Financial Statements 2008

Nurminen Logistics

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Until 31 December 2007, Nurminen Logistics Plc was called Kasola Plc. The company sold its old operations (the "Kasola operations") in a transaction executed on 23 November 2007. Correspondingly, the company received its current operations (the "Nurminen Logistics operations") on 1 January 2008. These arrangements were described in more detail in earlier stock exchange releases and the registration document and securities note published by Kasola Plc on 7 December 2007.

The comparative figures presented in the first section of this interim report are 2007 carve-out financial information of Nurminen Logistics operations demerged from John Nurminen Ltd. Whenever comparative carve-out figures are not available they are not presented. The comparable data of share price development refers to Kasola Plc.

# The Board's report on operations

**Market share was strengthened**

Nurminen Logistics strengthened its market share over the past year. The company's market share in railway exports to Russia and other CIS countries is significant. The company maintained its strong position in the special and heavy transport market. The company achieved the financial objectives set for net sales and profitability.

The market situation for Nurminen Cargo business unit was mainly positive during the year. Overall the first half of the year went according to expectations, and the demand situation remained excellent in third quarter. However, during fourth quarter the global economic crisis had a clear effect on demand. The fourth quarter volumes were lower than anticipated as companies attempted to reduce their inventory levels, and the normal year-end volume decline was unusually strong.

Due to the changes in wood markets Nurminen Logistics wound down its wood operations as stated in its strategy. Operations in wood terminals in Russia ceased during the financial year. A significant portion of the company's stanchion wagons have been modified or are in the process of being modified into flat wagons.

The volumes of the Nurminen Heavy business unit vary with the rhythm of the deliveries of mechanical engineering industry. The decline of the demand situation caused a drop in Nurminen Heavy's volumes in fourth quarter.

Uncertainty in economy is at an exceptionally high level, and it is not possible to estimate the scale and duration of the current financial crisis. The decline in the volume of economy and foreign trade will also affect the outlook for Nurminen Logistics.

Russian economy is forecasted to have no growth or to slightly decline during 2009. These forecasts are sensitive to oil price development. Russian government's own forecast for the economic growth is -2.2%. Russian imports have grown very strongly in recent years. Import growth will end and may even turn into decline. On the other hand, weakening of rouble will improve the competitiveness of Russian export industries, which will create opportunities for logistics service providers like Nurminen Logistics.

**Growth of net sales and profit met the company objectives during the review period despite the weakening of the market situation in the end of the year**

The net sales for the review period amounted to EUR 89.4 (2007: 81.7) million. Compared to the corresponding period last year the increase of the net sales was 9.4%. Reported operating profit was EUR 5,542 (4,527) thousand. The increase was 22.4%. Operating profit includes non-recurring profits of EUR 403 thousand (0) and non-recurring costs of EUR 81 (0) thousand. Therefore comparative operating profit was EUR 5,220 thousand and increased 15.3% compared to the corresponding period last year. More key figures concerning the financial position and profitability can be found in the financial statements on page 42.

The net sales of the continuing operations amounted to EUR 81.8 (2007: 75.0) million. Compared to the corresponding period last year the increase of the net sales was 9.1%. Operating profit of the continuing operations was EUR 4,638 (3,746) thousand. The increase was 23.8%. Operating profit includes non-recurring profits of EUR 403 thousand (0) and non-recurring costs of EUR 81 (0) thousand. Therefore comparative operating profit was EUR 4,316 thousand and increased 15.2% compared to the corresponding period last year.

Non-recurring asset sale profits resulted in fourth quarter (EUR 217 thousand) when company divested its Nurminen Care segment and in first quarter (EUR 186 thousand) from other shareholders redeeming Nurminen Logistics Plc's shares in Turku Stevedoring Oy. Non-recurring costs were related to the winding-up of Moscow air cargo business during the first quarter. The winding-up was published in stock exchange release by Kasola Plc on 28 December 2007. The two last-mentioned non-recurring items are included in continuing operations.

Nurminen Cargo's net sales for the review period amounted to EUR 71.2 (65.6) million. The strong demand situation of third quarter continued until beginning of November. After that the slowing down of world economy and Russian foreign trade weakened Nurminen Cargo's volumes significantly. As a whole net sales developed as expected during the review period. Operating profit developed as expected and amounted to EUR 4,263 (2,819) thousand.

Nurminen Heavy's net sales for the review period increased to EUR 10.7 (9.5) million. After strong second and third quarter the growth rate of net sales weakened during the fourth quarter as expected. Operating profit was EUR 1,139 (927) thousand. Both net sales and operating profit developed as expected during the review period.

Nurminen Care segment divestiture was completed on 27 October 2008 and it is part of the group's financial information until 31 October 2008. Net sales for the review period amounted to EUR 7.6 (6.7; comparative figure 12 months) million. Its net sales increased as a result of the acquisitions and successful tenders in 2007 and in 2008. The growth was slightly weaker than expected due to lower than expected order volumes. Nurminen Care's operating profit was EUR 140 (781) thousand. Operating profit was weaker than anticipated due to clearly higher than average fleet repair costs and start-up costs related to new business locations.

**Financial position and balance sheet**

Company's financial position has remained stable after the transaction which was closed on 1 January 2008.

Company's cash flow from operations was EUR -752 thousand. It was burdened by EUR 2.7 million increase in Russian VAT receivables, which are related to wagon investments. Cash flow from investments was EUR 2,162 thousand. The positive cash flow from investments is caused by reverse takeover. Cash flow from financing activities amounted to EUR -169 thousand. At the end of the period, cash and cash equivalents amounted to EUR 4,204 thousand. Liquidity was good throughout the review period.

Group's interest bearing debt was EUR 33.9 million and correspondingly the net interest bearing dept was EUR 29.7 million. Of this interest bearing debt EUR 11.3 million was rouble based. The divestment of Nurminen Care decreased group's net interest-bearing debt approximately by EUR 8.0 million.

Balance sheet totalled EUR 79.0 million and equity rate 44.2%.

More key figures can be found on page 42.

### Related party loans

The company has not given related party loans. The company has a loan from New John Nurminen Ltd, which was originated in the demerger of Old John Nurminen Ltd. The principal amount of the loan is EUR 10,170,469.61, and its term is five years with due date of 31 December 2012. The loan pays an interest of 12 months euribor + 1.00% margin, and it is repaid in equal quarterly installments starting 31 March 2009.

### Investments in terminals and railway wagons

The group's gross capital expenditure for the financial year amounted to EUR 11.1 (20.6) million, accounting for 12.4% of net sales. Depreciation totaled EUR 4.9 (4.4) million, or 5.5% of net sales. Investments were mainly made in terminals and railway wagons.

### Nurminen Care business unit divested

Nurminen Logistics Plc and the minority shareholders signed on 10 October 2008 an agreement to divest the Nurminen Care business unit to a fund managed by private equity investor Sentica Partners Oy. Nurminen Logistics Plc divested its ambulance operator services in order to be able to focus on logistics and closely related operations as stated in its published strategy. The transaction was published in stock exchange release on 10 October 2008 and completed on 27 October 2008.

### Group structure

The group comprises the parent company, Nurminen Logistics Plc, as well as the following subsidiaries and associated companies, owned directly or indirectly by the parent (ownership, %): RW Logistics Oy (100%), JN Ferrovia Oy (100%), Nurminen Heavy Oü (100%), OOO John Nurminen, St. Petersburg (100%), OOO John Nurminen, Moscow (100 %), Nurminen Maritime Latvia SIA (51%), Pelkolan Terminaali Oy (20%), ZAO Irtrans (100%), OOO Huolintakeskus (88%), OOO John Nurminen Terminal (100%), ZAO Terminal Rubezh (100%), UAB Nurminen Maritime (51%), Nurminen Maritime Eesti AS (51%), CMA CGM Latvia SIA (23%), CMA CGM Estonia Oü (23%), Team Lines Latvia SIA (23%) and Team Lines Estonia Oü (20,3%).

### Research and development

Nurminen Logistics offers logistics services and aims to constantly develop these services both on its own and in cooperation with its partners. Due to the nature of its operations the company did not have separate research and development costs in its income statement.

### Personnel

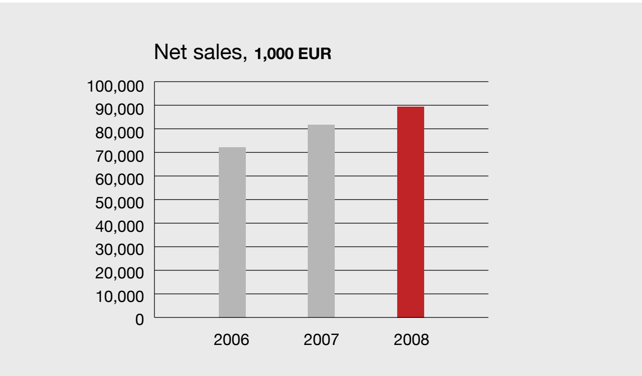
At the end of 2008 the Group staff was 352 (578 on 31 December 2007). The number of personnel working abroad was 57. The reduction of personnel was mainly due to the divestment of Nurminen Care segment. Nurminen Cargo had 292 employees and Nurminen Heavy 27. Management and administrative staff numbered to 34. Employee benefit expenses in 2008 totaled EUR 20.3 million (2007 EUR 18.1 million).

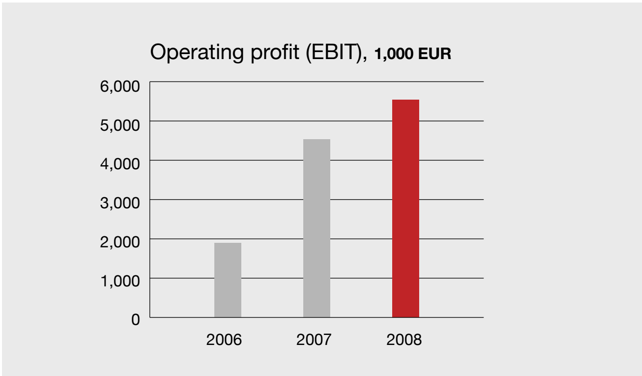
The average number of personnel in the financial year and two previous financial years can be found in the notes to the accounts on page 42 and the total sum of salaries and fees on page 18.

