:</b>		
Owners of the parent company	573	-566
<b>Earnings per share calculated on profit attributable to equity holders of the parent:</b>		
EPS undiluted, euros/share, continuing operations	0,03	0,01
EPS diluted, euros/share, continuing operations	0,03	0,01
EPS undiluted, euros/share	0,01	-0,01
EPS diluted, euros/share	0,01	-0,01
<b>Average number of shares</b>		
Undiluted EPS (FAS and IFRS) divisor, outstanding during the financial year	56 501 730	56 502 890
Diluted EPS (FAS and IFRS) divisor, outstanding during the financial year	56 501 730	56 502 890

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1 000 EUR	31.12.2018	31.12.2017
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Intangible assets	1 018	1 969
Goodwill	3 070	3 534
Tangible assets	4 534	4 654
Receivables from subordinated loans	2 870	0
Available for sale investments	5	0
Deferred tax asset	180	431
<b>NON-CURRENT ASSETS</b>	<b>11 677</b>	<b>10 588</b>
<b>CURRENT ASSETS</b>		
Inventories	3 972	2 829
Trade receivables and other receivables	3 332	2 420
Current receivables for revenue recognized in part prior to project completion	868	0
Tax Receivable, income tax	129	0
Cash and cash equivalents	379	373
<b>CURRENT ASSETS</b>	<b>8 681</b>	<b>5 621</b>
<b>NON-CURRENT ASSETS HELD FOR SALE</b>		<b>4 138</b>
<b>ASSETS</b>	<b>20 358</b>	<b>20 347</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Owners of the parent company</b>		
Share capital	2 872	2 872
Share premium	6	6
Unrestricted equity reserve	6 376	6 376
Accumulated earnings	1 326	655
<b>Owners of the parent company</b>	<b>10 580</b>	<b>9 909</b>
<b>EQUITY</b>	<b>10 580</b>	<b>9 909</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liability	379	381
Subordinated loans	1 000	1 000
Non-current liabilities, interest-bearing	1 654	1 168
Non-current provisions	269	254
<b>NON-CURRENT LIABILITIES</b>	<b>3 302</b>	<b>2 803</b>
<b>CURRENT LIABILITIES</b>		
Current interest-bearing liabilities	2 165	1 552
Trade Payables and Other Liabilities	4 310	3 991
Tax liability, income tax	0	132
<b>CURRENT LIABILITIES</b>	<b>6 476</b>	<b>5 675</b>
<b>LIABILITIES OF DISPOSAL GROUP HELD FOR SALE</b>		<b>1 960</b>
<b>EQUITY AND LIABILITIES</b>	<b>20 358</b>	<b>20 347</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS, INDIRECT

1 000 EUR	1.1.-31.12.2018	1.1.-31.12.2017
<b>Cash flows from operating activities</b>		
Profit/loss for the period	1 646	-566
Profit/loss for the period, discontinued operations	-1 073	0
Depreciation, amortisation & impairment	497	543
Depreciation, amortization and impairment loss of acquisition	92	92
Impairment losses	1 531	
Gains and losses of disposals of fixed assets and other non-current assets	-1 511	-19
Other non-cash items	589	227
Financial income and expenses	124	201
Tax on income from operations	0	97
<b>Flow of funds from operations before the change in working capital</b>	<b>1 896</b>	<b>575</b>
<b>Working capital changes</b>		
Increase / decrease in inventories	-1 492	-1 001
Increase /decrease in trade and other receivables	-2 349	2 654
Increase / decrease in trade payables	1 436	-1 607
<b>Flow of funds from operations before the change in working capital</b>	<b>-509</b>	<b>621</b>
Interest paid	-92	-213
Dividends received	0	2
Interest received	13	3
Income taxes paid	-251	-98
<b>Net cash from operating activities</b>	<b>-839</b>	<b>316</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible and intangible assets	-510	-277
Proceeds from sale of tangible and intangible assets	20	60
Proceeds from sale of investments	0	24
<b>Net cash used in investing activities</b>	<b>-490</b>	<b>-193</b>
<b>Cash flows from financing activities</b>		
Proceeds from current borrowings	495	16
Repayment of current borrowings	-490	0
Proceeds from non-current borrowings	1 096	0
Repayment of non-current borrowings	0	-441
Payment of finance lease liabilities	0	-1 000
<b>Net cash used in financing activities</b>	<b>1 100</b>	<b>-1 425</b>
<b>Change of liquid funds</b>	<b>-228</b>	<b>-1 301</b>
Cash and cash equivalents, opening amount	608	1 909
Liquid assets at the end of the fiscal year	379	608
<b>Change in liquid assets according to the balance sheet</b>	<b>-228</b>	<b>-1 301</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1 000 EUR

