

HALF-YEAR REPORT for 1 January – 30 June 2018: Q2 revenue up +3.2% in a soft market

Verkkokauppa.com Oyj – Half-year financial report (unaudited) 10 August 2018, 8:00 a.m.

1 April – 30 June 2018 in brief

- Revenue 102.2 million euros (4–6/2017: 99.0), growth of 3.2%
- Gross profit 14.6 million euros (14.4), growth of 2.0%
- Gross margin 14.3% of revenue (14.5%)
- EBITDA 0.7 million euros (2.6)
- EBITDA margin 0.7% (2.6%)
- Operating profit 0.4 million euros (2.3)
- Operating margin 0.4% of revenue (2.3%)
- Net profit 0.3 million euros (1.8)
- Earnings per share 0.01 euros (0.04)
- The Board of Directors has resolved to pay a quarterly dividend of 0.046 euros per share

KEY RATIOS	4-6/2018	4-6/2017*	Change%	1-6/2018	1-6/2017*	Change%	1-12/2017
Revenue, € thousands	102,214	99,014	3.2%	204,727	198,986	3%	431,804
Gross profit, € thousands	14,620	14,363	1.8%	30,951	28,112	10%	62,319
Gross margin, % of revenue	14.3%	14.5%		15.1%	14.1%		14.4%
EBITDA, € thousands	698	2,581	-73%	3,063	5,031	-39%	13,053
EBITDA, %	0.7%	2.6%		1.5%	2.5%		3.0%
Operating profit, € thousands	374	2,253	-83%	2,407	4,402	-45%	11,701
Operating margin, % of revenue	0.4%	2.3%		1.2%	2.2%		2.7%
Net profit, € thousands	286	1,799	-84%	1,919	3,347	-43%	9,782

* Comparable figures are adjusted according to company release 7 February 2018

1 January – 30 June 2018 in brief

- Revenue 205 million euros (1–6/2017: 199), growth of 2.9%
- Gross profit 31.0 million euros (28.1), growth of 10%
- Gross margin 15.1% of revenue (14.1%)
- EBITDA 3.1 million euros (5.0)
- EBITDA margin 1.5% (2.5%)
- Operating profit 2.4 million euros (4.4)
- Operating margin 1.2% of revenue (2.2%)
- Net profit 1.9 million euros (3.3)
- Earnings per share 0.04 euros (0.07)
- Verkkokauppa.com opened a new megastore in Raisio on March 8

BUSINESS OUTLOOK

Verkkokauppa.com Oyj's business operations are estimated to develop positively within a medium-term time frame. The management believes that the company will succeed in further growing its market share in chosen segments. The strong balance sheet enables the company to continue expanding its operations in accordance with its strategy. Nevertheless, the business outlook includes uncertainties, especially due to macroeconomic developments. The Finnish Ministry of Finance estimated on 18 June 2018 that the Finnish GDP will grow by 2.9% during 2018 and by 1.8% during 2019.

FINANCIAL GUIDANCE - Unchanged

Strong GDP growth in Finland and the opening of the new Raisio megastore are likely to contribute positively to Verkkokauppa.com's revenue. On the other hand, the company had unusually high wholesale volumes in H1/2017. The wholesale volumes in H1/2018 decreased significantly as expected compared to H1/2017. The Raisio store opening costs will mainly accrue in H1/2018. Thus, both sales growth and profitability will be clearly higher in the latter half of year 2018.

In 2018, the company's revenue is expected to be between 460–500 million euros (2017: 432 million euros) and comparable EBITDA to be between 11–14 million euros (13 million euros).

CEO PANU PORKKA'S REVIEW

Verkkokauppa.com's revenue grew by 3.2% in Q2, amounting to 102.2 million euros. The revenue growth was slightly higher than in Q1 (Q1/2018 2.5%), but still moderate and in line with expectations. The top line growth was burdened by the significantly lower wholesale revenue than in Q2/2017. Market remained tough, growing only by 2.2%, according to GfK. Verkkokauppa.com outgrew the market and gained market share in almost every product category.

