Financial Statements 2013

Incap Corporation
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INCAP GROUP'S FINANCIAL STATEMENTS RELEASE FOR 2013 (UNAUDITED)

Incap Group's revenue decreased due to flat general demand and because materials used in production were not included in revenue. Actions of extensive Turnaround program succeeded as expected but some customers had already decided to transfer the manufacture of their products to other suppliers. Comprehensive financing arrangement enhanced the financials of the company.

January-December 2013 in brief:

- the Group's revenue in 2013 was EUR 36.8 million, down approximately 43% year-on-year (2012: EUR 64.1 million)
- the Group's operating result (EBIT) declined year-on-year and was EUR -5.9 million (EUR -0.7 million)
- the unit in India turned to the biggest one in the Group revenue-wise and its operating result was at good level
- Board of Directors will propose to the Annual General Meeting that no dividend be paid
- Incap estimates that the Group's revenue in 2014 will be significantly lower than in 2013 and that the full-year operating result (EBIT) is positive

October-December 2013 in brief:

- revenue for the fourth quarter amounted to EUR 8.0 million being on the same level than on the preceding quarter yet clearly lower than the corresponding period last year (October-December 2012: EUR 14.5 million)
- the operating result (EBIT) amounted to EUR -3.7 million (EUR -0.6 million)
- the fourth quarter's result includes costs of EUR 2.7 million due to write-offs of inventory and credit losses as well as to provisions for rents and adaptation of personnel structure

The accounting principles for the interim report

This financial statement report has been prepared in accordance with international financial reporting standards (IFRS) – IAS 34 Interim Financial Reporting standard. When preparing the release, the same principles have been used as in the 2012 financial statements and in the interim reports in 2013. Unless otherwise stated, the comparison figures refer to the same period in the previous year. The information in this financial statement report is unaudited.

Fredrik Berghel, President and CEO of Incap Group:

"Year 2013 was a turning point to Incap. The extensive financing package which was negotiated in summer secured the continuity of our operations. The actual core of our business, the contract manufacturing, was set to the focal point of our activities. The organisation structure was streamlined in the way that the factories gained more responsibility for the business and profitability while the group functions were reduced to the most essential tasks.

Our revenue in 2013 showed a clear decrease compared with previous year. This was partly due to the general flat market development, but the main reason was the challenges in our own operations. The long-lasting weak financing position of us hampered the availability of materials and thereby also the deliveries to customers. Irregular material flow impeded the production management, and for this reason variable expenses could not be adjusted to meet with the actual revenue with adequate efficiency. To secure the deliveries our customers started buying materials for the production, and this decreased the revenue volumes further.

After having solved the financing issues in summer 2013 we started focusing our strengths on the basics, i.e. on securing the deliveries to customers and on maintaining customer relationships. With the special Turnaround program launched in October we examined and enhanced all our operations. Productivity and delivery accuracy showed a favourable trend and also other main objectives of the program were met. However, for some customers these actions took place too late, and based on their sourcing strategy they decided to transfer the manufacture of their products to other suppliers.

Improving the profitability was our principal objective, on which we focused in every level. We implemented substantial structural changes, the most remarkable one being the streamlining of organisation and the shrinking of corporate functions. We also renegotiated service contracts in order to cut costs. Of these actions only a part was reflected in the result for 2013 as their influence will become visible gradually. Out of the full-year operating loss approximately EUR 2.7 million were write-offs for inventory and credit losses as well as provisions connected with the structural change. Further extraordinary costs emerged from the arrangements in connection with the financing package.

We are now over the hump and fully able to recreate Incap to be the best manufacturing partner. Our shareholders and investors can rely on our continuous efforts in regaining and ensuring the profitability. We expect that the actions of the Turnaround program will show full effects in profitability during the second half of 2014. All in all we are able to make a positive result in 2014 even with remarkably lower volumes than in 2013. In the near future our most important task is to regain and strengthen the confidence of our customers and to increase the business with them further."

Business environment in 2013

The business environment of Incap Group was challenging. The continued uncertainty of general economy decreased the demand, and the competition in declining markets was fierce. Due to the global recession in investment activities also the demand for energy efficiency products like rotor components and inverters decreased clearly.

There were no elementary changes in general cost level in countries where Incap has operations. The component market worldwide in 2013 was fairly steady. There has been some price pressure in materials and prices overall were slightly down over the year. Availability of materials was good in general with some exceptions from temporary shortages of certain components.

Incap Group's revenue and earnings in October-December 2013

Revenue for the last quarter of 2013 amounted to EUR 8.0 million, down approximately 45% year-on-year and down approximately 2% from preceding quarter July-September 2013. The decrease in revenue was mainly due to the fact that several products were withdrawn from the production program.

The operating result of the last quarter weakened clearly when compared with the corresponding period last year. The development was affected by the decrease in revenue and the write-offs and provisions recorded in the result. With the actions of the Turnaround program productivity and delivery accuracy were improved and cost savings were implemented but their effect will become visible in the result only with a delay.

QUARTERLY COMPARISON (EUR THOUSANDS)	10-12/ 2013	7-9/ 2013	4–6/ 2013	1–3/ 2013	10–12/ 2012	7–9/ 2012	4–6/ 2012	1–3/ 2012
Revenue	8,014	8,206	9,883	10,654	14,498	15,701	18,378	15,564
Operating profit/loss (EBIT)	-3,682	-331	-415	-1,432	-628	280	13	-345
Net profit/loss	-3,990	-1,481	-1,172	-1,885	-4,616	44	352	-711
Earnings per share, EUR	-0,06	-0.03	-0.05	-0.09	-0.23	0.00	0.02	-0.04

Incap Group's revenue and earnings in 2013
Revenue for the financial year amounted to EUR 36.8 million, down approximately 43% year-on-year. Main reason for the decline was the decreased customer demand especially during the latter half of the year. Due to the previous difficult financial position of Incap some customers transferred the manufacture of their products to other suppliers in line with their supply chain risk management. This development affected especially the volumes of Incap's factory in Estonia.

The revenue was further decreased due to the transfer of material purchases to customers. Following the weak cash position of Incap the customers took the responsibility for the material purchase in the beginning of the year and accordingly, the materials were no more included in the Group's revenue. The situation continued unchanged until the end of the year, because the material responsibility could not be transferred back to Incap from all of the customers. In order to restore the normal practice Incap continues respective discussions with both customers and suppliers.

The weakening of the Indian rupee was also lowering the revenue volume calculated in euros.

