

CRAMO GROUP

COMMUNICATION OF PROGRESS 2014

EXCERPT FROM ANNUAL REPORT



The framework for our sustainability work, Cramo Care, is derived from UN Global Compact principles. It is important for us to base our own work on this kind of international and broadly approved platform.

Mr Vesa Koivula
President and CEO
Cramo Group

TOTAL RENTAL SOLUTIONS THROUGH THE CRAMO RENTAL CONCEPT

Cramo is a service company specialising in equipment rental services and the rental of modular space solutions. As a total solutions provider, we supply our customers everything from individual items to complete solutions for the largest projects, which gives us the opportunity to be involved in several sectors of society.

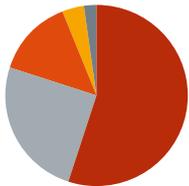
We serve the construction industry, manufacturers, other industrial sectors, the public sector and households with our leading-edge, sustainable rental solutions and our passion to make our customers' lives easier – a passion for a great day at work.

SITE HUTS

adaptable for various purposes and capacity needs.

OUR CUSTOMERS

We serve over 150,000 customers.



OUR SERVICE AREAS 2014 (2013)
% OF TOTAL SALES

- CONSTRUCTION INDUSTRY 55 (55)
- OTHER INDUSTRIES 25 (24)
- PUBLIC SECTOR 14 (15)
- HOUSEHOLDS 2 (3)
- OTHER 4 (4)

MODERN, COMPREHENSIVE FLEET OF CONSTRUCTION EQUIPMENT

for any type of assignments, from major road projects to small-scale jobs.

INDUSTRIAL PROJECTS

including infrastructure, offshore and mining.



ACCESS EQUIPMENT

with guaranteed safety when working at heights.



A WIDE RANGE OF RENTAL-RELATED SERVICES

including site services, customer support, safety-related services and equipment; and external training.



Easy access to the entire range of products and services through
THE CRAMO RENTAL DEPOT NETWORK.



C R A M O
ADAPTEO

MODULAR SPACE SOLUTIONS MATCHING THE STANDARDS OF PERMANENT STRUCTURES

from classrooms and daycares to high-tech offices and hospitals.

more than
200,000
rental items

over
150,000
customers

COMPREHENSIVE RANGE OF TOOLS

and complete package solutions in building equipment.



TAILOR-MADE RENTAL SOLUTIONS

from planning to clean-up as well as concepts and outsourcing.



WE ARE COMMITTED TO SUSTAINABLE BUSINESS

Our sustainability work focuses on measures that create sustainable value for all our stakeholders. Our customers' key concerns – energy efficiency, safety and environmental performance – are also our highest priorities.

CRAMO CARE



– The framework for our sustainability work, Cramo Care, is derived from UN Global Compact principles. It is important for us to base our own work on this kind of international and broadly approved platform.

Mr Vesa Koivula
President and CEO
Cramo Group

Our sustainability programme, Cramo Care, is the framework for coordinating and monitoring sustainability work at Cramo. The objective of Cramo Care is to be the leader in responsibility and customer care.

CREATING SUSTAINABLE VALUE

Our commitment to improve the sustainability of our operations and solutions enables us to help our customers to meet their sustainability goals.

Creating attractive working conditions and promoting personal development opportunities are the key elements in strengthening employee satisfaction and commitment.

We want to be a responsible corporate citizen as well, so we support the local communities we operate in.

We also take an active role in developing sustainability in the European rental industry.

SUSTAINABILITY WORK WITH A SOLID FRAMEWORK

Cramo's sustainability work is based on third-party assurance – via the UN Global Compact – as well as on our own efforts, which are carried out and measured on a systematic basis.

The Cramo Care sustainability programme demonstrates our commitment to sustainable profitability, which is achieved through the continuous improvements we make for our customers, employees, society and the environment. We continued the further roll-out of this programme in 2014.

Within the frame of the UN Global Compact and Cramo Care, we have established Group-wide policies. Our Code of Conduct shows our commitment to strong business ethics and provides concrete guidelines for how we do business.

CARING ABOUT OUR CUSTOMERS' SUSTAINABLE SUCCESS

We are committed to customer satisfaction. Our customers can trust that we do business in a credible way. Understanding our customers' needs and expectations steers the development of our leading-edge rental solutions, which meet the highest quality and sustainability standards.