The Q2 gross margin was 14.3% while EBITDA was just 0.7% of revenue. EBITDA was burdened by costs relating to opening of the megastore in Raisio and the lower gross margin resulting from promotional activities. The company expects costs to remain at a higher level throughout the year due to the continued support of the new megastore launch. The company continues to be prepared to invest in more aggressive campaigning to secure a faster top-line growth than the market.

Higher revenue growth and profitability are expected for H2, as wholesale revenue for the rest of the year is expected to be more in line with the previous year. The Raisio store and some additional campaigning is expected also to boost revenue in the latter half of the year.

The Grand Opening of Verkkokauppa.com's fourth megastore in Raisio ended on June 15. The opening was successful, and the company will continue investing in activities to secure market share growth in the Turku region throughout the year.

The business plan for 2018–2020 has been updated. The company will focus on customer experience, an omnichannel business model, and improved brand marketing. Investments in the in-store experience, web site and cost-saving technologies will continue in 2018 and the following years.

The new management team is now complete after Seppo Niemelä started as Marketing and Communications Director in August and Tommi Jylhä-Vuorio will start as Sales Director in August.

The company expects to continue to grow also in medium-term supported by positive consumer behaviour trends, GDP growth in Finland, and a strategy focused on future growth. The trend has been for several years that an estimated one per cent, or approximately 400 million euros of brick-and-mortar retail sales, goes online every year in Finland, with the current share of online sales being approximately 11–12%.

KEY RATIOS AND PERFORMANCE INDICATORS

	4-6/2018	4-6/2017*	1-6/2018	1-6/2017*	1-12/2017
Revenue, € thousands	102,214	99,014	204,727	198,986	431,804
Gross profit, € thousands	14,620	14,363	30,951	28,112	62,319
Gross margin, % of revenue	14.3%	14.5%	15.1%	14.1%	14.4%
EBITDA, € thousands	698	2,581	3,063	5,031	13,053
EBITDA, %	0.7%	2.6%	1.5%	2.5%	3.0%
Operating profit, € thousands	374	2,253	2,407	4,402	11,701
Operating margin, % of revenue	0.4%	2.3%	1.2%	2.2%	2.7%
Net profit, € thousands	286	1,799	1,919	3,347	9,782
Equity ratio, %	40.0%	44.8%	40.0%	44.8%	33.8%
Return on investment, % rolling 12 months	26.4%	43.3%	26.4%	43.3%	30.3%
Net gearing, %	-55.6%	-57.3%	-55.6%	-57.3%	-127.4%
Earnings per share (EPS) revised by share split, €	0.01	0.04	0.04	0.07	0.22
Earnings per share (EPS) revised by share split (diluted), €	0.01	0.04	0.04	0.07	0.22
Number of shares at end of period***	45,065,130	45,065,130	45,065,130	45,065,130	45,065,130
Average number of shares at end of period revised by share split***	45,065,130	45,065,130	45,065,130	45,065,130	45,065,130
Number of shares at end of period revised by share split***	45,065,130	45,065,130	45,065,130	45,065,130	45,065,130
Number of personnel* at end of period	687	592	687	592	633

*The number of personnel includes both full- and part-time employees.

** Comparable figures are adjusted according to company release 7 February 2018.

*** Includes treasury shares.

Verkkokauppa.com presents Alternative Performance Measures to reflect the underlying business performance and to enhance comparability between financial periods. In its reporting, Verkkokauppa.com uses terminology in accordance with the guidelines issued by the European Securities and Markets Authority (ESMA) concerning Alternative Performance Measures. Comparable performance measures exclude the income statement impact of certain non-operational items affecting comparability. Items affecting comparability are presented in the financial table section.

An item affecting comparability is an income or expense arising from non-recurring or rare events. Items affecting comparability are recognized in the profit and loss statement within the corresponding income or expense group.