The revenue from the operations in India amounted to approximately EUR 17 million and the Indian unit became revenue-wise the biggest one in the Group. Even though the revenue was approximately EUR 2 million lower than in 2012, the operating result (EBIT) was on a good level at approximately EUR 1.9 million.

Incap Group's full-year operating result (EBIT) was approximately EUR -5.9 million (EUR -0.7 million). The result was impaired first and foremost by the decline in revenue and by the overhead costs which were high in respect of revenue.

The result was also weakened by the write-offs and provisions amounting to approximately EUR 2.7 million. Write-off of inventory amounted to approximately EUR 0.7 million and the write-off of credit losses of sales receivable was approximately EUR 0.4 million. Provisions related to operational restructuring were recorded for personnel costs (EUR 0.5 million) and rental costs of the factory in Estonia (EUR 0.5 million).

The company sold its Vuokatti plant property in June 2013 to a price of EUR 1.7 million which equalled the book value of the property. Based on the impairment recorded for the property, a loss of approximately EUR 0.4 million was recognised for the sale.

The personnel expensed in the financial period decreased by approximately EUR 1.1 million year-on-year. The value of inventories decreased by approximately EUR 5 million from the end of the year 2012, out of which approximately EUR 1.5 million came from the write-off of inventories.

Net financial expenses amounted to EUR 2.1 million (EUR 0.8 million). As a consequence of the share issues arranged during the financial period, a financing expense amounting to EUR 3.2 million was recorded in other financing expenses in the consolidated income statement in line with the IAS 32 and 39 standards and IFRIC 19. Out of the financing income, EUR 2.5 million refers to the impairment of values of loans, interests and payables to suppliers in the composition arrangement in connection with the extensive financing solution in summer 2013. In the comparison period in 2012, net financing expenses included a non-recurring financing income item of approximately EUR 1.0 million due to the impairment of redemption value of a convertible loan.

Depreciation and impairment losses amounted to a total of EUR 1.1 million (EUR 1.5 million), out of which the depreciation counted for EUR 0.6 million and the impairment of the Vuokatti plant for EUR 0.4 million.

Net profit/loss for the financial period was EUR -8.5 million (EUR -4.9 million). Earnings per share amounted to EUR -0.14 (EUR -0.02).

COMPARISON BY REVIEW PERIOD (EUR THOUSANDS)	1–12/ 2013	CHANGE, %	1–12/ 2012
Revenue	36,757	-43	64,141
Operating profit/loss (EBIT)	-5,859	-760	-681
Net profit/loss	-8,527	-73	-4,930
Earnings per share, EUR	-0.14	-	-0.25

Turnaround to restore profitability

In the Turnaround program which was launched in October 2013 and concluded in January 2014 the overall strategy was to focus on core business, i.e. manufacturing and deliveries to customers. The customer relationships were strengthened by special attention to the improvement of delivery accuracy in terms of On-Time-Delivery and to the enhancement of efficiency both in production and supporting functions.

Target of the program was to restore the profitability of operations and to reach total annual savings of approximately EUR 2.9 million in overhead costs and of approximately EUR 1.8 million in factory costs. The respective actions were estimated to cause one-time costs of approximately EUR 1.6 million, and accordingly, the total net savings would be approximately EUR 3.1 million. The impact of the actions was evaluated at the end of January 2014, when they were noted to have affected as expected. Full effects of realised actions are estimated to become visible during the second half of the year.

The focus of Incap’s business is on the manufacturing units that are producing value added to customers. The factories in Finland, Estonia and India operate as self-sufficient profit centres while the corporate functions are kept as small as possible. The number of the personnel in Finland and in Estonia was decreased by 145 during the financial year.

The target is to reduce the number of locations. The office in Bangalore moved to smaller premises at the end of 2013. To reduce the costs the company continues negotiations on the rental contracts both in Tallinn and in Kuressaare, Estonia.

Capital expenditure
Capital expenditure in 2013 totalled EUR 0.3 million (EUR 0.1 million). Investments were replacements in connection with the development of production. Incap estimates that a remarkable increase of business is possible with the present production capacity, without any big new investments.

Quality assurance and environmental issues
All of Incap Group's plants have environmental management and quality assurance systems certified by Det Norske Veritas. The systems are used as tools for continuous improvement. Incap's environmental management system complies with ISO 14001:2004, and its quality assurance system complies with ISO 9001:2008. In addition, the Kuressaare plant has an ISO 13485:2003 quality certification for the manufacture of medical devices.

Financing arrangement
Negotiations to solve the company's difficult financing situation were started during 2012 and continued soon in the beginning of the year 2013.

In January 2013 a part of the convertible loan which was launched in 2007, i.e. approx. EUR 0.4 million was converted to the company's new shares in a directed share issue. One holder of the convertible loan was given, as compensation for the holder's loan units, altogether 1,697,286 new shares in the company to an imputed subscription price of EUR 0.22 per share. Furthermore, a part of loan units were paid in cash (approximately EUR 1.0 million). In June 2013, further cash payment of approximately EUR 0.5 million was settled. At the end of financial year 2013, the remainder of the convertible loan amounts to approximately EUR 0.5 million, which is due for payment on 30 June 2014.

In July 2013 Incap completed financing negotiations resulting in a comprehensive arrangement that enhanced the company's financial position improving the equity ratio and liquidity. The arrangement included a directed share issue for raising additional capital and converting debt to the company's new shares. In addition, terms and conditions of the company's convertible loan issued in 2012 were amended and the loan units were converted to the company's new shares.

The financing arrangement included a directed share issue and the related conversion of debt. A total of 64,137,000 new shares were issued, and out of these 45,212,000 shares were subscribed against cash payment and 18,925,000 shares were subscribed in the conversion against loans. Furthermore, in the conversion of the convertible loan 2012, a total of 22,430,769 new shares were subscribed. After the registration of all the new shares, the company has a total of 109,114,035 shares, each having one vote.

Deviating from shareholders' pre-emptive subscription rights, the share issue was directed at the company's major shareholders, an industrial investor, the company's Finnish financiers and the company's other creditors and senior management. The subscription price per share was EUR 0.10, based on the agreement between the company and the subscribers. The subscription price in the conversion in connection with the convertible loan issued in 2012 was approximately EUR 0.13 per share.

The shares subscribed in the share issue and in loan conversions granted dividend rights and other shareholders' rights as of 29 July 2013, when the new shares were entered in the Trade Register. The trade with the new shares at NASDAQ OMX Helsinki Ltd's main list started on 18 October 2013 at equal value to the company's other shares, and for this purpose, the company published a prospectus on 16 October 2013.