CARING FOR COMMUNITIES LOCALLY

As part of Community Care, we support the communities we operate in. Since 2007, Cramo has cooperated with SOS Children's Villages, which provide a safe upbringing for children in extremely difficult situations. Our focus in 2013–2014 was on villages in the Baltic countries.



- Our mutual cooperation with Cramo started at the end of 2013. In 2014, we worked together on several important projects.



CRAMO'S HIGH STANDARD SUPPORTS CUSTOMERS' SUCCESS

- We have been very positively surprised by Cramo's active, flexible approach to meeting our requirements. Cramo has basically set a very high standard in the Czech Republic rental business. Their deliveries to our projects are processed very quickly after the order is submitted. Their reaction time is very beneficial to us, as are the condition and quality of their equipment. We appreciate the way Cramo handles unusual situations, which frequently arise in our industry.

Mr Zdeněk Žďárský
Senior Project Manager
VCES a.s.
Czech Republic

DOING GOOD BY HELPING YOUNG PEOPLE

In the summer of 2014, one of Cramo's Vilnius depots offered a summer job to 18-year-old Jonas, from SOS Children's Villages. He was assigned the task of assisting in the warehouse, where he helped with equipment: issuing it, handling returns, cleaning it and preparing it to be rented out again.

During his three months at Cramo, Jonas learned a lot about the equipment and the basic principles that apply in the work we do. He also attended a forklift truck operating course at Cramo School and received a driver's certificate.

The work experience helped Jonas to further integrate into society, obtain useful knowledge and develop an even deeper sense of responsibility.



Supporting children and youth is very important to Cramo, and we are pleased to see the positive impact of our efforts.

A WHISTLEBLOWER SERVICE SET UP FOR REPORTING MISCONDUCT

Strong business ethics are a priority for us. All our employees are encouraged to take action when there is an ethical concern or suspected misconduct. Employees can report their concerns anonymously through a whistleblower service. A Group-wide policy defines how we deal with the information received this way. In 2014 four cases of suspected misconduct were reported through the whistleblower service at Cramo.

IMPROVING ENVIRONMENTAL PERFORMANCE AND SAFETY

Energy-efficient, high quality customer solutions and occupational safety and occupational safety are key competitive advantages for us. They help our customers meet their own sustainability targets.



– Sustainable development, including economic, environmental and social responsibility, is one of the drivers of the development not just of Cramo but of the entire rental business.

Mr Anders Collman
Head of Cramo Care and Communication
Cramo Group

MEETING THE HIGHEST STANDARDS

Our quality, safety and environmental management systems, together with our Group-wide sustainability strategy, ensure that we meet high environmental and quality assurance standards and provide a safe workplace.

Quality management system certification requires continuous improvements in processes and quality management systems. Such improvements contribute to better service, fewer errors, higher productivity and enhanced occupational safety.

LEADING-EDGE ENVIRONMENTAL SOLUTIONS

Rental is inherently an environmentally sustainable industry, since sharing equipment reduces the need for natural resources and increases possibilities to optimise transport. At the same time, it gives our customers easy access to an up-to-date, modern equipment fleet that is best suited for each job.

Our long-term work with environmental issues enables us to offer our customers solutions that have leading-edge environmental features. We develop leading-edge solutions to

meet our customers' demand for energy efficiency. Energy efficiency also means decreased energy consumption, lower energy costs and reduced environmental impact.

PROVIDING FOR THE SAFETY OF OUR CUSTOMERS

Safety is another focus area for us and for our customers. We work hard to eliminate accidents with the help of preventive measures, advanced safety solutions and training.

Construction safety has improved remarkably in recent years. The range of safety and protection products offered by Cramo has increased to meet the growing demand. The Cramo Safety programme includes the rental of safety equipment, training and risk assessment.

CAREFULLY SELECTED SUPPLIERS

Cramo has a robust supplier selection system in place, and suppliers are evaluated on a continuous basis. This way we can ensure that our equipment fleet is up-to-date and meets the high quality, safety and environmental standards our customers are looking for.

CONTINUOUS IMPROVEMENTS



FOR THE ENVIRONMENT

We are also improving our own environmental performance throughout our operations. As a result, we are continuously learning more and more – and are thus able to develop leading-edge solutions that also benefit our customers.