REVENUE AND PROFITABILITY DEVELOPMENT

April–June 2018

In April–June, Verkkokauppa.com Oyj's revenue grew by 3.2% year on year. Revenue grew by 3.2 million euros, totalling 102.2 million euros (99.0). Revenue increased particularly in televisions, small domestic appliances (SDA), sports, major domestic appliances (MDA) and BBQ.

According to GfK, the demand for consumer electronics increased by 2.5% during April–June in Finland.

In the comparison period, a part of the sales increase was due to large wholesale volumes to customers who export the goods. This part of sales decreased year on year. The volume of these sales is typically difficult to estimate, and their profitability is low. However, these sales contribute to the company's purchasing volumes and thus improve the company's position in relation to its suppliers.

Personnel costs increased in April–June by 22.0% to 7.3 million euros (6.0). The increase resulted mainly from the growing number of personnel in stores and in support functions (customer service and administration). During the second quarter, other operating expenses increased by 0.9 million euros to 6.7 million euros (5.8). The increase resulted mainly from the launch of the new store in Raisio.

Raisio store has gained market share. The store opening costs have been slightly higher than expected.

Operating profit in April–June 2018 was 0.4 million euros (2.3) and net profit 0.3 million euros (1.8).

Earnings per share were 0.01 euros (0.04).

January–June 2018

In January–June, Verkkokauppa.com Oyj's revenue grew by 2.9% year on year. Revenue grew by 5.7 million euros, totalling 204.7 million euros (199.0). Revenue increased particularly in televisions, small domestic appliances (SDA), major domestic appliances (MDA), Audio & Hi-Fi and sports.

According to GfK, the demand for consumer electronics increased by 2.2% during January–June in Finland.

In the comparison period, a part of the sales increase was due to large wholesale volumes to customers who export the goods. This part of sales decreased year on year. The volume of these sales is typically difficult to estimate, and their profitability is low. However, these sales contribute to the company's purchasing volumes and thus improve the company's position in relation to its suppliers.

On 8 March 2018 Verkkokauppa.com opened a new megastore in Raisio. It is the company's fourth megastore. The Raisio store has generated slightly higher costs than expected.

Personnel costs increased in January–June by 19.0% to 14.4 million euros (12.1). The increase resulted mainly from the growing number of personnel in stores and in support functions (customer service and administration). During the first half of the year, other operating expenses increased by 2.6 million euros to 13.6 million euros (11.0). The increase resulted mainly from the launch of the new store in Raisio and the increase in company's own customer finance, Apuraha, portfolio. The portfolio growth increased the credit loss provision.

Operating profit in January–June 2018 was 2.4 million euros (4.4) and net profit 1.9 million euros (3.3).

Earnings per share were 0.04 euros (0.07).

FINANCE AND INVESTMENTS

Operating cash flow was -25.3 million euros (-14.2) in January–June 2018. In the reporting period, the negative impact of the operating cash flow mainly resulted from a decrease in accounts payables.

Ordinary seasonal fluctuations are reflected in cash and cash equivalents, cash flow and accounts payable, which usually reach the highest point at year-end and the lowest point at the end of the second quarter. Verkkokauppa.com's practice has been to utilize the maximum amount of cash discounts in the current interest rate environment.

During the reporting period, the company invested in the development of new ERP features, which resulted in the capitalization of 0.2 million euros in the IT department's salary expenses and external technology consulting fees. The company also invested in ordinary store equipment and furniture. Net capital expenditures were 0.8 million euros (1.0) in January–June 2018.

On 30 June 2018, Verkkokauppa.com had a revolving credit facility of 15 million euros, which had not been utilized.

FINANCIAL TARGETS

The company targets an annual revenue growth of 10–20% in the medium term. The company's medium-term objective is a growing EBITDA and an EBITDA margin of 3–5%. The company's dividend policy is to pay out a quarterly growing dividend.

SHARES AND SHARE TRADING

The total number of shares in the company was 45,065,130 on 30 June 2018, including the treasury shares.