### Share-based incentive plan for the Group personnel

The Board of Directors of Nurminen Logistics Plc approved in April 2008 a new share-based incentive plan for the Group key personnel. The plan includes three earning periods which are calendar years 2008, 2009 and 2010. The potential reward from

The company divested Nurminen Care business unit in October 2008. Nurminen Care is included in the Group's financial information until end of October.
The comparative figures for 2006 and 2007 are carve out figures based on the consolidated financial statement of the old John Nurminen Ltd.



the plan for the earning period 2008 will be based on the net sales and the operating profit of the Group.

The potential reward from the earning period 2008 will be paid partly as the company's shares and partly in cash in 2009. The proportion to be paid in cash will cover taxes and tax-related costs arising from the reward. It is prohibited to transfer the shares during the two year restriction period. After this period, the key personnel must, however, own half of the shares earned from the plan as long as their service or employment in the Group continues. If a key person's employment or service ends during the restriction period, he/she must return the shares paid as reward to the company without compensation.

The plan is directed to start with to 10–15 people. The rewards to be paid during the 3-year period on the basis of the plan correspond to the approximate value of a maximum total of 510,000 Nurminen Logistics Plc shares (including also the proportion to be paid in cash).

### Change in Executive Board

Member of Nurminen Logistics Plc's Executive Board Petteri Pelkonen's service agreement with Nurminen Logistics Plc ended on 31 December 2008.

### Shares and shareholders

Nurminen Logistics Plc's share has been quoted on the main list of NASDAQ OMX Helsinki Ltd with the current company name since 1 January 2008. The total number of Nurminen Logistics Plc's registered shares is 12,719,119 and registered share capital is EUR 4,214,521. The company has one share class and all the shares carry equal rights in the company. The company name was until 31 December 2007 Kasola Plc. The company was listed on Helsinki Stock Exchange in 1987.

For the financial year 2007 the company distributed a dividend of EUR 0.12 per share to a total of 1,526,209.68 EUR.

The trading volume of Nurminen Logistics Plc's shares was 82,946 in 1 January – 31 December 2008. This represented 0.65% of the total number of shares. The value of the turnover was EUR 392,292. The lowest price for the period was EUR 2.90 per share and the highest EUR 5.70 per share. The closing price for the period was EUR 3.00 per share and the market value of the entire share capital EUR 38,157,357.

At the end of the financial year Nurminen Logistics Plc had 324 shareholders.

More information about company's shareholders can be found in the financial statements on page 41.

The company owns 705 of its own shares, which represent 0.006% of the votes in the company.

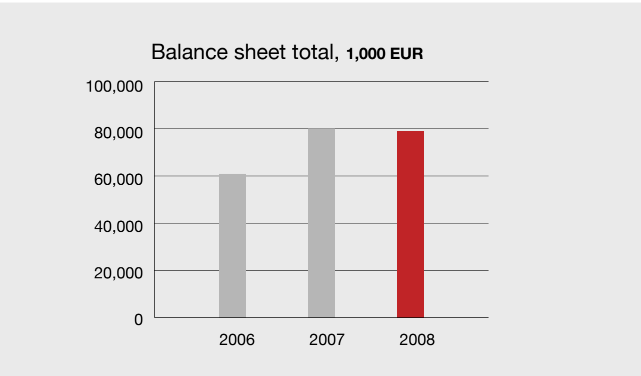
Nurminen Logistics Plc has a liquidity providing (LP) agreement with Evli Bank Plc. In accordance with the agreement, Evli Bank Plc undertakes to submit bids and offers for Nurminen Logistics Plc's share so that the maximum spread of the bid and offer prices is four percent calculated from the bid. The bids and offers submitted by the liquidity provider must be for a number of shares worth at least 4,000 euros. Evli Bank Plc undertakes to submit bids and offers for Nurminen Logistics Plc's share in the trading system of NASDAQ OMX Helsinki Oy on the stock exchange list on each trading day for at least 85 percent of the time of Continuous Trading I period and also in the auction procedures applied to Nurminen Logistics Plc's share during a trading day.

### Authorisations given to the Board

The company's extraordinary general meeting held on 8 October 2007 authorised the company board to decide on the issue of shares and special rights, so that authorisation was given for the board to release 20,000,000 new shares. The authorisation included the right to deviate from the shareholders' registration privilege, should a weighty financial reason exist for doing so. The authorisation may be used, e.g., for the financing of corporate and business trading or for other business arrangements and investments, for the expansion of owner structure, and/or for the creating incentives for, or encouraging commitment in, personnel. The authorisation is effective for 18 months from the extraordinary general meeting's decision on the authorisation. The authorisation gives the board the right to decide on share issue with or without payment which includes the granting of new shares and the distribution of shareholders' shares possibly in the possession of the company. The authorisation for deciding on a share issue without consideration also includes the right to decide on the issue for the company itself, so that the number of shares granted to the company is no more than one tenth of all shares held by the company. The board has not decided on using the authorisation.

### Shareholder agreements related to ownership and the exercise of voting rights

No shareholder agreements related to holdings in Nurminen Logistics Plc and the exercise of voting rights have been brought to the company's attention with the exception of the announcement that was published in stock exchange release on 28 December 2007. According to the announcement the members of the board of directors and executive board have undertaken not to sell or otherwise transfer shares in John Nurminen Ltd owned by them on this date and the company's shares received as demerger consideration in conjunction with the demerger of John Nurminen Ltd



without the advance written consent of the board of directors of the company. The transfer restriction of shares shall not apply to the company's shares received otherwise. The board of directors may give its consent to transfer for a specific reason. The transfer restriction of shares shall be in force until further notice.

**Flagging notices**

During the financial year Nurminen Logistics Plc published three notifications of changes in shareholdings in compliance with Chapter 2, Section 9 of the Securities Markets Act. The stock exchange releases published on 2 January 2008, 7 January 2008 and 11 January 2008 can be found on company's website www.nurminenlogistics.com.

**Decisions of the Annual General Meeting**

The Annual General Meeting of Shareholders held on 11 April 2008 made the following decisions:

The Annual General Meeting of Shareholders confirmed the company's financial statements and the group's financial statements for the financial period 1 January – 31 December 2007 and released the Board of Directors and the Managing Director from liability.

Amendment of Articles of Association

The Annual General Meeting of Shareholders decided in accordance with the proposal made by the Board of Directors that a provision shall be added to Section 4 of the company's Articles of Association according to which three (3) deputy members, at the most, may be elected to the company's Board of Directors. It was further decided to amend Section 7 of the Articles of Association so that the company shall have one (1) auditor, which is required to be an Authorised Public Accountant -audit firm, and that no deputy auditor shall be elected. Changes reflecting the aforesaid amendments were made to Section 10 of the Articles of Association with respect to matters to be submitted to the Annual General Meeting of Shareholders.

Composition and remuneration of the Board of Directors

The Annual General Meeting of Shareholders resolved that the Board of Directors shall consist of five (5) ordinary members and one (1) deputy member. The Annual General Meeting of Shareholders re-elected the following ordinary members to the Board of Directors: Olli Pohjanvirta, Juha Nurminen, Matti Lainema, Matti Packalén and Rolf Saxberg. Jukka Nurminen was elected deputy member of the Board of Directors. In its first meeting immediately following the Annual General Meeting of Shareholders, the Board of Directors elected Juha Nurminen as the Chairman of the Board.

The Annual General Meeting of Shareholders decided to pay annual remuneration of EUR 30,000 to the Chairman of the Board, EUR 20,000 to the deputy Chairman of the Board, and EUR 15,000 to the other members of the Board and in addition a fee of EUR 700 per meeting to each member of the Board. It was decided to compensate the travel and other expenses of the members of the Board in accordance with customary practice. It was furthermore decided to pay to the members of the Board a merit pay, which shall be tied to the profit of the company's share during the term of the Board of Directors. The profit of the company's share shall be calculated from the change in the share's average price of the month preceding the Annual General Meeting of Shareholders (i.e. March 2008) and the average price of March 2009, taking into account the dividends. For each percent the profit has accrued the Chairman of the Board shall be paid a remuneration of EUR 2,000 and other members of the Board EUR 1,000. If the yearly profit exceeds 25 percent, the remuneration shall be paid according to 25 percent. The decision means that the final remuneration of the members of the Board of Directors shall be subject to the total return of the company's share.

Dividend

The Annual General Meeting of Shareholders approved the Board's proposal that a per share dividend of EUR 0.12 shall be paid for the financial year 2007. The dividend was paid to shareholders entered in the company's shareholder register on the record date of 16 April 2008. The dividend payment date was 25 April 2008.

Auditor

KPMG Oy Ab, Authorised Public Accountant audit-firm, was re-elected as Nurminen Logistics Plc's auditor. Mr. Lasse Holopainen acts as the responsible auditor.

**Decisions of the extraordinary general meeting**

The extraordinary general meeting of Nurminen Logistics Plc, held on 14 January 2008, made the following decisions:

Number and selection of board members; remuneration

The general meeting resolved that the board of directors shall consist of five (5) members. Juha Nurminen, Matti Lainema, Matti Packalén, Olli Pohjanvirta and Rolf Saxberg were elected as new members. In its first meeting immediately following the general meeting, the board of directors elected Juha Nurminen as the chairman of the board and Matti Lainema as the vice chairman of the board.

The general meeting resolved that remuneration to the board members shall be paid out as follows: The chairman of the board shall receive a monthly remuneration of EUR 2,500, vice chairman of the board EUR 1,650 and other members EUR 1,250. In addition, the board members shall be paid EUR 700 as a fee for attendance at each board meeting. Travel and other expenses of the board members shall be paid in accordance with customary practice.

Amendment of articles of association

The general meeting resolved to amend the Company's articles of association, with respect to the Company's business area (2 §), as follows:

"2 § The company's business area is to produce and provide logistics and forwarding services, engage in transport activities such as ambulance operator services, provide care services and engage in financing activities and other activities related to the above in Finland and abroad. With respect to the forwarding business the company may grant guarantees to parties levying customs duties, taxes and other public fees. To conduct its activities, the company may own and possess properties, hold shares in companies that support and complement its activities and engage in leasing of office and warehouse premises. In addition, the company may acquire, own and sell securities".