The focus of our own environmental development work in 2014 was on energy efficiency, the use of renewable energy

and transport optimisation. Our priority for 2015 is to improve GRI reporting precision for the whole group.



All Cramo operations in Finland and Sweden have been certified in quality, environment and occupational health and safety. Operations in Denmark and Norway are certified in quality and environment.

Our green modular space solution can reduce greenhouse gas emissions significantly, in some cases

by up to **70%**



CRAMO NORWAY FIRST IN LINE ON ENVIRONMENTAL AWARENESS

Cramo Norway has been the first location to launch two hybrid excavators in its rental fleet. The third-generation Komatsu HB215LC-2 excavators emphasise environmental performance and highlight Cramo's environmental commitment. Despite their lower operating costs – they use 20% less diesel than conventional excavators

– and lower emission levels, there is no price premium in their rental price. Their CO₂ emissions are as much as 90% lower than those of conventional excavators. Taking into account the growing environmental requirements of our customers' clients as well, hybrid excavators provide a clear win-win solution for everyone.

FOCUS ON SAFE WORK METHODS

Cramo in Utena, Lithuania, arranges scaffolding training courses for customers and other external groups, such as students in vocational schools. During the training, participants can acquire valuable knowledge about scaffolding and its specifications, the erection procedure and safe working methods. Future scaffolding fitters are trained to organise work and take decisions in critical situations. All these topics are studied along with occupational safety and health training, which is an integral part of any vocational

training. Special attention is paid to practical training, and most training conditions correspond to actual working conditions.

– I would like to thank Cramo for the excellent scaffolding courses organised in Utena. The instruction material used is very clear and comprehensive. We also appreciate the opportunity to apply the theoretical knowledge in practice, work independently, and learn to understand and explore how scaffolding is assembled in detail, says Professional instructor Ramūnas Ivonis, Regional Vocational Education Centre of Utena.



EMPOWERING CRAMO PEOPLE TO DELIVER THE CRAMO STORY

By taking good care of its employees, Cramo creates attractive working conditions, offering a safe workplace and plenty of opportunities for professional and personal development. Implementation of the Cramo Story has further strengthened the commitment and team spirit of Cramo People.

– Competent, committed employees are the key to high customer satisfaction and realisation of our renewed strategy.

Mr Per Lundquist
Senior Vice President
Operations
Cramo Group

HEALTH AND SAFETY TOP PRIORITY

Our target is zero accidents in our workplaces. We work systematically with preventive measures and have an extensive range of safety training courses available to our personnel. Being aware of the different safety requirements and the proper use of safety equipment enables our employees to work effectively without putting their health and safety at risk.

COMMITMENT THROUGH COMPETENCE DEVELOPMENT

Cramo Development is our common framework for employee on-boarding, training and skills development. It is a way to systematically encourage the professional and personal development of our employees throughout their career in order to ensure a high degree of professionalism and efficiency at all levels. The skills and competences needed for each position are defined

within the Cramo Development framework.

Our training programmes – Cramo School and Cramo Academy – are closely aligned with our strategy. In 2014 the Cramo School e-learning sessions were made available to all Cramo employees in their own language.

Cramo Dialogue ensures that every employee has an annual review in order to establish personal development plans and goals.

Our Group-level employee survey is carried out in all operating countries every two years.

Employees are encouraged to become Cramo shareholders, and they are rewarded for contributing to Cramo’s common values and goals through the One Cramo Share Plan.

BECOMING A WINNING TEAM

Implementation of the Cramo Story was the main effort in-house in 2014. As an extensive programme to execute



KEY FIGURES	2014	2013	Change, %
Average number of employees (FTE)	2,528	2,463	2.6
Number of employees at end of period (FTE)	2,473	2,416	2.4
Total number of employees	2,556	2,528	1.1
permanently employed	2,479	2,427	2.1
temporarily employed	77	71	8.5
women	353	331	6.6
men	2,203	2,197	0.3
Personnel expenses/employee (EUR 1,000)	54.8	56.3	-2.7
Personnel expenses/sales, %	21.3	21.1	0.7
Sick leave days/FTE	9.2	7.1	28.9



our strategy, the Cramo Story involves everyone in the entire organisation. In-house training has been carried out in a variety of ways in all countries, including workshops, training sessions and group discussions in connection with national kick-offs or depot roadshows. Implementation has been further supported by teams of Cramo Story ambassadors and an e-learning tool that is available in all Cramo languages. The Cramo Story is seen as an opportunity to develop personally and professionally as well as become part of the winning team of Cramo People.