The holders of the company's capital loan and the company's Finnish financiers converted their loan receivables to new shares in connection with the above mentioned directed share issue. At the same time, loan contracts and interest repayment schedules were renegotiated. In addition, the company’s other creditors – suppliers of materials and services – supported the financing arrangement by participating in the composition arrangement, with a total effect of EUR 1.5 million.

For the financing arrangement, a financing expense amounting to EUR 3.2 million was recorded in line with the IAS 32 and 39 standards and IFRIC 19. The related financing income, EUR 2.5 million, refers to the impairment of values of loans, interests and payables to suppliers in the composition arrangement.

The immediate cash effect of the comprehensive arrangement was approximately EUR 6 million. The subscription price paid in cash, i.e. approximately EUR 4.5 million, was recorded in the reserve for invested unrestricted equity. Furthermore, the bank released the collateral arrangement connected with the sales price of the Vuokatti property transaction amounting to EUR 1.5 million.

The financing arrangement lowered the company’s interest-bearing liabilities by approximately EUR 7.5 million. Out of this approximately EUR 1 million was capital loan, approximately EUR 2.9 million was convertible loan issued in 2012, approximately EUR 0.5 million was convertible loan issued in 2007 and approximately EUR 3 million was bank loans.

Eventual merger of Incap and Inission
Following the financing arrangement and the directed share issue related to that arrangement in July, the Swedish contract manufacturer Inission AB became the company’s largest shareholder. After registration of the new shares subscribed in the directed share issue, Inission AB holds 28,500,000 shares in Incap Corporation, corresponding to approximately 26% of the total share capital.

The comprehensive arrangement agreed between Inission AB and Incap Corporation included an option for Inission AB to combine and unite Inission AB’s business operations with Incap Corporation. The use of this option was due to be notified by Inission AB by the end of the year 2013. If the option was used, the uniting of Incap and Inission would be carried out by Incap Corporation acquiring Inission AB’s subsidiaries’ shares and business operations. The purchase price was based on the actual result of Inission AB for the years 2011 and 2012 and for January-June 2013.

In accordance with the agreement conditions, Incap would pay the purchase price by directing a new share issue to Inission in two phases. In the first phase, the value of the new shares issued would correspond to 70% of the total purchase price with the new shares being issued in connection with the consummation of the agreement. The remaining 30% of the purchase price would be paid through a second directed share issue two weeks after Incap has published its financial statements for 2013.

As Inission AB’s share of ownership in Incap Corporation would have exceed the limit set for the obligation to make a takeover bid in case the transaction is consummated, Inission applied the Financial Supervisory Authority for an exemption from the obligation to bid. The Financial Supervisory Authority granted the exemption on 6 August 2013.

Incap Corporation’s Extraordinary General Meeting held on 21 August 2013 resolved to approve the transaction to combine the companies’ operations.

Inission AB did not exercise its option to combine Inission AB's business operations with Incap Corporation by the end of the year 2013. It has, however, after the end of the financial year 2013 indicated its continued interest in the merger. For this reason the Board of Directors of Incap is currently evaluating the strategic alternatives to develop the company’s business further.

Balance sheet, financing and cash flow

The balance sheet total stood at EUR 15.9 million (EUR 29.3 million). The Group's equity at the close of the financial period was EUR 0.7 million (EUR -3.0 million). The parent company's equity strengthened to EUR 10.8 million, representing 51% of the share capital (EUR 8.1 million, 39%). The Group's equity ratio improved to 4.3% (-10.3%).

For the value of the shares in the Estonian subsidiary, an impairment of EUR 4.0 million was recorded in the financial statements based on the cash flow forecasts prepared in the impairment testing of shares in subsidiaries.

Liabilities were halved from previous year and amounted to EUR 15.0 million (EUR 32.3 million), out of which EUR 9.7 million (EUR 20.5 million) were interest-bearing liabilities.

Interest-bearing net liabilities decreased from the comparison period and were EUR 8.2 million (EUR 19.8 million), and the gearing ratio was 1,215% (-659%).

INTEREST-BEARING LIABILITIES (EUR THOUSANDS)	31 DEC 2013	31 DEC 2012
Non-current financial liabilities measured at amortised cost		
Capital loans	0	600
Convertible loan	0	1,886
Other liabilities	1,944	0
Finance lease liabilities	0	5
	1,944	**2,491**
Current financial liabilities measured at amortised cost		
Bank loans	7,290	12,558
Convertible loans	479	3,405
Other liabilities	0	1,899
Finance lease liabilities	28	97
	7,797	**17,959**
Interest-bearing liabilities, total	**9,741**	**20,450**

Approximately EUR 2.9 million of current financial liabilities concerns the Indian subsidiary. Factoring financing used by the parent company in Finland and Estonia is part of current liabilities. Other bank loans are included in current financial liabilities on the basis of the loan period or due to the breach of covenants.

From the loans from credit institutions, EUR 6.3 million is granted by the Finnish bank as bank loans and lines of credit in use. Of the Finnish bank's credit line and factoring credit line, EUR 2.3 million was in use and EUR 7.2 million was unused on 31 December 2013. For operations in India and Estonia, the balances of bank loans and credit line totalled EUR 2.9 million, which includes Finnfund's investment of EUR 1.9 million in Incap's operations in India.

The amount of the convertible loan of 2007 at the end of the financial year was EUR 0.5 million and it will mature on 30 June 2014.

On 31 December 2013, EUR 7.3 million of the loans were guaranteed, and the rest were unguaranteed. The securities for these loans are the EUR 12.1 million mortgages on company assets and a EUR 0.6 million mortgage on the production facilities in India. According to the financing arrangement made in July 2013, the bank released the collateral arrangement connected with the sales price of the Vuokatti plant property.

On 31 December 2013, the loans, credit line and factoring credit line granted by Incap's Finnish bank involved the following covenants: equity ratio of at least 15% and net IBD/EBITDA up to 5. The covenants were not met on 31 December 2013, when the equity of the company was 4.3% and net IBD/EBITDA -1.41. The bank has the right to terminate the agreements to expire after 60 days if any covenant is not met on the testing date. On 10 February 2014, the company received a written confirmation from the bank that the bank will not exercise its right to terminate the loans even though the covenants were not met on 31 December 2013. The covenants will be tested next on 30 June 2014 and after that every six months.

According to the estimate prepared on 24 February 2014 the above covenants are not met in the next testing date on 30 June 2014. The company continues the negotiations with the bank, which were started in November 2013 for mitigation of covenants. In case the covenants are not met and the negotiations with the bank do not result in an agreement on new covenant levels, and if the bank would make use of its right to terminate the loans, the company would most probably not be able to meet its commitments but should initiate negotiations on the rearrangement of funding.