### Environmental factors

Nurminen Logistics attempts to take environmental aspect in to the consideration. Nurminen Cargo business unit has a certified environmental system that fulfills the requirements of the ISO 14001:2004 standard. The railway transportations offered by the company are environmentally friendly transportation alternative.

### Outlook

Due to the recession in global economy the economic outlook and market situation are very uncertain. Therefore, the company will not give a net sales or operating profit level forecast for year 2009. On the long-term the company's goal is to increase its net sales annually by approximately 20% on average, including acquisitions, and to reach an operating profit level of over 7%. The situation of the financial markets may delay achieving of the growth objectives in a short term.

There was a sudden change for the worse in Finnish economy during November and December. Export volumes declined in all sectors and also import volumes declined strongly in the end of the year. Also investments are expected to decline during 2009.

Despite the quite satisfactory outcome of the financial year 2008 the company must be prepared for a possible decline in net sales by adapting its operations and cost structure to the general volume of economy.

There is an exceptional amount of uncertainty also in the development of Russian economy. That as well as the rouble exchange rate is connected to the world market price of oil. Devaluation of rouble hinders the outlook of Russian imports but on the other hand it improves the possibilities of Russian exports as well as foreign companies' investment opportunities in Russia. As trade becomes more versatile and foreign investments grow, there will be new opportunities for logistics service providers like Nurminen Logistics.

Extensions of Niirala and Luumäki terminals and the opening of logistics centre in Vuosaari harbour on 28 November 2008 have positive effects on the outlook of Nurminen Cargo. The extension of Niirala terminal increased terminal space by 4,000 square metres to a total 18,000 square metres. The extension of Luumäki terminal increased terminal space 3,400 square metres to a total 11,700 square metres. The logistics centre in Vuosaari has in the first phase 38,000 square metres. As a result of these investments, investments in railway wagons, and due to the rationalisation of its operations, the company has a strong competitive position when economy starts to grow. On the other hand the costs of these investments hamper the company's profitability in the current economic situation.

The outlook of Nurminen Heavy is mostly affected by the volumes of mechanical engineering industry and its project cargos. The outlook for mechanical engineering industry has weakened recently and it remains to be seen how its backlog will develop. The market situation of mechanical engineering industry will after some delay also affect Nurminen Heavy's operations.

### Short-term risks and uncertainties

The most significant business risks are associated with the uncertainty of the global economy and the international financial markets and local banks ability to act. It remains to be seen how pertinent the stimulus packages of different states are and what their effects are.

The scale and duration of the effects of the financial crisis in Western countries and Russia are difficult to estimate. The impact of economic uncertainty on company's business environment is difficult to forecast. In the coming months even large variations in the volumes of different product categories are possible.

### Events after the review period

Nurminen Logistics and Russian rail transportation company Transgarant signed a co-operation agreement in January 2009. Transgarant is the second largest privately owned rail transportation company in Russia. The company operates more than 17,000 railway wagons. According to the agreement Nurminen Logistics acts as a representative of Transgarant in Finland. The agreement also stipulates joint use of wagons, which guarantees Nurminen Logistics' clients good supply of versatile wagons.

The company has established a branch office in Malmö, Sweden in February 2009.

Nurminen Logistics adjusts its operations to match the economic situation and weakened demand for its services. As a part of adjustment measures the company starts co-determination negotiations concerning reorganisations, temporary lay-offs, redundancies and other possible alternatives. The possible need for temporary lay-offs and redundancies as well as the duration of the temporary lay-offs will be determined in detail during the co-determination negotiations. The company's cost saving goal for the year 2009 is EUR 1.5 million.

### Board of Directors' proposal for profit distribution

Based to the Financial Statements as at 31 December 2008, the parent company's distributable equity is EUR 19,948,583.23. The Board of Directors proposes that a dividend of EUR 0.06 per share is distributed from unrestricted equity reserve, i.e. a total of EUR 763,104.84. After this, the parent company will have EUR 19,185,436.09 of distributable funds. The record date for the payment of the proposed dividend is 9 April 2009. The dividend payment date is 21 April 2009. All shares outstanding on the dividend payment record date, excluding treasury shares in the parent company's possession, are entitled to dividends for the year 2008.

# Consolidated income statement, IFRS

| 1,000 EUR | Note | 1.1.–31.12.2008 Continuing operations | 1.1.–31.12.2008 Dis-continued operations | 1.1.–31.12.2008 Total | 1.1.–31.12.2007 Continuing operations | 1.1.–31.12.2007 Dis-continued operations | 1.1.–31.12.2007 Total |
|---|---|---|---|---|---|---|---|
| **TURNOVER** | 2 | 81,846 | 7,559 | 89,405 | 75,015 | 6,678 | 81,693 |
| Other operating income | 4 | 1,272 | 259 | 1,531 | 1,874 | 11 | 1,885 |
| Materials and services | | -42,582 | -34 | -42,616 | -41,272 | -199 | -41,471 |
| Employee benefit expence | 6 | -15,626 | -4,718 | -20,344 | -14,165 | -3,955 | -18,120 |
| Depreciation and impairment | 7 | -4,339 | -603 | -4,942 | -4,109 | -339 | -4,448 |
| Other operating expenses | 5 | -15,933 | -1,559 | -17,492 | -13,597 | -1,415 | -15,012 |
| | | 4,638 | 904 | 5,542 | 3,746 | 781 | 4,527 |
| **OPERATING PROFIT** | | | | | | | |
| Financial income | 8 | 661 | 9 | 670 | 5 | 11 | 16 |
| Financial expenses | 8 | -2,699 | -212 | -2,911 | -2,340 | -167 | -2,507 |
| Share of profit of equity accounted investees | 14 | 334 | | 334 | 29 | 0 | 29 |
| | | -1,704 | -203 | -1,907 | -2,306 | -156 | -2,462 |
| **PROFIT BEFORE INCOME TAX** | | 2,934 | 701 | 3,635 | 1,440 | 625 | 2,065 |
| Income tax expense | 9 | -586 | -192 | -778 | -221 | -163 | -384 |
| **PROFIT FOR THE PERIOD** | | 2,348 | 509 | 2,857 | 1,219 | 462 | 1,681 |
| Attributable to | | | | | | | |
| Equity holders of the parent company | | 1,672 | 509 | 2,181 | 911 | 462 | 1,373 |
| Minority interest | | 676 | | 676 | 308 | | 308 |
| Earnings per share calculated from profit attributable to shareholders of the parent company | | | | | | | |
| Earnings per share diluted | | 0.13 | 0.04 | 0.17 | | | |
| Earnings per share undiluted | | 0.13 | 0.04 | 0.17 | | | |

# Consolidated balance sheet, IFRS

| 1,000 EUR | Note | 31.12.2008 | 31.12.2007 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 11 | 48,542 | 48,041 |
| Goodwill | 12, 14 | 9,130 | 10,725 |
| Other intangible assets | 12 | 1,558 | 2,579 |
| Investments in equity accounted investees | 15 | 591 | 210 |
| Receivables | 16 | 718 | 0 |
| Deferred tax assets | 17 | 421 | 337 |
| | | 60,960 | 61,892 |
| **Current assets** | | | |
| Trade and other receivables | 18 | 13,843 | 15,103 |
| Cash and cash equivalents | 19 | 4,204 | 3,085 |
| | | 18,047 | 18,188 |
| **TOTAL ASSETS** | | **79,007** | **80,080** |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| Shareholders' equity | 20 | 4,215 | 4,215 |
| Share premium reserve | | 86 | 86 |
| Other reserves | | 22,374 | 8,506 |
| Translation differences | | -3,441 | 0 |
| Retained earnings | | 10,675 | 10,309 |
| Shareholders' equity | | 33,909 | 23,116 |
| Minority interest | | 975 | 391 |
| Equity, total | | 34,884 | 23,507 |
| **LIABILITIES** | | | |
| **Long-term liabilities** | | | |
| Deferred tax liability | 17 | 258 | 760 |
| Non-interest bearing liabilities | 23 | 779 | 1,480 |
| Interest bearing liabilities | 22 | 22,232 | 35,726 |
| | | 23,269 | 37,966 |
| **Short-term liabilities** | | | |
| Trade payables and other liabilities | 23 | 9,185 | 15,754 |
| Interest bearing liabilities | 22 | 11,669 | 2,853 |
| | | 20,854 | 18,607 |
| **LIABILITIES, TOTAL** | | 44,123 | 56,573 |
| **SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL** | | **79,007** | **80,080** |

# Consolidated cash flow satement, IFRS

| 1,000 EUR | 1.1.–31.12.2008 | 1.1.–31.12.2007 |
|---|---|---|
| **Cash flows from operating activities** | | |
| **PROFIT/LOSS FOR THE PERIOD** | **2,857** | **1,681** |
| Adjustments for: | | |
| Depreciation, amortisation & impairment loss | 4,942 | 4,579 |
| Gains (-) and losses (+) of disposals of fixed assets and other non-current assets | -3,173 | 0 |
| Share of profit of associated companies, profit (-) / loss (+) | -334 | 0 |
| Unrealised foreign exchange wins (-) and losses (+) | 224 | 399 |
| Financial income and expenses | 0 | 52 |
| Tax on income from operations | 2,017 | 2,623 |
| Operating profit before working capital changes | 778 | 77 |
| **Operating profit before working capital changes** | **7,312** | **9,411** |
| Working capital changes: | | |
| Increase (+) / decrease (-) in trade payables | 355 | 701 |
| Cash generated from operations | -5,558 | 4,596 |
| **Cash generated from operations** | **2,110** | **14,708** |
| Interest paid | -2,068 | -2,257 |
| Dividends received | 482 | 0 |
| Interest received | 147 | 1 |
| Other financing items | -98 | 0 |
| Income taxes paid | -1,325 | -77 |
| **Net cash from operating activities** | **-752** | **12,375** |
| **Cash flows from investing activities** | | |
| Purchase of tangible and intagible assets | -11,110 | -20,637 |
| Proceeds from sale of tangible and intangible assets | 965 | 112 |
| Acquisition of subsidiaries, net of cash acquired | 6,240 | -1,337 |
| Disposal of subsidiaries, net of cash disposed of | 3,971 | |
| Loans granted | -250 | |
| Proceeds from repayments of loans | 2,345 | |
| **Net cash used in investing activities** | **2,162** | **-21,862** |
| **Cash flows from financing activities** | | |
| Proceeds from short-term borrowings | 3,000 | |
| Repayment of short-term borrowings | -475 | -1,568 |
| Proceeds from long-term borrowings | 9,533 | 5,358 |
| Repayment of long-term borrowings | -10,554 | -17,052 |
| Dividends paid | -1,672 | |
| **Net cash used in financing activities** | **-169** | **-13,262** |
| **Net increase/decrease in cash and cash equivalents** | **1,241** | **-22,748** |
| Cash and cash equivalents at the beginning of the period | 3,239 | |
| Translation differences of cash and cash equivalents 1.1. | -294 | |
| Net increase/decrease in cash and cash equivalents | 1,241 | |
| Translation differences of net increase/decrease in cash and cash equivalents | 19 | |
| Cash and cash equivalents at the end of the period | 4,204 | |