AVERAGE NUMBER OF EMPLOYEES 2014 (2013)



NUMBER OF WORK RELATED ACCIDENTS

	2014	2013
Finland	21	15
Sweden	20	28
Norway	2	1
Denmark	2	1
Germany	21	22

OUTSTANDING RESULTS THROUGH AN ENGAGING ROADSHOW

The Cramo Story has been successfully launched in Germany and Austria, with excellent results. Head of Human Resources and Administration Ms Anna Kiefer gives an example:

– We started off by arranging an engaging roadshow, supported by the Cramo Story Ambassador and the top management, at all the depots in Germany and Austria. Some 380 employees took part in the one-day event in November 2014.

The aim was to demonstrate the Cramo Story's uniqueness and concrete added value in as practical terms as possible, with a lot of examples, Q&A and discussion. The Happy Customer role game was also an important tool.

At Cramo in Feldkirchen near Munich, employee commitment and loyalty levels have visibly increased.

– We have become a genuine service organisation, not just towards our customers but also amongst ourselves. The corporate culture has become stronger and our ways of working even

more standardised. In a very short time, our organisation has become much more team-spirited, empathetic and service-oriented. These are outstanding results.

Recent customer feedback has been abundant and positive.

– Our customers feel that the new services and fresh approach are something they have not seen elsewhere. This is a great way to differentiate ourselves from the competition, Ms Anna Kiefer concludes.

A HARMONISED BUSINESS MODEL CREATING VALUE

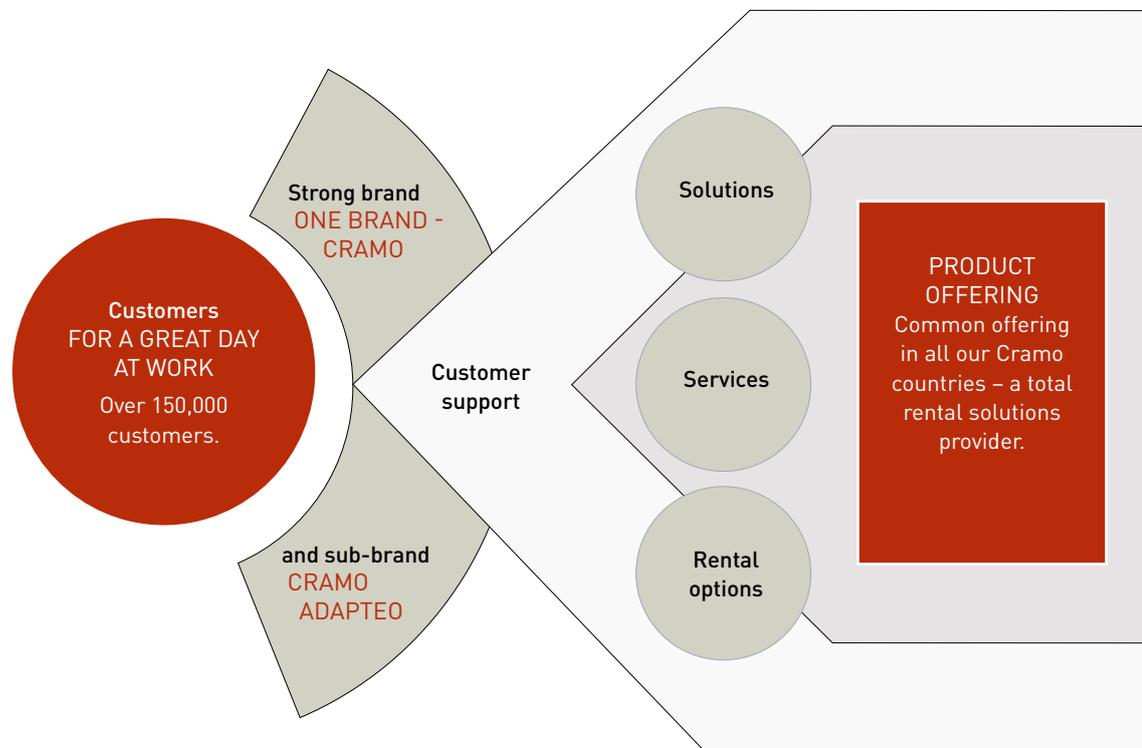
We offer cost-effective, sustainable and up-to-date solutions to meet a variety of equipment and modular space needs for our customers through our harmonised business model. By doing so, we also create value for our suppliers, employees and stakeholders as well as for the communities we operate in.