Over the reporting period 2,525,575 shares were exchanged on the NASDAQ OMX First North Finland market, representing 5.6% of all shares in the company. The highest share price was 8.09 euros and the lowest 4.95 euros. The average price in share trading was 6.22 euros. The total of the share trading was 15.7 million euros. The closing price was 6.03 euros, and the market value of all shares was 271 million euros at the end of the period.

At 30 June 2018 the company held 82,500 own shares as treasury shares. These treasury shares accounted for 0.18% of the number of shares. The Company cannot vote with own shares held by it as treasury shares and no dividend is paid on them.

The Board holds a valid authorization to issue a maximum of 4,506,513 shares on a share issue by one or several decisions (share issue authorization of 2018). The Board has not utilized its share issue authorization.

PERSONNEL AND MANAGEMENT

During the reporting period, the number of employees increased by 95, and the total number of employees was 687 (592) at the end of June 2018. The number of employees includes both full- and part-time employees.

Verkkokauppa.com Oyj's new CEO Panu Porkka assumed his duties as the CEO on 22 March 2018.

On 3 April 2018 the company appointed Tommi Jylhä-Vuorio as Sales Director and Seppo Niemelä as Marketing and Communications Director. Niemelä started in his role on 6 August 2018, and Jylhä-Vuorio will start in his on 13 August 2018. As a result of the appointments, the Company also established an Extended Management Team, to which Services Director Timo Halonen, Web Sales Director Esa Hjerppe, and Sales Director, Retail Stores, Markus Pätilä joined from the current Management Team.

Verkkokauppa.com Oyj's Management Team:

- Panu Porkka, CEO
- Jussi Tallgren, CFO
- Henrik Weckström, CTO
- Miika Heinonen, Logistics Director
- Vesa Järveläinen, Purchasing Director
- Seppo Niemelä, Marketing and Communications Director, started on 6 August 2018
- Tommi Jylhä-Vuorio, Sales Director, will start on 13 August 2018

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- Panu Porkka, CEO
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- Seppo Niemelä, Marketing and Communications Director, started 6 August 2018
- Tommi Jylhä-Vuorio, Sales Director, will start at 13 August 2018
- Timo Halonen, Services Director
- Esa Hjerpe, Web Sales Director
- Markus Pätilä, Sales Director, Retail Stores

RISKS AND UNCERTAINTIES

Verkkokauppa.com Oyj's risks and uncertainties reflect the market and general economic trends, for example, demand for consumer electronics, wholesale trade business, the business environment and competition. The company's business operations are also influenced by risks and uncertainties relating to, for example, business strategy, investments, procurement and logistics, information technology, and other operative aspects of the business. The aforementioned risks and uncertainties may affect the company's operations, financial position and performance both positively and negatively. Risks and uncertainties have been presented in more detail in the Annual Report 2017.

LITIGATION AND DISPUTES

Verkkokauppa.com has no open litigation issues nor any significant disputes.

ANNUAL GENERAL MEETING 2018

The Annual General Meeting was held in Helsinki on 21 March 2018. The financial statements for the year 2017 were approved and the Board Members and the CEO were discharged from liability with respect to financial year 2017. It was resolved to pay a dividend of 0.044 euros per share, totalling 1,982,865.72 euros.

The Annual General Meeting authorized the Board of Directors to decide in its discretion on the distribution of dividends as follows:

The total amount of the dividend distribution based on this authorization shall not exceed EUR 0.138 per share (the instalments may differ from each other), in total not exceeding EUR 6,218,987.94. The authorization is valid until the opening of the next Annual General Meeting.

Unless the Board of Directors decides otherwise, the authorization will be used to distribute dividend three times during the period of validity of the authorization and the payment dates of the dividends will be on 16 May 2018, 21 August 2018 and 6 November 2018. The Board of Directors will decide on the record date in connection with each dividend payment decision and the company will make separate announcements of Board resolutions. Before the Board of Directors implements the resolution regarding the distribution of dividend, it must assess, from the viewpoint of Company's solvency and/or financial position, whether the requirements in the Finnish Companies Act for dividend distribution are fulfilled.