# Consolidated statement of changes in equity

## Change in shareholders’ equity 1–12/2007

| 1,000 EUR | Share capital | Share issue premium | General reserves | Unrestricted equity reserve | Translation differences | Retained earnings | Minority interest | Total |
|---|---|---|---|---|---|---|---|---|
| Shareholders' Equity 1 Jan | 4,215 | 86 | 2,374 | 0 | 0 | 7,061 | 83 | 13,819 |
| Direct bookings to equity | | | | 6,132 | | 1,875 | | 8,007 |
| Share-based incentive | | | | | | | | 0 |
| Profit/loss for the period | | | | | | 1,373 | 308 | 1,681 |
| Dividend distribution | | | | | | | | 0 |
| Shareholders' Equity 31 Dec 2007 | 4,215 | 86 | 2,374 | 6,132 | 0 | 10,309 | 391 | 23,507 |

## Change in shareholders’ equity 1–12/2008

| 1,000 EUR | Share capital | Share issue premium | General reserves | Unrestricted equity reserve | Translation differences | Retained earnings | Minority interest | Total |
|---|---|---|---|---|---|---|---|---|
| Shareholders' equity 1 Jan | 4,215 | 86 | 2,374 | 6,132 | | 10,309 | 391 | 22,701 |
| Direct bookings to equity | | | | 13,868 | -3,441 | -348 | 61 | 10,946 |
| Share-based incentive | | | | | | 59 | | 59 |
| Profit/loss for the period | | | | | | 2,181 | 676 | 2,857 |
| Dividend distribution | | | | | | -1,526 | -153 | -1,679 |
| Shareholders' equity 31 Dec 2008 | 4,215 | 86 | 2,374 | 20,000 | -3,441 | 10,675 | 975 | 34,884 |

The statement of changes in equity includes the item Other adjustments, EUR 8,007 thousand during the period 1 January – 31 December 2007.

This item is due to the fact that the amount of the net assets attributable to the shareholders of Nurminen Logistics is the difference between the assets and liabilities in the carve out financial statements designated to be transferred. The continuity of net assets does not proceed in these carve out financial statements as it does in the consolidated financial statements on which the carve out financial statements are based. This change in the amount of net assets is primarily due to the fact that a part of the increase in Nurminen Logistics’ assets has been financed by equity generated by New John Nurminen and this equity has not been accounted for as a liability to New John Nurminen in the carve out financial statements.

The reason for the fact that this internal financing has not been accounted for as Nurminen Logistics’ liability to New John Nurminen is that in the actual demerger such liability from Nurminen Logistics to New John Nurminen does not exist.

The net assets of Nurminen Logistics have been agreed in the Main Agreement to be EUR 20 million. This represents the demerging John Nurminen Ltd’s net assets measured to their carrying amounts. The amount of these net assets is different from John Nurminen Ltd’s perspective compared to group level consideration. This is affected, among others, by the retained earnings in the consolidated balance sheet generated by the transferring business which is transferred as subsidiary shares as well as the fact that from John Nurminen Ltd’s perspective the demerger is based on carrying amounts measured in accordance with the Finnish Accounting Standards (FAS) whereas the net assets in the statement of changes in net assets are measured in accordance with the recognition and measurement principles of IFRS.

# Notes to the financial statements, IFRS

## 1. The Accounting Policies of the Consolidated Financial Statements

**Basic information about the company**

The business idea of Nurminen Logistics is to provide and produce logistics services in Finland, the Baltic Sea region as well as in Russia and the other CIS countries. Nurminen Logistics include Nurminen Cargo and Nurminen Heavy segments. Nurminen Cargo offers, among others, railway transports services, terminal services and forwarding services. Nurminen Heavy offers special and heavy transport services.

**Accounting policies for the consolidated financial statements**

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) complying with the standards and interpretations effective on 31 December 2008. International Financial Reporting Standards are standards and interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and Council. The notes to the financial statements are also in accordance with the Finnish Account Act and Ordinance and the Companies' Act.

The first consolidated financial statements in accordance with IFRS have been prepared for the year 2006 and presented in the Registration Document, the transition date being 1 January 2005. IFRS 1 First-time Adoption of International Financial Reporting Standards was applied in the transition. The reconciliations of equity and profit or loss between FAS and IFRS required by IFRS 1 have been presented in the notes to the consolidated financial statements. The notes include also a description of those changes in accounting policies that have had the most significant effect on the income statement and the balance sheet in the transition to IFRS.

The consolidated financial statements have been prepared on the historical cost basis except for the financial assets and liabilities measured to fair value through profit or loss.

The financial statements are presented in thousands of euros.

**Principles of consolidation**

*Subsidiaries*

The consolidated financial statements include the financial statements of Nurminen Logistics and all its subsidiaries. The subsidiaries are entities controlled by the parent company. Control exists when the parent company has the power, directly or indirectly, to govern the financial or operating policies of an entity so as to obtain benefits from its activities. Subsidiaries acquired are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Acquired subsidiaries are accounted for by using the purchase method of accounting. The acquisition cost is allocated to the acquiree's identifiable assets, liabilities and contingent liabilities measured to their fair value. The excess of the acquisition cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is accounted for as goodwill.

In accordance with the exemption in IFRS 1, the acquisition cost of the subsidiaries acquired prior to 1 January 2005, the IFRS transition date, has been accounted for in accordance with FAS and the goodwill is the excess of net assets at carrying amounts at the acquisition date.

All intra-group transactions, receivables and liabilities as well as unrealised gains and profit distribution are eliminated in the consolidation.

*Minority interest*

Equity and profit attributable to the minority interest is presented separately in the balance sheet and the income statement. If the Group has a contractual obligation to redeem the minority interest by delivering cash, this item is accounted for as a financial liability.

*Associates*

Associates are companies in which the Group has significant influence but not control over the financial and operating policies. Significant influence is realised when the Group holds 20–50 per cent of a company's voting power or the Group otherwise has a significant control over but not power to govern the financial and operating policies of an entity. Associates are consolidated using the equity method.

*Joint ventures*

Joint ventures are companies in which the Group exercises contractual joint authority with other parties. Jointly controlled assets are accounted for using the equity method.

**Foreign currency transactions**

The consolidated financial statements are prepared in euro which is the operating and presentation currency of the parent company and presentation currency of the consolidated financial statement.

Foreign currency transactions of the Group companies are translated into operating currency using the exchange rates prevailing at the transaction date. Monetary items denominated in foreign currency are translated using the balance sheet date exchange rates and non-monetary assets and liabilities that are measured to acquisition cost are translated using the transaction date exchange rates. Gains and losses arising from the translation are recognised in the income statement.

The income statements of those foreign Group companies, whose operating currency is not euro, are translated into euros by using the average exchange rate for the period and the balance sheets are translated at the at the balance sheet date exchange rate. Translation differences arising from such translation are recognised in equity.

In accordance with the exemption in IFRS 1, the translation differences that have arisen before the IFRS transition date are not presented separately in equity but they are assumed zero.

Intra-group rouble loan has been treated as an investment in subsidiary company on the basis of IFRS 32 standard.

**Property, plant and equipment**

Items of property, plant and equipment are carried at acquisition cost less depreciation and impairment losses. They are depreciated during their estimated useful lives which are the following:

| | |
|---|---|
| Buildings | 30–40 years |
| Rolling stock | |
| Wheels | 7 years |
| Bogie | 15 years |
| Other parts of the wagon | 20–25 years |
| Road transport equipment | 5–8 years |
| Machinery and equipment | 3–10 years |
| IT equipment | 3 years |

The acquisition cost of the rolling stock is allocated separately to wheels, bogie and other parts of the wagon. The useful lifetime and the residual value are reviewed at every balance sheet date. Changes in future economic benefit to be received from the items of property, plant and equipment are accounted for by adjusting the useful life and residual value of the items in question. Gains and losses arising from sale and disposal of property, plant and equipment are included in other operating income or in other operating expenses.

**Intangible assets**

*Goodwill*

Goodwill represents the excess of the acquisition cost over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at the acquisition date of those companies that have been acquired after 1 January 2005. Goodwill from the business combinations carried out prior to 1 January 2005 equals the carrying amount recognised under FAS and this amount has been used as the deemed cost.

Goodwill is not amortised but it is tested annually for impairment and it is carried at original cost less impairment losses.

*Customer relationships*

The identifiable customer relationships acquired in business combinations are measured to fair value at the acquisition and they are amortised on a straight-line basis during their estimated useful life. The useful lifetime is estimated at five years. These customer relationships were part of the Nurminen Care business segment, which was divested within the financial year.

*Other intangible assets*

An intangible asset is recognised in the balance sheet only if its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity.

An intangible asset is measured at cost less amortisation and possible impairment losses. Intangible assets include mainly IT software which are amortised on a straigh-line basis in 3–5 years.

**Impairment**

At every balance sheet date it is reviewed if there are any indications of impairment of property, plant and equipment or intangible assets. In case such indications exist, the asset's recoverable amount is estimated. If the carrying amount of an asset exceeds its recoverable amount, the impairment loss is recognised in the income statement.

As to goodwill, the recoverable amount is estimated annually independent of whether indications of impairment exist. Impairment is assessed at a cash-generating unit level, i.e. at the lowest level for which there are separately identifiable, mainly independent cash flows.