There are no covenants involved with the investment of Finnfund made in 2009 or with other foreign debt. However, a standby letter-of-credit as a guarantee of a foreign bank loan involves covenants.

Incap has agreed with the Finnish Tax Administration on the payment arrangement related to overdue value-added taxes, withholding taxes and social security contributions. On 31 December 2013, the total amount of tax liabilities within the scope of this arrangement is EUR 0.6 million, and according to the agreement, the last payment will take place on 22 August 2014. According to the provisions of the agreement, if an instalment is late, the Finnish Tax Administration has the right to terminate the agreement with immediate effect.

INSTALMENTS AND INTERESTS OF LOANS (EUR THOUSANDS)

	Instalments	**Interests**	**31 Dec 2013**
Less than 6 months	3,769	311	4,080
6–12 months	711	1	712
1–5 years	5,370	308	5,678
More than 5 years	0	0	0
	9,850	**620**	**10,470**

During the review period, approximately EUR 0.6 million of deferred tax assets have been utilised from the consolidated balance sheet on the basis of the taxable income accumulated by the Indian subsidiary. On 31 December 2013, confirmed tax losses for which no deferred tax asset was recognised amounted to EUR 8.5 million.

Incap was successful in decreasing the value of inventory and release capital from inventories. The inventory decreased during the financial year from EUR 9.4 million in the beginning of the year to EUR 4.3 million at the end of the period. EUR 1.5 million of the decrease came from the write-off of inventory book value.

The Group's quick ratio was 0.6 (0.5), and the current ratio was 0.9 (0.8).

Cash flow from operating activities was negative EUR 0.3 million (positive EUR 2.4 million). On 31 December 2013, the Group's cash and cash equivalents totalled EUR 1.5 million (EUR 0.6 million). The change in cash and cash equivalents showed an increase of EUR 0.7 million (an increase of EUR 0.2 million).

Aspects related to the Group's cash flow, financing and liquidity are also described in the section "Short-term risks and factors of uncertainty concerning operations".

Personnel
At the end of the year 2013, the Incap Group had a payroll of 469 employees (614). Some 66% (55%) of the personnel worked in India, 15% (28%) in Estonia and 19% (17%) in Finland. Number of personnel was decreased most in Estonia (by 103 persons).

At the end of the year, 105 of Incap's employees were women and 364 were men. Permanently employed staff totalled 279, and the number of fixed-term employees was 190. The company had one part-time employment contracts at the end of the year. The average age of the personnel was 33 years.

Incap was running negotiations according to the Co-operation Act during the financial period in Finland and in Estonia both with white-collars and blue-collars. As a result of the negotiations personnel in Vaasa and Kuressaare factories were laid off both permanently and temporarily. In connection with the adjustment of corporate services job contracts of 37 persons were terminated, and by 13 of them, the period of notice will continue until the spring of 2014.

Management and organisation
Sami Mykkänen, B.Sc. (Eng.), acted as the CEO of Incap Group until 20 September 2013, when Fredrik Berghel, M.Sc. (Eng.), born 1967, was appointed to the new acting CEO. Berghel is one of the two shareholders of Inission AB and he was elected to the Board of Directors of Incap in the Extraordinary General Meeting on 21 August 2013. Berghel has long experience in different technology companies and today he acts as the CEO of Inission.

As a part of its Turnaround program Incap renewed the Group's management structure. The factories gained an increased role in business operations having full responsibility for plant-specific sales, sourcing, financial controlling and quality. At the same time, functions in corporate level were downsized to a minimum. The role of unit managers is emphasised in the new structure. Mr Murthy Munipalli continued to act as the head of the Tumkur factory and the operations in India. Mrs Siret Kegel, who had previously acted as Quality Director of the Group, took full responsibility for the Kuressaare factory. Mr Vesa Tammela continued as the head of the Vaasa factory. In the corporate level, Ms Kirsti Parvi continued to act as the CFO, Mrs Susanna Pyykkö as the HR Manager and Mr Priit Kadastik as the IT Manager. The Group's Management Team includes besides the above mentioned persons also the Group's CEO Fredrik Berghel, who is the Chairman of the Management Team.

Annual General Meeting 2013
The Annual General Meeting of Incap Corporation was held on 10 April 2013 in Helsinki. The General Meeting adopted the financial statements for the financial period that ended on 31 December 2012. In accordance with the proposal of the Board of Directors, the General Meeting decided that no dividend be distributed for the financial period and that the loss for the financial period (EUR 5,505,693.92) be recognised in equity.

Extraordinary General Meeting
The Extraordinary General Meeting of Incap Corporation was held on Wednesday, 21 August 2013 in Helsinki. The Extraordinary General Meeting elected Fredrik Berghel and Olle Hulteberg

as new members to the Board of Directors. Of the previous members of the Board Raimo Helasmäki, Susanna Miekk-oja and Lassi Noponen were re-elected.

The Extraordinary General Meeting resolved to approve, in line with the Board's proposal, the conditional transaction between Incap Corporation and Inission AB, in which the uniting of Incap and Inission would be carried out by Incap Corporation acquiring Inission AB's subsidiaries' shares and business operations. The realisation of the transaction was conditional to the exercising of the related option by Inission AB. The Extraordinary General Meeting further approved the consulting agreement arrangement between Incap Corporation and Inission AB and authorised the Board of Directors to negotiate and decide on further details of the agreement.

The new Board of Directors held a meeting after the Extraordinary General Meeting and elected Lassi Noponen as the Chairman of the Board.

Authorisation of the Board of Directors
The Annual General Meeting held on 10 April 2013 authorised the Board of Directors to decide during one year after the Annual General Meeting to issue a maximum of 300,000,000 new shares either against payment or without payment.

The Board of Directors exercised a total of 79,455,574 shares out of the authorisation during 2013. At the end of the financial period, the Board of Directors' unused authorisation covered a total of 220,544,426 shares.

Board of Directors and Auditor
The Annual General Meeting held on 10 April 2013 re-elected Raimo Helasmäki, Matti Jaakola, Susanna Miekk-oja and Lassi Noponen as members of the Board of Directors and elected Janne Laurila as a new member. From among its members, the Board elected Lassi Noponen to Chair and Matti Jaakola to Vice-Chair. The secretary of the Board was Anu Kaskinen, LL.M.

The Extraordinary General Meeting held on 21 August 2013 elected Fredrik Berghel and Olle Hulteberg as new Board members and re-elected Raimo Helasmäki, Susanna Miekk-oja and Lassi Noponen. The Board elected from among its members Lassi Noponen to act as the Chairman of the Board.