At the Annual General Meeting held on 21 March 2018, all Board Members were elected until the end of the next Annual General Meeting. Christoffer Häggblom, Robert Burén, Mikael Hagman, Kai Seikku, Arja Talma and Samuli Seppälä were elected as members of the Board of Directors. The Board elected Christoffer Häggblom as the Chairman of the Board. Panu Porkka is the company's Chief Executive Officer since 22 March 2018.

The Authorized Public Accountant PricewaterhouseCoopers Oy was re-elected as the auditor, who has notified the company that Authorized Public Accountant Ylva Eriksson will be acting as the Principal Auditor.

After the Annual General Meeting Verkkokauppa.com Oyj Board of Directors held an organizational meeting, where it resolved on the Board committees. It decided to continue with the following board committees: Audit Committee, Nomination and Remuneration Committee and Strategy Committee. The Audit Committee consists of Board Members Kai Seikku (Chairman), Samuli Seppälä, Arja Talma and Christoffer Häggblom. The Nomination and

Remuneration Committee consists of Board Members Christoffer Häggblom (Chairman), Samuli Seppälä and Kai Seikku. The Strategy Committee consists of Board Members Samuli Seppälä (Chairman), Christoffer Häggblom, Robert Burén and Mikael Hagman.

DIVIDEND

Annual General Meeting 2018 resolved to pay 0.044 euros (1,982,865.72 euros in total) per share as dividend. The record date for the dividend distribution was 23 March 2018 and the dividend payment date was 3 April 2018.

Verkkokauppa.com's Annual General Meeting authorized the Board of Directors to decide in its discretion on the distribution of dividends not exceeding 0.138 euro per share to be paid in three instalments during 2018.

The Board has resolved 4 May 2018 to pay dividend of 0.045 euros per share (2,027,930.85 euros in total). The record date for the dividend distribution was 8 May 2018 and the dividend payment date was 16 May 2018.

OTHER EVENTS DURING THE REPORTING PERIOD

On 16 January 2018, Verkkokauppa.com gave preliminary information on company's revenue and comparable operating profit in 2017.

On 27 January 2018 Verkkokauppa.com ended its co-operation with customer loyalty programme PINS.

On 9 May 2018 Verkkokauppa.com started to acquire the company's own shares and ended the process on 8 June 2018. The company acquired a total of 82,500 own shares for an average price per share of EUR 6.05.

On 16 May 2018 Verkkokauppa.com resolved on a long-term incentive plan for key employees.

SUBSEQUENT EVENTS

The Board has resolved 10 August 2018 to pay a dividend of 0.046 euros per share (2,072,995.98 euros in total). The record date for the dividend distribution is 14 August 2018 and the dividend payment date is 21 August 2018.

There are no other subsequent events that differ from usual business events, after the reporting period.

PRESS CONFERENCES

A press conference for analysts, investors and media will be held in Finnish at the Jätkäsaari premises in Helsinki at Tyynenmerenkatu 11, 6th floor, at 10:00 a.m. (EET) on Friday, 10 August 2018, in which Verkkokauppa.com Oyj's CEO Panu Porkka will present the developments in the reporting period.

A press conference in English will be held by LiveStream webcast on Friday, 10 August 2018 at 11:00 a.m. (EET). Questions can be sent beforehand or during the presentation via e-mail to investors@verkkokauppa.com.

Presentation materials for both events are available at www.verkkokauppa.com in the section Investors > Presentations. For both press conferences, a LiveStream is available at www.verklive.com.

COMPANY RELEASES IN 2018

Verkkokauppa.com Oyj will publish its financial reports as follows:

- Interim report January – September on Friday 26 October 2018

Helsinki, Finland, 10 August 2018

Verkkokauppa.com Oyj

Board of Directors

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FINANCIAL INFORMATION

The financial statements release has been prepared in accordance with Finnish Accounting Standards and local legislation, and in compliance with the accounting principles in the financial statements of 31 December 2017. The quarterly report has not been audited. The financial statements are audited at year-end.