At the recognition of the impairment loss the asset's useful life is re-estimated. The recognised impairment loss is reversed if the estimates used to determine the asset's recoverable amount have changed. The reversal of the impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset. An impairment loss on goodwill is never reversed.

**Financial instruments**

The financial assets and liabilities of the Nurminen Logistics business have been classified in accordance with IAS 39 to following categories: financial assets and liabilities at fair value through profit or loss, loans and other receivables and financial liabilities measured at amortised cost. The classification is made on initial recognition and it is based on the nature of the item. The purchases and sales of financial assets and liabilities are accounted for at settlement date. The fair values of financial instruments have been determined by discounting their cash flows.

## Financial assets

*Financial assets and liabilities at fair value through profit or loss*
These include derivatives that do not qualify for hedge accounting criteria defined in IAS 39 and they are classified as held for trading instruments. The financial assets and liabilities of this category are measured at fair value and gains and losses arising from fair value adjustments, both unrealised and realised, are recognised in profit or loss in the period in which they are incur.

*Loans and other receivables*
Loans and other receivables are non-derivative financial assets and payments from loans and receivables are fixed or determinable. They are included in trade and other receivables in the balance sheet, either in current or non-current items based on their nature.

Loans and other receivables are measured to amortised cost less impairment losses. The Group recognises an impairment loss on trade receivables when objective evidence exists that the receivable cannot be fully recovered.

## Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank accounts.

## Financial liabilities

Financial liabilities are recognised at the time when debt is raised at the amount of consideration received less transaction costs. Subsequently interest-bearing liabilities are measured at amortised cost using the effective interest rate method. Financial liabilities are included in non-current and current liabilities and they may be interest-bearing or non-interest bearing. Interest expenses are recognised in the income statement over the expected useful life of the liability using the effective interest rate method.

## Revenue recognition principles

Revenue from the sale of services is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably. Revenue from Nurminen Heavy segment is recognised at the point when goods are loaded to be transported. Revenue from Nurminen Cargo segment is recognised when the transportation crosses the border. Revenue from short-term warehousing services is recognised at the point when goods stored in the Group's premises are forwarded. Revenue from long-term warehousing is accounted for as rental income and they are recognised as even amounts during the period of warehousing. Revenue from Nurminen Care segment is recognised on the day when the ambulance transportation is carried out.

## Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Transaction costs which directly arise from borrowing and which can be allocated to a specific loan are included in the initial amortised cost of the loan and recognised as an interest expense using the effective interest rate method.

## Pension plans

The pension plans of the Nurminen Logistics business have been classified as defined contribution plans. Payments to defined contribution plans are recognised as an expense in the income statement in the period in which they relate. In defined contribution plans the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further amounts in case the separate entity receiving the contributions fails to pay out the pension benefits.

## Share-based payments

Such arrangements in which the Group has granted its employees a right to a future cash payment by granting the employees a right to shares that are redeemable, either at the Group's or an employee's demand, are accounted for as cash-settled share-based payments. The liability arising from such arrangement is remeasured to fair value at each reporting date and at settlement date and the changes in fair value are recognised in the income statement in the period in which the changes occur.

## Income taxes

Income taxes comprise the current and deferred tax, adjustments to previous periods' taxes as well as changes in deferred taxes.

Deferred tax assets and liabilities are calculated for all temporary differences between the amounts of assets and liabilities used for taxation purposes and the carrying amounts according to IFRS. Deferred taxes are measured at the tax rate that has been enacted by the reporting date.

The most significant differences arise from financial instruments at fair value through profit or loss.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

## Leases

Lease agreements, in which the Group is the lessee, are classified as finance leases and the leased assets are recognised as an asset and a liability in the balance sheet, if the risks and rewards of ownership are transferred. Lease agreements are classified at the inception of the lease period and they are recognised at the lower of fair value of the leased asset and present value of minimum lease payments as an item of property, plant and equipment and a financial liability. The item of property, plant and equipment is depreciated over its useful life or the lease period. Payable lease rentals are divided into interest expense recognised in the income statement and reduction of the financial liability.

Lease agreements are classified as operating leases if the risks and rewards incidental to ownership have not been substantially transferred. Lease rentals payable under operating leases are recognised as an expense in the income statement on a straight-line basis over the lease period.

### Sale and leaseback

If a sale and leaseback arrangement results in a finance lease the gain on the sale of the asset is recognised as a liability and recognised in the income statement over the lease term. If a sale and leaseback arrangement results in an operating lease and the sale has been based on fair value, the possible gain or loss is recognised immediately.

### Operating profit

The operating profit or loss is the total of sales and other operating income from which expenses for material and services, employee benefits and other operating expenses as well as depreciation, amortisation and impairment charges on non-current assets are subtracted. Foreign currency differences stemming from working capital items are included in the operating result, whereas foreign currency differences from financial assets and liabilities are included in financial income and expenses.

### Accounting policies requiring management's judgment and key sources of estimation uncertainty

The preparation of the financial statements in conformity with IFRS requires the management to make estimates, assumptions and judgments in the application of the accounting policies. The estimates and assumptions made affect the reported amounts of assets, liabilities and the disclosure of contingent liabilities in the balance sheet as well as the income and expenses in the income statement.

In the financial statements of Nurminen Logistics the essential judgments concern the following issues:

- In business combinations the fair values of the items of property, plant and equipment and intangible assets are estimated and the depreciation and amortisation periods for the assets are defined. The determination of the fair value of intangible assets is based on estimates about future cash flows generated by these assets.
- Goodwill is tested for impairment annually. The recoverable amount determined in the impairment testing is based on value in use which is calculated in a way that requires making assumptions of future cash flows and discounting rate used in the calculation.
- As to property, plant and equipment as well as intangible assets it is annually reviewed whether any indications exist that these assets might have been impaired. If indications exist, the asset's recoverable amount is estimated.
- Items of property, plant and equipment as well as intangible assets are depreciated and amortised over their estimated useful lives. The useful lives are reviewed regularly.

### Impairment testing:

The recoverable amounts of cash generating units have been determinate in calculations based on value in use. The preparation of these calculations requires the use of estimates. Estimates are based on budgets and forecasts, which contain some degree of uncertainty.

Estimates made in preparing the financial statements are based on the management's best view and the information available at the balance sheet date. Estimates and assumptions are based on past experience and other factors that are considered the best view in measuring such assets and liabilities, whose values cannot be derived from other sources. The estimates concerning the future are based on assumptions that are the most probable at the balance sheet date relating to the expected development of the financial environment of Nurminen Logistics and assumptions about the development of sales and cost level. Actual results may differ from these estimates. The realisation of estimates and assumptions and the changes in underlying factors are reviewed regularly both on Nurminen Logistics level and segment level by using both external and internal sources of information.

Estimates and underlying assumptions are reviewed continuously. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision concerns only the period in question. If the revision to accounting estimate concerns both the period in which the estimate is revised and future periods the revision is recognised respectively in the period in question and future periods.

### Application of new standards

The following interpretations adopted in 2008 are not considered to affect the consolidated financial statements of the Nurminen Logistics business:

- IFRIC 11 IFRS 2: Group and Treasury Share Transactions
- IFRIC 12 Service Concession Arrangements
- IFRIC 14 IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

### Application of new and amended IFRS standards and IFRIC interpretations

The IASB has published the following standards and interpretations which are not yet effective and which have not been applied by the Group.

The Group will adopt each of the standards as they will be effective or if the effective date is other than the first date of the accounting period they will be adopted from the beginning of the next accounting period.

- IFRS 8 Operating Segments (effective as from 1 January 2009). The new standard replaces the current standard IAS 14 Segment Reporting. The segments of the Group will be Nurminen Cargo and Nurminen Heavy.
- IAS 23 Borrowing Costs (amended in 2007) (effective as from 1 January 2009). The amended standard requires that all borrowing costs relating to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of an asset.
- IAS 1 Presentation of Financial Statements – A Revised Presentation (amended 2007) (effective as from accounting periods beginning on or after 2009). The Amendment affects on the presentation of the income statement and statement of changes in equity.

- IFRS 3 Business Combinations (amended in 2008) (effective as from accounting periods beginning on or after 2009). The group will adopt standard in 2010. The amendment affects on the amount of the Goodwill that is recorded from the acquisitions and to the incomes from the acquisitions. The amendment to published standard is still subject to endorsement by the European Union.
- IAS 27 Consolidated and Separate Financial Statements (amended in 2008) (effective as from 1 July 2009 or accounting periods after 2009) will be adopted by the Group in 2010). The amended standard requires that the effects of all transactions of the subsidiaries to be recorded in the equity if there is no change in control. If the control is lost, the remaining interest is remeasured to fair value and a gain or loss is recognised in profit or loss. The amendment to published standard is still subject to endorsement by the European Union.
- IFRS 2 Share-based payments – Vesting Conditions and Cancellations (effective as from accounting periods beginning on or after 2009). The amendment of the standard clarifies the definition of different vesting conditions and treatment of all non-vesting conditions. It also provides guidance on the accounting treatment of cancellations by parties other than the entity. The Group is assessing the impacts of this amendment on the forthcoming financial statements.

**Accounting policies for carve out financial information of Nurminen Logistics extracted from the consolidated financial statements of John Nurminen Ltd**

The comparative figures are based on the consolidated financial statement extracted from the Old John Nurminen Ltd.

The IFRSs do not include guidance on preparing carve out financial statements. In extracting the financial information prepared in accordance with FAS from the FAS consolidated financial statements of John Nurminen Ltd the management of John Nurminen Ltd made judgments in developing carve out accounting policies. Primarily, the demerger plan of John Nurminen Ltd was taken into consideration. The principles defined in this demerger plan was taken into account in determining the assets and liabilities to be transferred to Nurminen Logistics. In addition to this, the management of John Nurminen Ltd made judgments on allocating some costs that have not been allocated to cost centers to Nurminen Logistics; these costs include among others expenses arising from management bonus system as well as central administrative expenses. The allocation basis for these costs have been described in more detail in the accounting policies for carve out financial information of Nurminen Logistics extracted from the consolidated financial statements of John Nurminen Ltd.