The Board convened 32 times in 2013 and the average attendance rate was 95.3%.

The auditor was auditing firm Ernst & Young Oy with Jari Karppinen, Authorised Public Accountant, as the principal auditor.

Report on Corporate Governance
Incap will release a report on the company's corporate governance in compliance with the Securities Market Act as a separate document, in connection with the publication of the report of the Board of Directors and the annual report during week 12.

Shares and shareholders
Incap Corporation has one series of shares, and the number of shares at the end of the period was 109,114,035 (20,848,980).

During the financial period, the share price varied between EUR 0.10 and 0.25 (EUR 0.15 and 0.65). The closing price for the period was EUR 0.11 (EUR 0.19). The trading volume was 7,065,282 shares, or 6.5% of outstanding shares (2,952,411, or 14.2%). The market capitalisation on 31 December 2013 was EUR 12.0 million (4.0). At the end of financial period, Incap had 1,409 shareholders (1,159). Nominee-registered or foreign owners held 27.3% (0.5%) of all shares. The company does not hold any of its own shares.

THE LARGEST SHAREHOLDERS ON 31 DECEMBER 2013	NO. OF SHARES	SHARE OF OWNERSHIP, %
Inission AB (nominee-registered)	28,500,000	26.1
Oy Etra Invest Ab	16,934,547	15.5
Ingman Finance Oy Ab	8,662,425	7.9
Ilmarinen	8,307,692	7.6
Varma	7,684,615	7.0
Finnvera plc	6,238,600	5.7
Onvest Oy	5,197,286	4.8
Nordea Bank Finland Plc	3,761,400	3.4
Laurila Kalevi	2,735,429	2.5
JMC Finance Oy	2,402,286	2.2

At the end of the financial period, the members of Incap Corporation’s Board of Directors and the President and CEO and their interest parties owned a total of 29,344,858 shares or approximately 26.9% of the company’s shares outstanding.

Share-based incentive system 2009

The option scheme implemented in 2009 included a total of 600,000 stock options entitling their holders to subscribe for an equal number of Incap shares. The stock options were broken into three categories: 2009A, 2009B and 2009C. The subscription price for all stock options was EUR 1. The subscription period was from 1 April 2010 to 31 January 2014 for 2009A stock options and from 1 April 2011 to 31 January 2014 for 2009B and 2009C stock options.

The subscription period ended on 31 January 2014, after the close of the financial year, and the incentive system 2009 was closed at the same time. No options were used for the subscription of shares. Incap Group has no other share-based incentive systems.

Announcements in accordance with Section 10 of Chapter 9 of the Securities Market Act on a change in holdings

Following the directed share issue arranged in January 2013, there were the following changes in holdings exceeding the announcement limit on 11 February 2013:

The number of shares held by Mandatum Life increased to 1,116,059 and their holding after the registration of the share issue is 4.95% of all shares of the company. The holding of Onvest Oy increased to 1,697,286 shares, or 7.53% of all shares. The holding of Finnish Industry Investment Ltd. decreased to 9.69%.

On 11 March 2013, Oy Ingman Finance Ab’s holding in Incap shares decreased to 1,081,485 shares, or 4.80% of total number of shares and votes.

Following the directed share issue and conversion of loans as announced on 22 July 2013, the following changes in holdings exceeding the announcement limit took place:

SHAREHOLDER	SHARE OF OWNERSHIP AND NUMBER OF SHARES PRIOR TO THE SHARE ISSUE		NUMBER OF NEW SHARES SUBSCRIBED AND CONVERTED	SHARE OF OWNERSHIP AFTER THE SHARE ISSUE AND CONVERSION
	%	shares	shares	%
Inission AB	0	0	28,500,000	26.12
Oy Etra Invest Ab	21.44	4,834,547	12,100,000	15.52
Ilmarinen	0	0	8,307,692	7.61
Varma	0	0	7,684,615	7.04
Finnvera	0	0	6,238,600	5.72
Oy Ingman Finance Ab	0	0	8,780,769	8.05
Onvest Oy	7.53	1,697,286	3,500,000	4.76
JMC Finance Oy	10.65	2,402,286	0	2.20
Finnish Industry Investment Ltd.	9.69	2,185,509	0	2.00
Göran Sundholm	6.57	1,481,113	0	1.36
Kalevi Laurila	6.48	1,460,429	1,275,000	2.51

On 22 January 2014, after the end of the financial period, Oy Ingman Finance Oy’s share out of all shares and votes of Incap Corporation decreased to 4.99% or to 5,441,725 shares. Also the share of Finnvera Oy, out of all shares and votes of Incap Corporation, decreased to 4.98% or 5,434,045 shares after the end of the financial period on 24 January 2014.

Risk management

The Risk Management Policy approved by the Incap Board classifies risks as risks connected to the operating environment, operational risks and damage and funding risks. Risk management at Incap is mainly focused on risks that threaten the company’s business objectives and continuity of operations. In order to improve its business opportunities, Incap is willing to take on managed risks within the scope of the Group’s risk management capabilities. Incap regularly reviews its insurance policies as part of its risk management system.

Short-term risks and factors of uncertainty concerning operations

The risks related to Incap’s business operations changed on 21 July 2013 when the company realised the comprehensive financing arrangement that had long been negotiated. The arrangement stabilised the company’s financial position.

General risks related to the company’s business operations and sector include the development of customer demand, price competition in contract manufacturing, ability to acquire new customers, availability and price development of raw material and components, sufficiency of funding, liquidity and exchange rate fluctuations. Of these, the most significant risks at the moment are the development of revenue and the sufficiency of funding.

To assess its liquidity, Incap has prepared a 12-month cash flow projection for the Group, based on its performance forecast for 2014 and the actual turnover of its sales receivables, accounts payable and inventories. Since the profit levels used in the calculations do not reflect the actual past development, there is an element of uncertainty associated with them.

Based on the cash flow estimate Incap does not have sufficient working capital for the company's needs for the forthcoming 12 months. The company estimates that the additionally needed working capital amounts to approximately EUR 1-1.5 million. The working capital is, however, sufficient for the forthcoming 12 months if the following provisions are met:

- the company succeeds in regaining the present customers' trust and is successful in new customer acquisition, and/or
- the company reaches the estimated profitability targets in the way that the company has sufficient means to cover the debt instalment of EUR 1.8 million by the end of 2014, and/or
- the financing negotiations with the bank succeed as planned so that the debt instalments are postponed, and/or
- the business operations in India develop favourably so that the subsidiary in India is able to pay off its accounts payable to the parent company, and
- the covenants for the bank loans are met or in case the covenants are not met, the bank does not use its right to call in the loans.