CRAMO RENTAL CONCEPT

RENTAL BENEFITS

By renting you can

- focus on your core business
- improve cost-effectiveness by sharing costs
- increase transparency in budgeting and control
- reduce or expand equipment flexibility to suit your needs
- turn fixed costs into variable costs
- improve access to modern, high quality products with high safety and environmental standards



FOR ALL YOUR RENTAL NEEDS

We provide easy access to a full range of modern, high quality products and services. We offer a wide range of services, creative solutions and outsourcing to complement rental. We are with you every step of the way, from planning to final clean-up. Our flexible, customer-specific solutions contribute to the success of our customers.

652

sales MEUR

**About
17,500**

modular space units for offices, daycare and accommodation.



CRAMO PERFORMANCE MANAGEMENT MODEL

Harmonised processes

EASY ACCESS
Efficient depot network.

OUR PEOPLE
Passionate rental professionals ready to exceed your expectations.

Optimised logistics

INNOVATION & DEVELOPMENT



- fair and just employment conditions
- personal development
- career opportunities
- work safety
- business relations based on strong ethics and trust
- stable value generation for shareholders
- financial expenses
- economic welfare through taxes, social security charges and pension expenses
- provider of environmentally sound solutions
- responsible corporate citizen
- strong business ethics

COMMITTED TO DEVELOPMENT

We keep an open mind and are thus able to continuously create new offerings to keep our customers ahead of the changing competition.

ALWAYS NEARBY

Our excellent service network together with reliable delivery ensures that the optimal rental solution for your needs is always within easy reach.

PASSIONATE RENTAL CHAMPIONS

Supporting our people to deliver on the Cramo Story, taking care of their well-being at work and providing them with good opportunities for personal development have helped us to create a winning team of passionate rental professionals ready to serve our customers in the best possible way.

329
depots at your service

2,528
employees serve you in 14 countries

A LEADER IN THE RENTAL BUSINESS

Cramo is one of the industry's leading service providers in equipment rental services and the rental of modular space solutions in the Nordic countries and in Central and Eastern Europe. More than 150,000 customers are served by 2,500 passionate rental professionals.

652

Sales, MEUR

73

EBITA, MEUR
before non-recurring items

11

EBITA margin, %

2,528

Average number
of employees

329

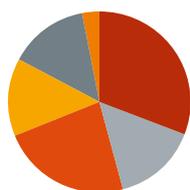
Number of depots

KEY FIGURES AND RATIOS

	2014	2013	CHANGE, %
Income statement			
Sales, MEUR	651.8	657.3	-0.8
EBITA before non-recurring items, MEUR ¹	73.2	80.5	-9.1
EBITA before non-recurring items, % ¹	11.2	12.2	
EBITA after non-recurring items, MEUR	70.3	79.9	-12.1
EBITA after non-recurring items, %	10.8	12.2	
Operating profit (EBIT), MEUR ¹	34.3	66.8	-48.6
Profit before tax (EBT), MEUR ¹	21.5	51.9	-58.6
Profit for the period, MEUR ¹	16.0	42.8	-62.6
Balance sheet			
Gearing, %	84.7	72.9	
Equity ratio, %	43.9	47.1	
Net interest-bearing liabilities, MEUR	385.4	364.8	5.6
Total assets, MEUR	1,047.7	1 074.7	-2.5
Shareholders' equity, MEUR	455.0	500.6	-9.1
Share-related and other information			
Average personnel	2,528	2 463	2.6
Number of depots	329	357	-7.8
Return on equity, %	3.4	8.3	
Return on investment, %	4.2	7.7	
Gross capital expenditure, MEUR	159.1	129.6	22.7
of which business combinations, MEUR	11.4	29.1	-60.9
Cash flow from operations, MEUR	118.3	160.3	-26.2
Cash flow after investments, MEUR	-6.5	50.3	
Earnings per share (EPS) before non-recurring items, undiluted, EUR ²	0.91	1.02	-10.6
Earnings per share (EPS) undiluted, EUR	0.37	1.01	-63.6
Earnings per share (EPS) diluted, EUR	0.36	1.00	-63.6
Dividend per share, EUR	0.55*	0.60	-8.3
Equity per share, EUR	10.40	11.56	-10.0
Market capitalisation, MEUR	528.5	665.3	-20.6