## 2. Segment information

Business segments have been defined as the primary reporting segments and geographical segments are defined as secondary segments for Nurminen Logistics. The business segments are Nurminen Cargo, Nurminen Heavy and Nurminen Care. Nurminen Cargo segment includes rail services, customs clearance services and warehousing services. Nurminen Heavy segment includes special and heavy transport services and Nurminen Care includes ambulance operator services. Nurminen Care business segment was divested within the financial year and it is treated as discontinued operations.

Business segments' assets and liabilities include those items that are directly attributable or can be reasonably allocated to the business in question. Assets allocated to the primary segments comprise of items of property, plant equipment and intangible assets as well as trade and other receivables. Liabilities allocated to the primary segments include trade payables and other non-interest bearing liabilities. The geographical segments are Finland, Russia and Baltic Countries, which comprise of the logistics operations in Estonia, Latvia and Lithuania. The net sales for the geographical segments are presented on the basis of the customer's country. The segment assets are presented based on the geographical location of the asset.

### Business segments 2008

| 1,000 EUR | Nurminen Cargo | Nurminen Heavy | Nurminen Care | Unallocated | Eliminations | Total |
|---|---|---|---|---|---|---|
| External net sales | 71,188 | 10,658 | 7,559 | | | 89,405 |
| Internal net sales | -10 | 10 | | | | 0 |
| Total net sales | 71,178 | 10,668 | 7,559 | 0 | 0 | 89,405 |
| Depreciation, amortisation and impairment losses | 3,874 | 465 | 603 | | | 4,942 |
| Operating profit | 4,263 | 1,139 | 140 | 0 | 0 | 5,542 |
| Finance expences (net) | -2,035 | -4 | -202 | 0 | 0 | -2,241 |
| Share of profit of equity accounted investees | 334 | 0 | 0 | 0 | 0 | 334 |
| Unallocateditems | | | | 0 | 0 | 0 |
| Profit before income tax | 2,562 | 1,135 | -62 | 0 | 0 | 3,635 |
| | | | | | | |
| Segment assets | 72,311 | 4,712 | 0 | 0 | 0 | 77,023 |
| Investments in equity accounted investees | 591 | 0 | 0 | 0 | 0 | 591 |
| Unallocated assets | 0 | 0 | 0 | 1,393 | 0 | 1,393 |
| Total assets | 72,902 | 4,712 | 0 | 1,393 | 0 | 79,007 |
| | | | | | | |
| Segment liabilities | 39,286 | 872 | 0 | 0 | 0 | 40,158 |
| Unallocated liabities | 0 | 0 | 0 | 3,965 | 0 | 3,965 |
| Total liabillities | 39,286 | 872 | 0 | 3,965 | 0 | 44,123 |
| | | | | | | |
| Capital expenditure | 9,964 | 611 | 1,366 | 0 | 0 | 11,941 |
| Depreciation, amortisation | 3,874 | 465 | 603 | 0 | 0 | 4,942 |
| Impairment losses | 0 | 0 | 0 | 0 | 0 | 0 |

### Business segments 2007

| 1,000 EUR | Nurminen Cargo | Nurminen Heavy | Nurminen Care | Unallocated | Eliminations | Total |
|---|---|---|---|---|---|---|
| External net sales | 65,560 | 9,455 | 6,678 | 0 | 0 | 81,693 |
| Internal net sales | 0 | 0 | 0 | 0 | 0 | 0 |
| Total net sales | 65,560 | 9,455 | 6,678 | 0 | 0 | 81,693 |
| Depreciation, amortisation and impairment losses | 3,704 | 405 | 339 | 0 | 0 | 4,448 |
| Operating profit | 2,819 | 927 | 781 | 0 | 0 | 4,527 |
| Financial expenses (net) | -2,266 | -3 | -222 | 0 | 0 | -2,491 |
| Share of profit of equity accounted investees | 29 | 0 | 0 | 0 | 0 | 29 |
| Unallocated assets | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit before income tax | 582 | 924 | 559 | 0 | 0 | 2,065 |
| | | | | | | |
| Segment assets | 68,969 | 3,363 | 7,538 | 0 | 0 | 79,870 |
| Investment in equity accounted investees | 210 | 0 | 0 | 0 | 0 | 210 |
| Unallocated assets | | | | | 0 | 0 |
| Total assets | 69,179 | 3,363 | 7,538 | 0 | 0 | 80,080 |
| | | | | | | |
| Segment liabilities | 49,645 | 738 | 6,190 | 0 | 0 | 56,573 |
| Unallocated liabilities | | | | | 0 | 0 |
| Total liabilities | 49,645 | 738 | 6,190 | 0 | 0 | 56,573 |
| | | | | | | |
| Capital expenditure | 19,183 | 517 | 2,162 | 0 | 0 | 21,862 |
| Depreciation, amortisation | 3,704 | 405 | 339 | 0 | 0 | 4,448 |
| Impairment losses | 0 | 0 | 0 | 0 | 0 | 0 |

**Geographical segments 2008**

| 1,000 EUR | Finland | Russia | Baltic countries | Total |
|---|---|---|---|---|
| Net sales | 64,088 | 23,529 | 1,788 | 89,405 |
| Operating profit | 1,921 | 3,138 | 483 | 5,542 |
| Segment assets | 39,623 | 37,514 | 1,870 | 79,007 |
| Capital expenditure | 8,425 | 3,490 | 26 | 11,941 |

**Geographical segments 2007**

| 1,000 EUR | Finland | Russia | Baltic countries | Total |
|---|---|---|---|---|
| Net sales | 64,520 | 14,575 | 2,598 | 81,693 |
| Operating profit | 1,587 | 2,841 | 99 | 4,527 |
| Segment assets | 40,256 | 37,757 | 2,067 | 80,080 |
| Capital expenditure | 5,742 | 16,064 | 56 | 21,862 |

## 3. Business combinations

The subsidiary of the Nurminen Logistics Helsingin Ensihoito ja Sairaankuljetus Oy acquired 81% of the shares of Luumäen Ensihoito Oy in July and 81% of the shares of A. Järvenpää Oy in August. The acquisition included a stipulation according to which the Helsingin Ensihoito ja Sairaankuljetus has a right to acquire the remainder (19%) of the shares of the both companies.

Because of the small size of the acquisitions and short period of ownership, acquisitions would not have had significant effects on consolidated income of Nurminen Logistics, if they had been included in the Nurminen Logistics Group the whole financial year from 1 January to 31 December.

The acquisitions have been summarised in the following table.

**Components of the acquisition cost**

| 1,000 EUR | |
|---|---|
| Considered paid in cash | 510 |
| Option to acquire the minority interest of 19% in Luumäen Sairaankuljetus Oy and A. Järvenpää Oy | 481 |
| Transfer tax | 2 |
| Total | 993 |

**Assets and liabilities on the acquisitions were recognised as follows:**

| 1,000 EUR | Recognised fair values on acquisition | Pre-acquisition carrying amounts |
|---|---|---|
| Property, plant and equipment | 325 | 325 |
| Intangible assets | 832 | 40 |
| Deferred tax assets | 0 | 0 |
| Trade receivables | 57 | 57 |
| Current receivables | 31 | 31 |
| Cash and cash equivalents | 29 | 29 |
| Total assets | 1,274 | 482 |
| | | |
| Deferred tax liabilities | 65 | 0 |
| Interest-bearing liabilities | 136 | 136 |
| Other liabilities | 143 | 143 |
| Total liabilities | 344 | 279 |
| | | |
| Net assets | 201 | |
| Acquisition cost | 993 | |
| **Goodwill** | **792** | |
| | | |
| Consideration paid in cash | | -510 |
| Transfer tax paid | | -2 |
| Cash and equivalents in acquired subsidiaries | | 29 |
| **Total net cash outflow on the acquisitions** | | **-483** |

## 4. Discontinued operations

Nurminen Logistics Plc and the minority shareholders signed on 10 October 2008 an agreement to divest the Nurminen Care business unit to a fund managed by private equity investor Sentica Partners Oy. Nurminen Logistics Plc divested its ambulance operator services by divesting its 62% share of Helsingin Ensihoito ja Sairaankuljetus Oy.

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **Net assets and liabilities of the discontinued operations** | | |
| Cash and cash equivalents | 1,195 | 0 |
| Intangible assets | 3,670 | 0 |
| Property, plant and equipment | 1,772 | 0 |
| Trade receivables and other receivables | 754 | 0 |
| Trade payables and other liabilities | -6,219 | 0 |
| **Total** | 1,172 | 0 |
| Gain on disposal | 217 | 0 |
| **Consideration, total** | **1,389** | **0** |
| | | |
| Received in cash | 4,878 | 0 |
| Cash and cash equivalents of divested | -1,195 | 0 |
| **Cash flow from divestment** | **3,683** | **0** |
| | | |
| **Cash flows from sold activities** | | |
| Cash flows from operating activities | 716 | 0 |
| Cash flows from investing activities | -766 | 0 |
| Cash flows from financing activities | -521 | 0 |

The transaction was completed on 27 October 2008.

## 5. Other operating income

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Proceeds from sale of property, plant and equipment | 378 | 129 |
| Rental income | 1 | 88 |
| Other items | 1,152 | 1668 |
| **Total** | **1,531** | **1,885** |

## 6. Other operating expenses

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Expenses relating to premises | 4,248 | 5,468 |
| Administrative expenses | 8,341 | 6,288 |
| Other items | 4,903 | 3,256 |
| **Total** | **17,492** | **15,012** |

Other items consist mainly of rental expenses and IT and telecommunications expenses.

## 7. Employee benefits expenses

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Wages and salaries | 16,426 | 14,917 |
| Pension expenses | 2,702 | 2,272 |
| Other social security costs | 1,050 | 931 |
| Share-based payments | 166 | 0 |
| **Total** | **20,344** | **18,120** |

Information about the management remuneration is presented in note 28. Related party transactions.