Numbers presented in the quarterly report have been rounded and therefore columns or rows do not necessarily add up to the total amounts presented.

INCOME STATEMENT

€ thousands	4-6/2018	4-6/2017*	Change%	1-6/2018	1-6/2017*	Change%	1-12/2017
REVENUE	102,214	99,014	3.2%	204,727	198,986	2.9%	431,804
Other income	73	19	272.6%	93	39	137.9%	81
Cost of goods and services	-87,593	-84,652	3.5%	-173,776	-170,874	1.7%	-369,485
Personnel expenses	-7,292	-5,979	22.0%	-14,379	-12,084	19.0%	-25,042
Depreciation and amortization	-325	-328	-1.0%	-656	-630	4.3%	-1,352
Other operating expenses	-6,702	-5,822	15.1%	-13,602	-11,036	23.2%	-24,305
OPERATING PROFIT	374	2,253	-83.4%	2,407	4,402	-45.3%	11,701
Financial income and expenses	-11	18	-160.3%	-20	42	-148.7%	383
PROFIT BEFORE APPROPRIATIONS AND TAXES	363	2,271	-84.0%	2,387	4,443	-46.3%	12,084
Appropriations	0	0		0	0		28
Income taxes	-77	-473	-83.8%	-467	-1,096	-57.3%	-2,330
NET PROFIT	286	1,799	-84.1%	1,919	3,347	-42.7%	9,782

* Comparable figures are adjusted according to company release 7 February 2018

BALANCE SHEET

€ thousands	30.6.2018	30.6.2017*	31.12.2017
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	884	1,144	970
Tangible assets	2,146	1,771	1,976
Investments	316	282	316
NON-CURRENT ASSETS TOTAL	3,346	3,196	3,263
CURRENT ASSETS			
Inventories	53,556	47,677	47,689
Receivables			
Non-current receivables	1,965	501	1,476
Trade receivables	1,528	282	1,039
Other receivables	437	219	437
Current receivables	18,488	14,888	19,571
Trade receivables	11,481	7,484	11,396
Other receivables	724	848	1,242
Receivables carried forward	6,283	6,556	6,933
Cash and cash equivalents	21,302	21,929	51,878
CURRENT ASSETS TOTAL	95,311	84,995	120,614
TOTAL ASSETS	98,657	88,192	123,877
LIABILITIES			
EQUITY			
Shareholders' capital			
Share capital	100	100	100
Other funds			
Invested non-restricted equity fund	25,493	25,493	25,493
Retained earnings	10,747	9,305	5,475
Profit (loss) for the period	1,919	3,347	9,782
EQUITY TOTAL	38,259	38,246	40,850
Depreciation reserve	47	75	47
Provisions	588	810	637
LIABILITIES			
Current liabilities total	59,764	49,061	82,343
Advances received	2,885	2,720	3,282
Accounts payables	41,868	31,082	63,149
Other liabilities	3,910	2,264	3,945
Accrued expenses	11,101	12,995	11,966
LIABILITIES TOTAL	59,764	49,061	82,343
TOTAL LIABILITIES	98,657	88,192	123,877