OUR PRODUCTS

We are a total solutions provider, with more than 200,000 rental items.³

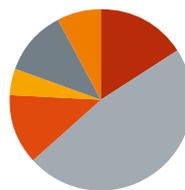


OUR OFFERING 2014 (2013)
% OF TOTAL SALES

TOOLS 31 (31)
CONSTRUCTION EQUIPMENT 15 (17)
ACCESS EQUIPMENT 23 (23)
MODULAR SPACE 14 (12)
SITE HUTS 14 (14)
OTHER 3 (2)

OUR PRESENCE

We have a network of 329 depots with 2,500 employees and we serve in 15 countries.⁴



OUR BUSINESS SEGMENTS 2014 (2013)
% OF TOTAL SALES

FINLAND 16 (15)
SWEDEN 48 (48)
NORWAY 13 (14)
DENMARK 5 (4)
CENTRAL EUROPE 12 (11)
EASTERN EUROPE 8 (8)

* Board proposal

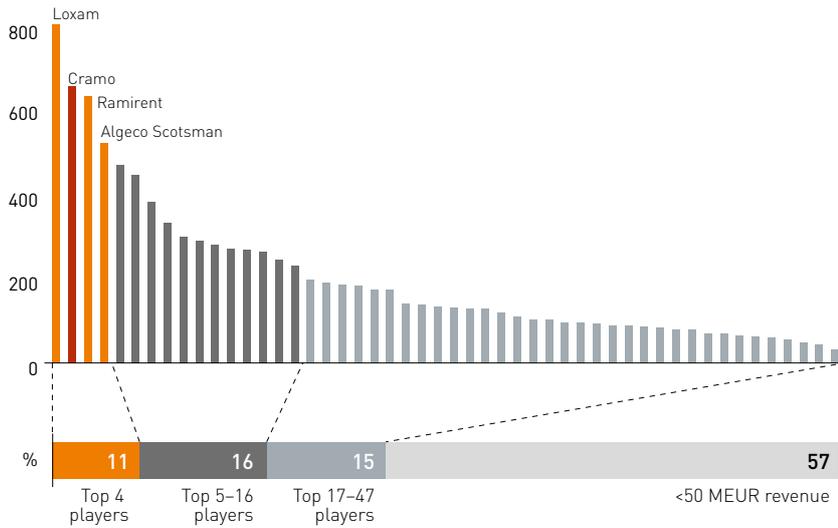
¹ Non-recurring costs included in EBITA amounted to EUR 2.9 million, of which EUR 2.2 million relating to Denmark and EUR 0.7 million to non-recurring costs at the Group level. In 2013 non-recurring costs included in EBITA amounted to EUR 0.6 million relating to Norway.

² Non-recurring costs included in the profit for the year amounted to EUR 23.6 million, of which EUR 2.2 million relating to Denmark, EUR 0.7 million to non-recurring costs at the Group level, EUR 25.5 million to an impairment on goodwill and intangible assets in Central Europe and EUR 4.8 million to tax income. In 2013 non-recurring costs included in the profit for the year amounted to EUR 0.6 million relating to Norway.

³ Sales generated from rental-related services have been allocated to product groups.

⁴ Own depots in 14 countries. We also operate in Ukraine through our joint venture.