**Personnel of the group during the period in average**

| | 2008 | 2007 |
|---|---|---|
| Nurminen Cargo | 293 | 341 |
| Nurminen Heavy | 27 | 29 |
| Nurminen Care | 161 | 131 |
| Administration | 35 | 43 |
| **Total** | **516** | **544** |

## 8. Depreciation, amortisation and impairment losses

### Depreciation and amortisation by asset item:

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Intangible assets | | |
| Intangible rights | 206 | 66 |
| Other intangible assets | 352 | 625 |
| **Total** | **558** | **691** |
| | | |
| Property, plant and equipment | | |
| Buildings | 570 | 600 |
| Machinery and equipment | 3,584 | 2,488 |
| Other tangible assets | 230 | 669 |
| **Total** | **4,384** | **3,757** |

## 9. Finance income and expenses

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **Finance income** | | |
| Interest income | 150 | 16 |
| Other finance income | 520 | 0 |
| **Total finance income** | **670** | **16** |
| | | |
| **Finance expenses** | | |
| Interest expenses | 2,668 | 1,604 |
| Other finance expenses | 243 | 903 |
| **Total finance expenses** | **2,911** | **2,507** |

Items above the operating profit include exchange rate losses totalling EUR -390 thousand in 2008 and EUR -107 thousand in 2007.

## 10. Income tax expense

### The income tax expense consists of the following:

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Current tax expense | 902 | 44 |
| Adjustment for prior periods' taxes | 13 | 0 |
| Deferred taxes, net | -137 | 340 |
| **Total** | **778** | **384** |

### Reconciliation between the income tax expense recognised in the income statement and the taxes calculated using the Finnish corporate tax rate (26%):

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Profit before income tax | 3,635 | 2,065 |
| | | |
| Income tax calculated using the Finnish corporate tax rate | -945 | -537 |
| Effect of tax rates used in foreign subsidiaries | 313 | 185 |
| Tax exempt income | 818 | 0 |
| Tax effect arising from the reversal of goodwill amortisation | 106 | 0 |
| Non-deductible expenses | -62 | -32 |
| Utilisation of previously unrecognised tax losses | -989 | 0 |
| Adjustments for prior periods' taxes | -13 | 0 |
| Other differences | -6 | 0 |
| Total adjustments | 167 | 153 |
| | | |
| **Income tax expense in the income statement** | **-778** | **-384** |

## 11. Earnings per share

| | 2008 |
|---|---|
| Profit attributable to the parent company shareholders (1,000 EUR) | 2,181 |
| Weighted average number of shares, non-diluted | 12,718,414 |
| Earnings per share, non-diluted (EUR) | 0.17 |
| | |
| Profit attributable to the parent company shareholders (1,000 EUR) | 2,181 |
| Weighted average number of shares, non-diluted | 12,718,414 |
| Effect of share bonus scheme | 37,500 |
| Weighted average number of shares, diluted | 12,755,914 |
| Earnings per share, diluted (EUR) | 0.17 |

## 12. Property, plant and equipment

| 2008<br>1,000 EUR | Land and water areas | Buildings | Machinery and equipment | Other tangible assets | Prepayments and assets under construction | Total |
|---|---|---|---|---|---|---|
| Acquisition cost on 1 January | 560 | 12,984 | 30,288 | 1,887 | 9,313 | 55,032 |
| Additions | 4 | 4,189 | 1,690 | 668 | 3,651 | 10,202 |
| Reclassification | | 201 | 10,373 | | -10,574 | 0 |
| Sales of assets in Group companies | | | -1,762 | -4 | -5 | -1,771 |
| Dissposals | | -253 | -645 | -138 | | -1,036 |
| Effect of movements in exchange rates | 0 | -11 | -2,495 | -8 | -1,375 | -3,889 |
| Acquisition on 31 December | 564 | 17,110 | 37,449 | 2,405 | 1,010 | 58,538 |
| | | | | | | |
| Accumulated depreciation and impairment losses on 1 January | | -1,938 | -4,401 | -652 | | -6,991 |
| Depreciation for the period | | -570 | -3,584 | -230 | | -4,384 |
| Reclassifications | | | | | | 0 |
| Cumulative depreciation on sales of assets in group companies | | | 521 | 1 | | 522 |
| Disposals | | 42 | 385 | | | 427 |
| Effect of movements in exchange rates | 0 | 5 | 424 | 1 | 0 | 430 |
| Accumulated depreciation and impairment losses on 31 December | 0 | -2,461 | -6,655 | -880 | 0 | -9,996 |
| | | | | | | |
| **Carrying amount on 1 January 2008** | **560** | **11,046** | **25,887** | **1,235** | **9,313** | **48,041** |
| **Carrying amount on 31 December 2008** | **564** | **14,649** | **30,794** | **1,525** | **1,010** | **48,542** |

| 2007<br>1,000 EUR | Land and water areas | Buildings | Machinery and equipment | Other tangible assets | Prepayments and assets under construction | Total |
|---|---|---|---|---|---|---|
| Acquisition cost on 1 January | 683 | 10,445 | 26,202 | 1,247 | 2,311 | 40,888 |
| Additions | 20 | 2,537 | 1,248 | 764 | 9,313 | 13,882 |
| Reclassifications | | | 2,311 | | -2,311 | 0 |
| Disposals | -143 | | -126 | -125 | | -394 |
| Effect of movements in exhange rates | 0 | 2 | 653 | 1 | 0 | 656 |
| Acquisition on 31 December | 560 | 12,984 | 30,288 | 1,887 | 9,313 | 55,032 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| Accumulated depreciation and impairment losses on 1 January | 0 | -1,338 | -2,039 | -103 | 0 | -3,480 |
| Depreciation for the period | | -600 | -2,488 | -669 | | -3,757 |
| Reclassification | | | | | | 0 |
| Disposals | | | 126 | 120 | | 246 |
| Effect of movements in exchange rates | 0 | 0 | 0 | 0 | 0 | 0 |
| Accumulated depreciations and impairment losses on 31 December | 0 | -1,938 | -4,401 | -652 | 0 | -6,991 |
| | | | | | | |
| **Carrying amount on 1 January 2007** | **683** | **9,107** | **24,163** | **1,144** | **2,311** | **37,408** |
| **Carrying amount on 31 December 2007** | **560** | **11,046** | **25,887** | **1,235** | **9,313** | **48,041** |

**Property, plant and equipment include assets leased under finance lease contracts as follows:**

| 2008<br>1,000 EUR | Machinery and equipment |
|---|---|
| Acquisition cost on 1 January | 923 |
| Additions | 223 |
| Disposals | -113 |
| Acquisition on 31 December | 1,033 |
| | |
| Accumulated depreciation and impairment losses on 1 January | -479 |
| Depreciation for the period | -248 |
| Disposals | 77 |
| Accumulated depreciation and impairment losses on 31 December | -650 |
| | |
| Carrying amount 31 December | 383 |

| 2007<br>1,000 EUR | Machinery and equipment |
|---|---|
| Acquisition cost on 1 January | 914 |
| Additions | 135 |
| Disposals | -126 |
| Acquisition on 31 December | 923 |
| | |
| Accumulated depreciation and impairment losses on 1 January | -336 |
| Depreciation for the period | -269 |
| Disposals | 126 |
| Accumulated depreciation and impairment losses on 31 December | -479 |
| | |
| Carrying amount 31 December | 444 |

In addition, the Group has several lease agreements concerning properties on places of business, of which the most significant are terminal premises in Vuosaari (at the address Satamakaari 24, Helsinki) as well as the premises in the headquarters' use in Huolintatalo, at the address Pasilankatu 2, Helsinki. Otherwise Nurminen Logistics leases as a lessee mainly IT equipment, office automation equipment, vehicles and cargo handling machines used in terminals.

## 13. Intangible assets

| 2008<br>1,000 EUR | Goodwill | Intangible rights | Other intangible assets | Total |
|---|---|---|---|---|
| Acquisition cost on 1 January | 10,725 | 1,918 | 2,125 | 14,768 |
| Additions | | 112 | 684 | 796 |
| Acquisitions through business combinations | 4,764 | -5 | | 4,759 |
| Sales of assets in Group companies | -6,359 | -1,313 | -99 | -7,771 |
| Disposals | | -1 | -7 | -8 |
| Effect of movements in exchange rates | 0 | | -28 | -28 |
| Acquisition on 31 December | 9,130 | 711 | 2,675 | 12,516 |
| | | | | |
| Accumulated amortisation and impairment losses on 1 January | | -442 | -1,023 | -1,465 |
| Amortisation for the period | | -206 | -351 | -557 |
| Disposals | | 133 | 61 | 194 |
| Effect of movements in exchange rates | 0 | | 0 | 0 |
| Accumulated amortisation and impairment losses on 31 December | 0 | -515 | -1,313 | -1,828 |
| | | | | |
| **Carrying amount on 1 January 2008** | **10,725** | **1,476** | **1,102** | **13,303** |
| **Carrying amount on 31 December 2008** | **9,130** | **196** | **1,362** | **10,688** |

| 2007<br>1,000 EUR | Goodwill | Intangible rights | Other intangible assets | Total |
|---|---|---|---|---|
| Acquisition cost on 1 January | 9,131 | 559 | 2,107 | 11,797 |
| Additions | | 152 | 253 | 405 |
| Acquisitions through business combinations | 1,594 | 1,207 | | 2,801 |
| Disposals | | | -235 | -235 |
| Effect of movements in exchange rates | 0 | 0 | 0 | 0 |
| Acquisition 31 December | 10,725 | 1,918 | 2,125 | 14,768 |
| | | | | |
| Accumulated depreciation and impairment losses on 1 January | 0 | -376 | -573 | -949 |
| Depreciation for the period | | -66 | -625 | -691 |
| Disposals | | | 175 | 175 |
| Effect of movements in exchange rates | 0 | 0 | 0 | 0 |
| Accumulated amortisation and impairment losses on 31 December | 0 | -442 | -1,023 | -1,465 |
| | | | | |
| **Carrying amount on 1 January 2007** | **9,131** | **183** | **1,534** | **10,849** |
| **Carrying amount on 31 December 2007** | **10,725** | **1,476** | **1,102** | **13,304** |