Incap's management is confident that the negotiations with the bank succeed and the cash flow of operations develops in the way that the company is able to meet its commitments. The company has implemented towards the end of 2013 a comprehensive Turnaround program, which was completed successfully after the end of the financial period in January 2014. After the implementation of the actions of the Turnaround program Incap is able to operate profitably in 2014 even with remarkably smaller manufacturing volumes than in 2013. The actions of the program are estimated to reflect in full in the profitability during the latter part of 2014.

During the first half of the year 2013 the equity of the Group's parent company was less than half of the share capital. The equity structure of the Group was improved by the comprehensive financing arrangement in July 2013. The loss of the parent company and the Estonian subsidiary in 2013 affects the Group's equity, which at the end of the financial period is EUR 0.7 million. The equity of the parent company on 31 December 2013 is EUR 10.8 million, i.e. 51% of the share capital.

The value of the shares of subsidiaries has an elementary impact on the parent company's equity and therefore also on the equity ratio. Based on the impairment testing carried out in connection with the financial statements the value of the Estonian subsidiary's shares in the parent company was decreased by EUR 4.0 million. Despite of the decrease in value, there is an element of uncertainty associated with the value of the subsidiary's shares due to its unprofitability in the past. The operations of the Indian subsidiary have developed favourably and there is no related risk involved in its value of shares.

Demand for Incap's services as well as the company's financial position are affected by global economic trends and economic trends among Incap's customer industries. In 2014, the business environment is estimated to develop steadily in the sectors where Incap and its customers operate, and the general economic development is not estimated to have any negative effect on the demand or the solvency of the company's customers.

The company's sales are spread over several customer sectors balancing out the impact of the economic fluctuation in different industrial sectors. In 2013, the biggest single customer's share of the Group revenue was 20%. The company's operating segment, contract manufacturing, is highly competitive, and there are major pressures on cost level management. In the challenging market situation the management of customer relationships is of special importance and management has paid special attention to this. The cost structure has been made more flexible by distributing production activities into several countries: Finland, Estonia and India. The focus of production activities is in countries where wage and general cost levels are competitive.

Events after the end of the financial period

Incap announced on 2 January 2014 that Inission AB did not exercise its option to combine the operations of Inission AB with Incap Corporation in line with the respective agreement. Therefore, the option is not valid anymore.

The Board of Directors of Incap Corporation evaluated on 24 January 2014 the efficiency of the actions in the Turnaround program, which was launched earlier in 2013. It was announced that the main objectives of the program were met: the delivery accuracy improved significantly, the operational efficiency was enhanced both in manufacturing units and in support functions, the group organisation was streamlined to cover only essential functions and the production capacity was adjusted to meet with the actual demand. The organisation structure was renewed and the manufacturing units now operate as self-sufficient profit centres having full responsibility of their own operations and sales.

According to the estimate of the Board of Directors, Incap is now after the implementation of the actions in the Turnaround program able to make a positive result in 2014 even with substantially lower manufacturing volumes than in 2013.

Even though Inission AB did not exercise its option to combine the operation of Incap and Inission by the end of 2013, it has indicated to the Board its continued interest on the merger. In this new situation the Board of Directors of Incap started evaluating strategic options for further development of the company’s business. For the assessment of eventual strategic alliances the Board of Incap had decided to engage an investment bank.

Strategy and objectives

In 2014 Incap will continue focusing on its core business: producing products to its customer with world-class quality and shipping them on-time. Incap will continue moving from a centralised to a decentralised organisation. The improved financial position will be stabilised by ensuring positive result and positive cash flow for the full year.

Demand in the strategic customer segments is expected to grow even though no quick turn upwards is anticipated. In addition to the existing customer base Incap will focus on profitable growing customers with products that are in the forefront of their respective business segment. Incap provides the full scope of EMS services, everything from product development to end of life-cycle service.

The company believes that the focus segments energy efficiency and well-being will grow more rapidly than economy in general. Many new growth companies have adopted the strategy of focusing on their core competence and outsourcing all production activities. For these companies, Incap is able to offer the entire production process or comprehensive product integration.

Being in charge of the complete supply chain with direct connections from component producers in Asia will become an even more important competitive edge in the future. By turning to a decentralised organisation there will be a full focus on getting the best possible logistic set up for each and every project. According to Incap’s way of thinking all of its customers are unique and therefore, Incap shall create a unique set-up for each and every customer. The target is not only to understand the customer but even the customers’ customer as only then Incap can do a really good job.

The competition in Incap’s industry is fierce and there are no low-hanging fruits. Incap will continue to enhance the efficiency of its operations. The organisation shall be smart and efficient in each and every step. Lean is the operational strategy. Big structural changes have been done, yet still everyday small improvements will make the difference over time.

In order to ensure the future growth of the company, Incap is also investigating business potential of eventual consolidation.

Outlook for 2014

Incap's estimates for future business development are based both on its customers' forecasts and on the company's own assessments. The demand of present customers of the company is expected to increase moderately from the level of 2013 especially in Europe.

Thanks to the improved efficiency gained in the Turnaround program the company's profitability is expected to improve in 2014 and the actions of the program are estimated to reflect in the result in full in the latter part of the year.

The company estimates that the Group's revenue in 2014 will be significantly smaller than in 2013 when the revenue amounted to EUR 36.8 million. The company estimates that the full-year operating result (EBIT) is positive. In 2013, the result was negative amounting to EUR -5.9 million.

Board of Directors' proposal on measures related to the result

The parent company's loss for the financial period totalled EUR 6,979,595.95. The Board will propose to the Annual General Meeting on 10 April 2014 that no dividend be paid and the result for the financial period be recognised in equity.

Annual General Meeting 2014

Incap Corporation's Annual General Meeting will take place on Wednesday, 10 April 2013 at 3:00 p.m. at BANK, Unioninkatu 20, 00130 Helsinki. Notice to the Annual General Meeting will be given on 20 March 2014 at the latest.

Publication of the financials for 2013

Incap Group's annual report and financials including the report of the Board of Directors and the Auditor's report for 2013 will be published during week 12 in the company's website www.incap.fi.

Change in reporting of the company

Instead of quarterly interim reports Incap will publish in 2014 the interim management statements and interim report for the six month periods of the year. The interim management statement for the period 1 January-15 May 2014 will be published on Thursday, 15 May 2014.