RENTAL OPERATORS IN THE EUROPEAN EQUIPMENT RENTAL MARKET
REVENUE, MEUR 2013



OVERALL EUROPEAN MARKET 23 BEUR
TOTAL MARKET BREAKDOWN, %

#2

in equipment rental in Europe

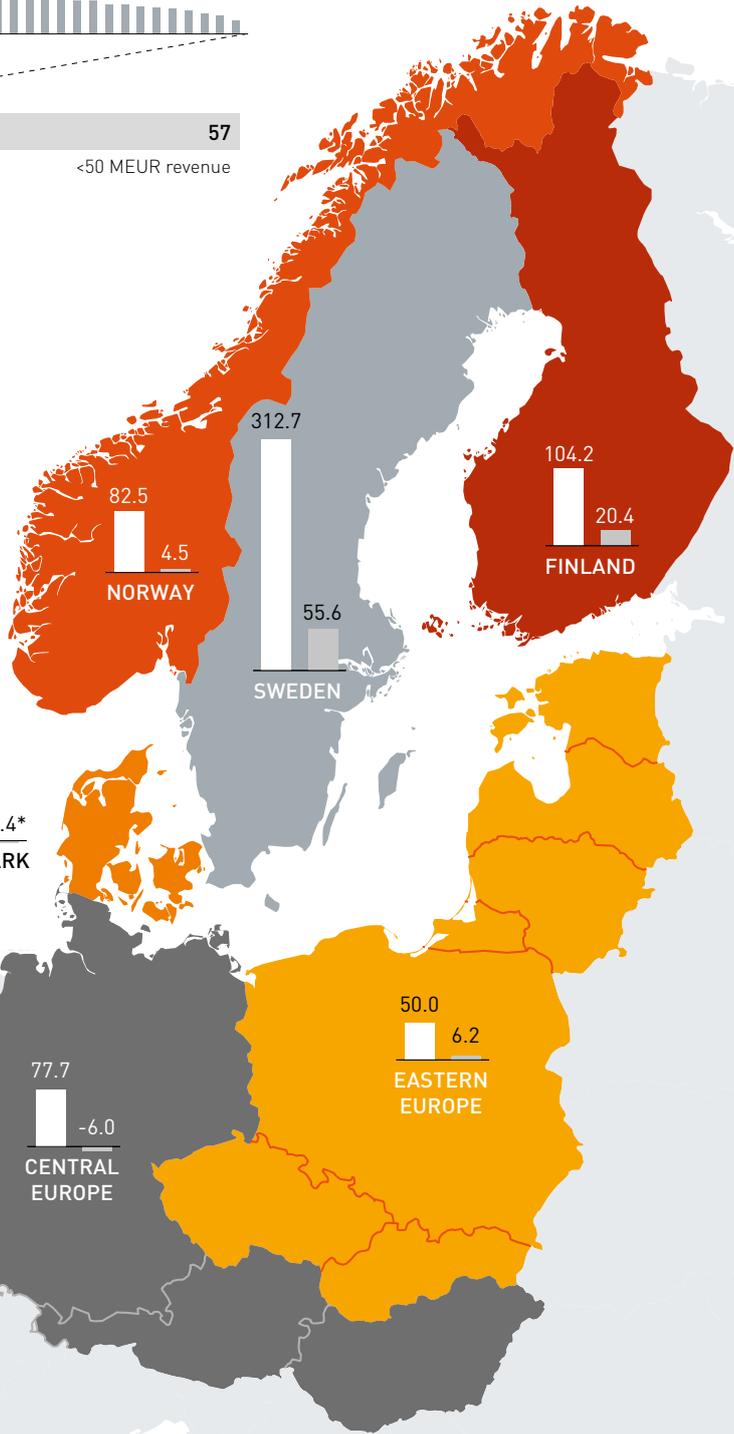
#1

player in modular space in the Nordic countries

SALES AND EBITA PER SEGMENT, MEUR

- Sales
- EBITA

29.5
-3.4*
DENMARK



* Comparable EBITA before non-recurring items was EUR -1.2 million.

We are committed to raising the standards of the rental business, and we do so in partnership with our customers. It's the promise we give our customers, and it will be based on the feedback they give us.

#1 WE ARE ALWAYS HELPFUL

Every Cramo country has its own Ombudsman. The Ombudsman is a neutral authority who is willing and able to solve any causes for dissatisfaction. Their job is to make our customers happy and help us to improve.

#2 WE ARE ALWAYS ON TIME

We understand your needs and timetables so well, that every delay is too much. One minute late or one hose short, we'll take responsibility – just to keep our service standards at least as high as your expectations.

#3 OUR EQUIPMENT NEVER FAILS

High quality equipment is the very core of our business. When equipment needs to be fixed or substituted, we'll do it faster than you could imagine!



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