	Share capital	Share premium account	Unrestricted equity reserve	Translation differences	Retained earnings	Equity Total
<b>EQUITY 1.1.2018</b>	2 872	6	6 376	0	655	9 909
Impact of the introduction of new standards					98	98
<b>Adjusted equity</b>	2 872	6	6 376	0	1 221	10 475
<b>Comprehensive income</b>						
Profit/loss for the period	0	0	0	0	573	573
<b>TOTAL COMPREHENSIVE INCOME</b>	0	0	0	0	573	573
<b>Transactions with owners</b>						
Total transactions with owners	0	0	0	0	0	0
Changes in ownership interests in subsidiaries						
<b>TOTAL EQUITY 31.12.2018</b>	2 872	6	6 376	0	1 326	10 580
	Share capital	Share premium account	Unrestricted equity reserve	Translation differences	Retained earnings	Equity Total
<b>EQUITY 1.1.2017</b>	2 872	6	6 376	33	1 188	10 475
<b>Adjusted equity</b>	2 872	6	6 376	0	1 221	10 475
<b>Comprehensive income</b>						
Profit/loss for the period	0	0	0	0	-566	-566
<b>TOTAL COMPREHENSIVE INCOME</b>	0	0	0	0	-566	-566
<b>Transactions with owners</b>						
Total transactions with owners	0	0	0	0	0	0
Changes in ownership interests in subsidiaries						
<b>TOTAL EQUITY 31.12.2017</b>	2 872	6	6 376	0	655	9 909

## KEY FIGURES

<b>Business indicators</b>	<b>2018 IFRS</b>	<b>2017 IFRS</b>
Turnover, continuing operations	22 092	19 077
Revenue change, %	15,8	
Operating profit	2 078	1 196
% of turnover	9,4	6,3
Profit/loss before taxes, continuing operations	1881	674
% of turnover	8,5	3,5
Profit/loss, continuing operations	1646	574
% of turnover	7,4	3,0
Profit/loss, discontinuing operations	-1073	-1140
% of turnover	-4,9	-6,0
Profit/loss for the period	573	-566
% of turnover	2,6	-3,0
Equity holders of the parent	573	-566
% of turnover	2,6	-3,0
Return on equity (ROE), %	3,1	neg.
Return on investment (ROI), %	5,6	neg.
Equity ratio, %	44,7	68,2
Net gearing	42,0	31,4
Current Ratio	1,3	1,2
Gross investments in fixed assets	510	276
% of turnover	2,3	1,4
Order backlog	9 341	8 049
Consolidated balance sheet total	20 358	20 347
Total number of personnel at the end of the period	117	128
	<b>2018 IFRS</b>	<b>2017 IFRS</b>
<b>Share figures</b>		
Earnings per share, continuing operations, euros	0,03	0,01
Earnings per share, euros	0,01	-0,01
Shareholders' equity, euros	0,19	0,18
Dividend per share, euros	0,00	0,00
Price earnings ratio (P/E)	32,6	-34,9
Number of shares outstanding at the end of the period	56 501 730	56 501 730
Number of shares outstanding, average	56 501 730	56 502 890
	<b>2018</b>	<b>2017</b>
A share		
- high	0,50	0,53
- low	0,31	0,35
- average	0,40	0,45
- share price at the end of the fiscal year	0,33	0,35
Total market value, million euros	18,6	19,9
Number of shares traded during the fiscal year	3 140 714	7 209 125
Number of shares traded, %	5,56	12,76
Number of shareholders	1 459	1 460

\*) proposal by the Board of Directors

## SECURITIES AND RESPONSIBILITIES

1 000 EUR

### Granted securities

#### Dept secured by real estate and corporate mortgages

Loans from financial institutions

Credit limits in use

**Total**

31.12.2018

31.12.2017

2 059

1 529

1 698

1 061

**3 757**

**2 590**

Loans from financial institutions are secured by real estate and corporate mortgages and share pledges. Share pledges are the share capitals of Plc Uutechnic Group Oyj's subsidiaries.

#### Mortgages granted to secure loans and bank guarantees

Real estate mortgages

Corporate mortgages

**Total**

4 743

4 743

19 211

22 238

**23 954**

**26 981**

#### Other granted securities for own behalf

Deposits

**Total**

9

9

**9**

**9**

#### Other granted securities

Plc Uutechnic Group Oyj has granted as securities the share capitals of its subsidiaries AP-Tela Oy, Uutechnic Oy and Stelzer Rührtechnik International GmbH.

### Contigent Liabilities and Other Liabilities

#### Bank guarantees

Bank guarantee limits total

Bank guarantee limits in own use

Bank guarantees granted on behalf of others\*)

31.12.2018

31.12.2017

8 100

11 500

1 467

4 813

1 831

\*) Company acts as guarantor for Japrotek delivery and warranty guarantees up to EUR 1,350 million, of which EUR 214 thousand was in use on 31.12.2018. In addition, prior to the arrangement, the Company has outstanding liabilities for Japrotek's work and warranty guarantees up to 1,617 million on 31.12.2018.