Helsinki, 25 February 2014

INCAP CORPORATION
Board of Directors

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The company's home page www.incap.fi

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INCAP IN BRIEF
Incap Corporation is an international contract manufacturer whose comprehensive services cover the entire life-cycle of electromechanical products from design and sourcing to actual manufacture and further to maintenance services. Incap's customers are leading suppliers of high-technology equipment in their own business segments, and Incap increases their competitiveness as a strategic partner. Incap has operations in Finland, Estonia, India and China. The Group's revenue in 2013 amounted to approximately EUR 36.8 million, and the company currently employs approximately 470 people. Incap's share has been listed on the NASDAQ OMX Helsinki Ltd since 1997. Additional information: www.incap.fi.

Annex 1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR thousands, unaudited)	**10-12/ 2013**	7-9/ 2013	4–6/ 2013	1–3/ 2013	10–12/ 2012	7–9/ 2012	4–6/ 2012	1–3/ 2012	**1-12/ 2013**	Change, %	1–12/ 2012
REVENUE	**8,014**	8,206	9,883	10,654	14,498	15,701	18,378	15,564	**36,757**	-43	64,141
Work performed by the enterprise and capitalised	**0**	0	0	0	0	0	0	0	**0**	0	0
Change in inventories of finished goods and work in progress	**-737**	-256	-97	-260	-323	-169	-327	176	**-1,349**	-109	-643
Other operating income	**15**	8	-12	51	49	136	134	85	**63**	-84	404
Raw materials and consumables used	**5,980**	4,120	5,617	7,112	9,968	10,978	12,568	10,801	**22,828**	-48	44,315
Personnel expenses	**2,936**	2,067	2,428	2,527	2,538	2,419	3,119	3,011	**9,957**	-10	11,087
Depreciation, amortisation and impairment losses	**95**	115	227	628	231	378	435	415	**1,065**	-58	1,460
Other operating expenses	**1,964**	1,987	1,917	1,611	2,114	1,612	2,051	1,944	**7,479**	3	7,721
OPERATING PROFIT/LOSS	**-3,681**	-331	-415	-1,432	-628	280	13	-345	**-5,859**	-760	-681
Financing income and expenses	**-74**	-1,000	-595	-439	-569	-156	339	-366	**-2,108**	-181	-751
PROFIT/LOSS BEFORE TAX	**-3,755**	-1,331	-1,010	-1,871	-1,197	124	352	-711	**-7,966**	-456	-1,432
Income tax expense	**-234**	-150	-162	-14	-3,418	-79	0	0	**-560**	-	-3,498
PROFIT/LOSS FOR THE PERIOD	**-3,989**	-1,481	-1,172	-1,885	-4,616	44	352	-711	**-8,527**	-73	-4,930
Earnings per share	**-0.06**	-0.03	-0.05	-0.09	-0.23	0.00	0.02	-0.04	**-0.14**	-	-0.25

OTHER COMPREHENSIVE INCOME	**10-12/ 2013**	7-9/ 2013	4–6/ 2013	1–3/ 2013	10–12/ 2012	7–9/ 2012	4–6/ 2012	1–3/ 2012	**1-12/ 2013**	Change, %	1–12/ 2012
PROFIT/LOSS FOR THE PERIOD	**-3,989**	-1,481	-1,172	-1,885	-4,616	44	352	-711	**-8,527**	-73	-4,930
OTHER COMPREHENSIVE INCOME: Items that may be recognised in profit or loss at a later date: Translation differences from foreign units	**43**	-190	-285	91	-129	63	-50	-2	**-341**	-189	-118
Other comprehensive income, net	**43**	-190	-285	91	-129	63	-50	-2	**-341**	-189	-118
TOTAL COMPREHENSIVE INCOME	**-3,946**	-1,671	-1,457	-1,793	-4,745	107	302	-712	**-8,867**	-76	-5,048
Attributable to:											
Shareholders of the parent company	**-3,946**	-1,671	-1,457	-1,793	-4,745	107	302	-712	**-8,867**	-76	-5,048
Non-controlling interest	**0**	0	0	0	0	0	0	0	**0**	0	0

Annex 2

CONSOLIDATED BALANCE SHEET (IFRS)

(EUR thousands, unaudited)	31 December 2013	Change, %	31 December 2012
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1,790	-31	2,578
Goodwill	866	-8	940
Other intangible assets	80	-55	178
Other financial assets	311	0	311
Deferred tax assets	0	-100	560
Other receivables	859	-100	0
TOTAL NON-CURRENT ASSETS	**3,906**	**-14**	**4,568**
CURRENT ASSETS			
Inventories	4,304	-54	9,352
Trade and other receivables	6,217	-51	12,815
Cash and cash equivalents	1 507	146	613
TOTAL CURRENT ASSETS	**12,028**	**-43**	**22,780**
Non-current assets held-for-sale	0	-100	1,936
TOTAL ASSETS	**15 934**	**-46**	**29,283**
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY			
Share capital	20 487	0	20,487
Share premium account	44	0	44
Reserve for invested unrestricted equity	17,471	263	4,818
Exchange differences	-1,258	-37	-917
Retained earnings	-36,057	-31	-27,440
TOTAL EQUITY	**687**	**123**	**-3,008**
NON-CURRENT LIABILITIES			
Deferred tax liabilities	0	0	0
Interest-bearing loans and borrowings	2,054	-18	2,492
NON-CURRENT LIABILITIES	**2,054**	**-18**	**2,492**
CURRENT LIABILITIES			
Trade and other payables	5,397	-54	11,841
Current interest-bearing loans and borrowings	7,797	-57	17,959
CURRENT LIABILITIES	**13,193**	**-56**	**29,800**
Liabilities relating to non-current assets held-for-sale			**0**
TOTAL EQUITY AND LIABILITIES	**15, 934**	**-46**	**29,283**

Annex 3

CONSOLIDATED CASH FLOW STATEMENT

(EUR thousands, unaudited)	1-12/2013	1–12/2012
Cash flow from operating activities		
Operating profit/loss	-5,858	-681
Adjustments to operating profit	3,581	728
Change in working capital	3,157	4,188
Interest paid and payments made	-1,195	-1,814
Interest received	14	27
Cash flow from operating activities	**-301**	**2,448**
Cash flow from investing activities		
Capital expenditure on tangible and intangible assets	-280	-124
Proceeds from sale of tangible and intangible assets	1,496	139
Other investments	0	-61
Loans granted	0	0
Sold shares of subsidiary	0	0
Repayments of loan assets	0	3
Cash flow from investing activities	**1,216**	**-43**
Cash flow from financing activities		
Proceeds from share issue	4,282	734
Drawdown of loans	2,044	1,819
Repayments of borrowings	-6,438	-4,201
Repayments of obligations under finance leases	-70	-594
Cash flow from financing activities	**-182**	**-2,242**
Change in cash and cash equivalents	733	163
Cash and cash equivalents at beginning of period	613	369
Effect of changes in exchange rates	177	99
Changes in fair value (cash and cash equivalents)	-16	-18
Cash and cash equivalents at end of period	**1,507**	**613**