* Comparable figures are adjusted according to company release 7 February 2018

CASH FLOW

€ thousands	1-6/2018	1-6/2017*	2017
Cash flow from operating activities			
Profit before appropriations and taxes	2,387	4,443	12,084
Depreciation and amortization	656	630	1,352
Gains/losses on sales or disposals of tangible and intangible assets	0	47	57
Change in provisions	-49	0	-173
Interest paid and received	20	-42	-383
Non-current receivables, increase (-), decrease (+)	-489	-149	-1,124
Current receivables, increase (-), decrease (+)	1,838	-1,958	-6,527
Inventory increase (-), decrease (+)	-5,867	-3,633	-3,645
Non-interest-bearing debt, increase (+), decrease (-)	-22,329	-11,828	21,866
NET CASH FROM OPERATING ACTIVITIES BEFORE FINANCING AND TAXES	-23,834	-12,490	23,507
Interest paid and other operational financial expenses	-26	-20	-51
Interest received from operations	5	61	123
Taxes paid	-1,435	-1,760	-3,521
NET CASH FLOW FROM OPERATING ACTIVITIES	-25,289	-14,208	20,058
Investments			
Intangible and tangible investments	-777	-972	-1,737
Other investments	0	-30	-297
Sales of other investments	0	0	543
NET CASH FLOW FROM INVESTMENTS	-777	-1,003	-1,490
Acquisition of own shares	-499	0	0
Dividends paid	-4,011	-4,552	-8,382
NET CASH FLOW FROM FINANCING ACTIVITIES	-4,510	-4,552	-8,382
NET INCREASE (+) / DECREASE (-) IN CASH AND CASH EQUIVALENTS	-30,576	-19,763	10,186
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	51,878	41,692	41,692
CASH AND CASH EQUIVALENTS AT THE PERIOD END	21,302	21,929	51,878

* Comparable figures are adjusted according to company release 7 February 2018

STATEMENT OF EQUITY CHANGES

€, thousand	Share capital	Invested unrestricted equity fund	Retained earnings	Profit (loss) for the period	Total
EQUITY 1.1.2018	100	25,493	15,257	0	40,850
Dividends	0	0	-4,011	0	-4,011
Purchase of own shares	0	0	-499	0	-499
Profit (loss) of the period	0	0	0	1,919	1,919
EQUITY 30.6.2018	100	25,493	10,747	1,919	38,259
EQUITY 1.1.2017	100	25,493	13,857	0	39,450
Dividends	0	0	-4,552	0	-4,552
Profit (loss) of the period	0	0	0	3,347	3,347
EQUITY 30.6.2017*	100	25,493	9,305	3,347	38,246
EQUITY 1.1.2017	100	25,493	13,857	0	39,450
Dividends	0	0	-8,382	0	-8,382
Profit (loss) of the period	0	0	0	9,782	9,782
EQUITY 31.12.2017	100	25,493	5,475	9,782	40,850

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CALCULATION PRINCIPLES FOR THE COMPANY'S KEY RATIOS

- 1) Fixed costs = Personnel expenses + other operating expenses
- 2) Fixed costs, % = (Personnel expenses + other operating expenses) / Revenue x 100
- 3) Gross profit = Revenue – Cost of goods and services
- 4) Gross margin, % = (Revenue – Cost of goods and services) / Revenue x 100
- 5) EBITDA = Operating profit before depreciation
- 6) EBITDA, % = Operating profit before depreciation / Revenue x 100
- 7) Operating margin, % = Operating result / Revenue x 100
- 8) Comparable operating margin, % = Comparable operating result / Revenue x 100
- 9) Equity ratio = (Equity + depreciation difference x (1 – tax rate)) / (Total sum of the balance sheet – advances received) x 100
- 10) Return on capital employed (ROCE), rolling 12 months, % = (Net profit + financial expenses + taxes) / (Average equity + interest-bearing debt) x 100
- 11) Net gearing, % = (Interest-bearing debt – cash and cash equivalents – interest-bearing receivables) / Equity x 100
- 12) Earnings per share = Profit for the financial period / Monthly average number of shares adjusted by share issues
- 13) Comparable earnings per share = Comparable profit for the financial period / Monthly average number of shares adjusted by share issues
- 14) Earnings per share (diluted) = Profit for the financial period / Monthly average number of shares adjusted by share issues + number of shares according to subscription rights
- 15) Comparable earnings per share (diluted) = Comparable profit for the financial period / Monthly average number of shares adjusted by share issues + number of shares according to subscription rights
- 16) Average number of shares at end of the period revised by share split = Monthly average number of shares at the end of the period revised by share split
- 17) Number of employees at the end of the period = Average number of employees on the last week of the period