#### Operating lease agreements

Within a year

More than one year but no more than 5 years

**Total**

31.12.2018

31.12.2017

31

28

57

23

**88**

**51**

Operating lease contracts consist mainly of short-term leasing contracts for fixed assets. The terms and conditions of leasing agreements correspond to those of normal operational leasing agreements.

### Other rent agreements

The Group has rented production and office buildings for its own use with various types of terminable rental agreements.

	31.12.2018	31.12.2017
<b>Rent liabilities</b>		
Within a year	195	572
1 - 5 years	733	2 244
Later	550	2 244
<b>Total</b>	<b>1 477</b>	<b>5 060</b>

Rent liabilities include EUR1 466 thousand to related parties.

	31.12.2018	31.12.2017
<b>Other contingent liabilities</b>		
Granted guarantees to customers by parent company	52	784
Guarantees granted to secure bank guarantee limit	6 750	11 500
Guarantees granted to secure rent guarantees	0	165
<b>Total</b>	<b>6 802</b>	<b>12 449</b>
<b>Other liabilities granted on behalf of others</b>		
Guarantees granted to secure bank guarantee limit	1 350	
<b>Total</b>	<b>1 350</b>	<b>0</b>

# INDICATOR CALCULATION FORMULAS

Return on equity % (ROE) =	$\frac{\text{Profit/loss for the period}}{\text{Shareholders' equity (average)}} \times 100$
Return on investment % (ROI) =	$\frac{\text{Profit/loss before taxes} + \text{interest expenses and other financial expenses}}{\text{Shareholders' equity} + \text{interest-bearing debts (average)}} \times 100$
Equity ratio =	$\frac{\text{Shareholders' equity}}{\text{Total assets - advances received}} \times 100$
Current ratio =	$\frac{\text{Current assets}}{\text{Short-term liabilities}}$
Net Gearing =	$\frac{\text{Interest-bearing debts - cash and bank deposits and other securities}}{\text{Shareholders' equity}} \times 100$
Earnings per share, euros =	$\frac{\text{Profit/loss for the period}}{\text{Number of shares outstanding issue adjusted (average)}}$
Shareholders' equity/share, euros =	$\frac{\text{Shareholders' equity}}{\text{Number of shares outstanding issue adjusted, at the end of the fiscal year}}$
Dividend/share, euros =	$\frac{\text{Dividend for the fiscal year}}{\text{Number of shares outstanding issue adjusted, at the end of the fiscal year}}$
Dividend/share, percentage =	$\frac{\text{Dividend for the fiscal year/share}}{\text{Earnings/share}} \times 100$
Effective dividend return, percentage =	$\frac{\text{Dividend for the fiscal year/share}}{\text{Adjusted price of the share at the end of the fiscal year}} \times 100$
Price per earnings (P/E) =	$\frac{\text{Adjusted price of the share at the end of the fiscal year}}{\text{Earnings/share}}$
Average share price =	$\frac{\text{Total value of shares traded during the fiscal year}}{\text{Total number of shares traded during the fiscal year}}$
Total market value =	Total number of shares at the end of the fiscal year x share price at the end of the fiscal year
Development of shares traded =	Total number of shares traded during the fiscal year and its percentage share of the total number of series' shares



## Plc Uutechnic Group Oyj

Muottitie 2, FI-23500 Uusikaupunki, Finland  
Tel. +358 20 188 0511

Email: [uutechnicgroup@uutechnicgroup.fi](mailto:uutechnicgroup@uutechnicgroup.fi)  
Staff emails: [firstname.lastname@uutechnic.fi](mailto:firstname.lastname@uutechnic.fi)

[www.uutechnicgroup.com](http://www.uutechnicgroup.com)

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## AP-TELA

### AP-Tela Oy

Kuljettajantie 2, FI-67800 Kokkola, Finland  
Tel. +358 20 188 0650

Staff emails: [firstname.lastname@aptela.fi](mailto:firstname.lastname@aptela.fi)  
[www.aptela.fi](http://www.aptela.fi)

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### Stelzer Rührtechnik International GmbH

Speckgraben 20, D-34414 Warburg, GERMANY  
Tel. +49 5641 903-0

Staff emails: [firstname.lastname@stelzer.eu](mailto:firstname.lastname@stelzer.eu)  
[www.stelzer.eu](http://www.stelzer.eu)

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### Uutechnic Oy

Muottitie 2, FI-23500 Uusikaupunki, Finland  
Tel. +358 2 846 8800

Staff emails: [firstname.lastname@uutechnic.fi](mailto:firstname.lastname@uutechnic.fi)  
[www.uutechnic.fi](http://www.uutechnic.fi)