Annex 4

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR thousands, unaudited)

	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences	Retained earnings	Total
Equity at 1 January 2013	20,487	44	4,818	-917	-27,440	-3,008
Total comprehensive income					-8,527	-8 527
Currency translation differences				-341	0	-341
Transactions with shareholders						
Directed share issue			9,703			9,703
Imputed financing cost for share issue			3,235			3,235
Transaction costs for equity	0	0	-286	0	0	-286
Other changes	0	0	0	0	-90	-90
Equity at 31 December 2013	20,487	44	17,471	-1,258	-36,057	686
Equity at 1 January 2012	20,487	44	4,084	-799	-22,506	1 311
Total comprehensive income					-4,930	-4,930
Currency translation differences				-118		-118
Share issue	0	0	759	0	0	759
Transaction costs for equity	0	0	-25	0	0	-25
Options and share-based compensation	0	0	0	0	-5	-5
Equity at 31 December 2012	20,487	44	4,818	-917	-27,440	- 3 008

Annex 5

GROUP KEY FIGURES AND CONTINGENT LIABILITIES	31 Dec 2013	31 Dec 2012
Revenue, EUR million	36.8	64.1
Operating profit/loss, EUR million	-5.9	-0.7
% of revenue	-16.0	-1.1
Profit/loss before taxes, EUR million	-8.0	-1.4
% of revenue	-22.0	-2.2
Return on investment (ROI), % 1)	-30.2	-12.6
Return on equity (ROE), % 2)	734.7	580.8
Equity ratio, %	4.3	-10.3
Gearing, %	1,215.3	-659.4
Net debt, EUR million	7.5	18.9
Net interest-bearing debt, EUR million	8.2	19.8
Quick ratio	0.6	0.5
Current ratio	0.9	0.8
Average number of shares during the review period, adjusted for share issues	60,117,106	20,067,042
Earnings per share (EPS), EUR	-0.14	-0.25
Equity per share, EUR	0.01	-0.14
Divident per share, EUR	0	0
Dividend out of profit, EUR	0	0
P/E ratio	-0.8	-0.8
Trend in share price		
Minimum price during the period, EUR	0.10	0.15
Maximum price during the period, EUR	0.25	0.65
Mean price during the period, EUR	0.14	0.30
Closing price at the end of the period, EUR	0.11	0.19
Total market capitalisation, EUR million	12.0	4.0
Trade volume, no. of shares	7,065,282	2,952,411
Trade volume, %	6.5	14.2
Investments, EUR million	0.3	0.1
% of revenue	0.0	0.2
Average number of employees	556	697
CONTINGENT LIABILITIES, EUR million		
FOR OWN LIABILITIES		
Mortgages and pledges	12,7	14.3
Off-balance sheet liabilities 3)	3,8	7.1
Nominal value of currency options, EUR thousand	0	0
Fair values of currency options, EUR thousand	0	0

1) In the calculation of return on investment, the financing costs include financing income of a total of EUR 3.2, which were subscribed in connection with the conversion of loans in line with the IFRIC19 and IAS 39/32 standards.
2) In the calculation of return on equity, the numerator and the denominator are negative.
3) The repurchase obligation of invoiced receivables has been added to off-balance sheet liabilities on 30 September 2012.

Annex 6

QUARTERLY KEY FIGURES (IFRS)

	10-12/ 2013	7-9/ 2013	4–6/ 2013	1–3/ 2013	10–12/ 2012	7–9/ 2012	4–6/ 2012	1–3/ 2012
Revenue, EUR million	8.0	8.2	9.9	10.7	14.5	15.7	18.4	15.6
Operating profit, EUR million	-3.8	-0.3	-0.4	-1.4	-0.6	0.3	0.0	-0.3
% of revenue	-47.5	-4.0	-4.2	-13.4	-4.3	1.8	0.1	-2.2
Profit before taxes, EUR million	-3.8	-1.3	-1.0	-1.9	-1.2	0.1	0.4	-0.7
% of revenue	-47.5	-16.2	-10.2	-17.6	-8.3	0.8	1.9	-4.6
Return on investment (ROI), %	-117.2	56.2	-12.1	-31.2	-73.2	3.3	17.8	-1.5
Return on equity (ROE), %	-590.0	-691.1	105.3	202.5	2,175.3	11.7	95	-297.7
Equity ratio, %	4.3	23.9	-25.8	-17.7	-10.3	4.9	4.3	1.6
Gearing, %	1,198.8	159.1	-266.1	-393.5	-659.4	1,205.2	1,372.9	4,103.2
Net debt, EUR million	7.5	5.7	16.5	18.7	18.9	18.9	20.3	23.2
Net interest-bearing debt, EUR million	8.2	7.5	15.7	17.5	19.8	20.8	22.7	24.6
Average number of shares during the review period, adjusted for share issues	60,117,106	43,605,321	22,264,948	21,980,504	20,067,042	19,804,494	19,276,512	18,680,880
Earnings per share (EPS), EUR	-0.14	-0.03	-0.05	-0.09	-0.23	0.00	0.02	-0.04
Equity per share, EUR	-0.41	0.04	-0.26	-0.20	-0.14	0.08	0.08	0.03
Investments, EUR million	0.15	0.05	0.1	0	0.1	0.0	0.1	0.0
% of revenue	1.88	0.59	0.9	0.4	0.3	-0.1	0.3	0.2
Average number of employees	518	563	556	590	652	698	710	727

Annex 7

CALCULATION OF KEY FIGURES

Return on investment, %	100 x (profit/loss for the period + financial expenses) / equity + interest-bearing financing loans
Return on equity, %	100 x profit/loss for the period / average equity during the financial period
Equity ratio, %	100 x equity / balance sheet total - advances received
Gearing, %	100 x interest-bearing net financing loans / equity
Net liabilities	liabilities - current assets
Quick ratio	current assets / short-term liabilities - short-term advances received
Current ratio	current assets + inventories / short-term liabilities
Earnings per share	net profit/loss for the period / average number of shares during the period, adjusted for share issues
Equity per share	equity / number of shares at the end of the period, adjusted for share issues
Capital expenditure	VAT-exclusive working capital acquisitions, without deduction of investment subsidies
Average number of employees	average of personnel numbers calculated at the end of each month
Total market capitalisation	closing price for the period x number of shares available for public trading