## 14. Carrying amounts of financial assets and liabilities by category

| 2008<br>1,000 EUR | Loans and other receivables | Liabilities measured at amortised cost | Carrying amounts in the balance sheet |
|---|---|---|---|
| **Non-current financial assets** | | | |
| Other receivables | 718 | | 718 |
| | | | |
| **Current financial assets** | | | |
| Trade receivables | 13,843 | | 13,843 |
| Cash and cash equivalents | 4,204 | | 4,204 |
| | | | |
| **Non-current financial liabilities** | | | |
| Loans from financial institutions | | 22,232 | 22,232 |
| | | | |
| **Current financial liabilities** | | | |
| Loans from financial institutions | | 11,669 | 11,669 |
| Trade and other payables | | 9,185 | 9,185 |
| Derivates | | | 0 |

| 2007<br>1,000 EUR | Loans and other receivables | Liabilities measured at amortised cost | Carrying amounts in the balance sheet |
|---|---|---|---|
| **Non-current financial assets** | | | |
| Other receivables | 0 | | 0 |
| | | | |
| **Current financial assets** | | | |
| Trade receivables | 15,103 | | 15,103 |
| Cash and cash equivalents | 3,085 | | 3,085 |
| | | | |
| **Non-current financial liabilities** | | | |
| Loans from financial institutions | | 35,726 | 35,726 |
| | | | |
| **Current financial liabilities** | | | |
| Interest bearing liabilities | | 2,853 | 2,853 |
| Trade and other payables | | 15,754 | 15,754 |
| Derivates | | | 0 |

## 15. Impairment of assets

Indications of possible impairment of assets are reviewed based on indicators from the Group's internal and external information sources. Such indicators may be, for example, unexpected discrepancies in key assumptions used in the calculations discovered in Group reporting. In addition, indicators may also be changes in competition or other conditions prevailing in the market or new authority regulations affecting different industries or matters concerning service concession. During the years 2007 and 2008 there have not been any indicators that would have led to impairment testing of assets.

**The goodwill of the Group has been tested in 2008 and 2007 and it has been allocated to the segments for the impairment testing purposes as follows:**

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Nurminen Cargo | 8,115 | 5,120 |
| Nurminen Heavy | 1,015 | 40 |
| Nurminen Care | 0 | 5,115 |
| Total goodwill | 9,130 | 10,275 |

The goodwill is tested for impairment annually and if indications of impairment exist. The recoverable amount in the impairment testing calculations is determined based on value in use.

An impairment loss is recognised if the carrying amount of the net assets allocated to a cash-generating unit, including goodwill, is higher than the unit's recoverable amount. The recoverable amount of each cash-generating unit is determined by discounting the estimated future cash flows of the unit.

The impairment testing calculations are based on the estimates for 5 years approved by the management concerning the future cash flows. After this estimation period (terminal value) the estimated cash flows have been determined by using long-term growth estimates.

The most important variables used in the calculations are sales growth expectations, prices on services, cost development and discounting rate. The growth prospects for the business concerning Nurminen Cargo and Nurminen Heavy segment are based on both the recent development and the general forecasts for the business of the segment. The recent development of the economic situation and the development of the business profitability are taken into account when estimating the development of the prices on services.

It is expected that the sales growth of Nurminen Cargo segment for the near future years will be generated by the logistics services in CIS countries and the Baltic Sea region, which is based on an assumption of the continuing growth of import and export volumes in CIS countries in the transport segments Nurminen Cargo operates in. The Group's medium-term assumptions for this part are uniform with external professionals' estimates. The volume growth is boosted by the rolling stock equipment acquired by the Group as well as the investments in the local terminals in central areas. The perpetual value is based on a sales growth of 2%. The level of the operating profit of Nurminen Cargo segment has been estimated to increase moderately, which is based on the tightening competitive situation on one hand but in the other hand also on the Group's ability to respond to the competition with customer-oriented logistics solutions and operations that improve efficiency.

The near future expectations of Nurminen Heavy segment are based on domestic, import, export, and solely foreign transports. As an offset by the growth in the CIS area the sales resources of western markets have been strengthened. In the impairment testing of goodwill the level of the operating profit has been estimated to be moderate due to the low predictability of the current general economic situation. The perpetual value is based on a sales growth of 2%.

The discount rate is based on the Group's weighted average cost of capital before taxes. In determining the discount rate the market risks relating to these businesses as well as the risk relating to the size of the company, among others, have been taken into account. The discount rate before taxes was 9.31% in 2008 for Nurminen Cargo segment. For Nurminen Heavy the discount rate was 12.88% in 2008.

The management considers the discount rate and the sales growth after the forecast period to be the most critical assumptions in the impairment test calculations. A change of one percentage unit in the sales or in the discount rate used in the determination of the perpetual value would not give rise a recognition of an impairment loss when it comes to the calculations for the year 2008.

## 16. Equity accounted investees

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| At the beginning of period | 204 | 116 |
| Share of profit / loss for the period | 334 | 88 |
| Acquisition of equity accounted investees | 0 | 0 |
| Sale of equity accounted investees | -88 | 0 |
| Change in classification | 141 | 0 |
| **At the end of period** | **591** | **204** |

**Information about assets, liabilities, net sales and profit / loss for the period of the equity accounted investees:**

| 1,000 EUR | Domicile | Assets | Liabilities | Net sales | Profit / loss for the period | Ownership (%) |
|---|---|---|---|---|---|---|
| **2008** | | | | | | |
| Pelkolan Terminaali Oy | Lappeenranta | 6,817 | 5,776 | 1,941 | 237 | 20.0 |
| Team Lines Latvia SIA | Riga | 357 | 217 | 375 | 129 | 23.0 |
| CMA CGA Latvia SIA | Riga | 1,412 | 845 | 1,177 | 512 | 23.0 |
| Team Lines Estonia Oü | Tallinn | 110 | 58 | 465 | 49 | 20.3 |
| CMA CGA Estonia Oü | Tallinn | 575 | 261 | 611 | 184 | 23.0 |
| **2007** | | | | | | |
| Oy Turku Stevedoring Ab | Turku | 461 | 102 | 1,717 | 61 | 55.0 |
| Pelkolan Terminaali Oy | Lappeenranta | 6,443 | 5,478 | 1,889 | 261 | 20.0 |

Oy Turku Stevedoring Ab is accounted for as a joint venture since Nurminen Logistics' effective relationship with the company meets the criteria of a joint venture. The company is accounted for using the equity method. Oy Turku Stevedoring Ab operates mainly in the cargo handling business. The shipping and freight agency Pelkolan Terminaali Oy is an associate which is accounted for using the equity method. The companies in the Baltic countries have been accounted for using the equity method from beginning of 2008, before this they were accounted for as investments.

## 17. Non-current receivables

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Loan receivables | 650 | 0 |
| Other receivables | 68 | 0 |
| **Total** | **718** | **0** |

## 18. Deferred tax assets and liabilities

**Movements in deferred taxes during year 2008:**

| 1,000 EUR | 1 Jan 2008 | Recognised in the income statement | Recognised in equity | Acquired / sold subsidiaries | 31 Dec 2008 |
|---|---|---|---|---|---|
| **Deferred tax assets:** | | | | | |
| Financial instruments at fair value | 0 | 44 | 0 | 0 | 44 |
| Intra-group profits | 0 | 0 | 0 | 0 | 0 |
| Provisions | 0 | 0 | 0 | 0 | 0 |
| Tax loss carry-forwards | 0 | 0 | 0 | 0 | 0 |
| Other items | 337 | 184 | 0 | -144 | 377 |
| **Total** | **337** | **228** | **0** | **-144** | **421** |
| | | | | | |
| **Deferred tax liabilities:** | | | | | |
| Financial instruments at fair value | 0 | | | | 0 |
| Cumulative depreciation and amortisation difference | 167 | | | | 167 |
| Timing differences and temporary differences / reversal of | 0 | | | | 0 |
| deductible goodwill amortisation | 197 | -106 | | | 91 |
| Allocated goodwill | 396 | | | -396 | 0 |
| Other items | 0 | | | | 0 |
| **Total** | **760** | **-106** | **0** | **-396** | **258** |

**Movements in deferred taxes during year 2007:**

| 1,000 EUR | 1 Jan 2007 | Recognised in the income statement | Recognised in equity | Acquired / sold subsidiaries | 31 Dec 2007 |
|---|---|---|---|---|---|
| **Deferred tax assets:** | | | | | |
| Financial instruments at fair value | 0 | 0 | 0 | 0 | 0 |
| Intra-group profits | 0 | 0 | 0 | 0 | 0 |
| Provisions | 0 | 0 | 0 | 0 | 0 |
| Tax loss carry-forwards | 0 | 0 | 0 | 0 | 0 |
| Other items | 161 | 176 | 0 | 0 | 337 |
| **Total** | **161** | **176** | **0** | **0** | **337** |
| | | | | | |
| **Deferred tax liabilities:** | | | | | |
| Financial instruments at fair value | 8 | -8 | 0 | 0 | 0 |
| Cumulative depreciation and amortisation difference | 405 | -238 | 0 | 0 | 167 |
| Timing differences and temporary differences / reversal of | 0 | 0 | 0 | 0 | |
| deductible goodwill amortisation | 197 | 0 | 0 | 0 | 197 |
| Allocated goodwill | 230 | 166 | 0 | 0 | 396 |
| Other items | 0 | 0 | 0 | 0 | 0 |
| **Total** | **840** | **-80** | **0** | **0** | **760** |

## 19. Trade and other receivables

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Trade receivables | 5,721 | 10,536 |
| Loan receivables | 596 | 0 |
| Prepaid expenses and accrued income | 3,322 | 3,168 |
| Derivates | 0 | 52 |
| Deferred tax assets | 553 | 48 |
| VAT receivables | 2,688 | 850 |
| Other receivables | 963 | 449 |
| Total | **13,843** | **15,103** |
| | | |
| **Trade and other receivables in currencies** | | |
| Euro | 8,546 | 11,685 |
| Roubles | 5,297 | 3,418 |
| | **13,843** | **15,103** |

The most remarkable item of prepaid expenses and accrued income, EUR 3 308 thousand in 2008 (EUR 1 889 thousand in 2007), consists of services rendered at the balance sheet but yet not invoiced from the customer.

The carrying amounts of current receivables correspond best the values which is the maximum amount of the credit risk excluding collaterals in the case other party of an agreement cannot meet the obligations it has concerning the financial instruments. Trade and other receivables do not contain any significant concentrations of credit risk. The carrying amounts of current receivables correspond their fair values.

## 20. Cash and cash equivalents

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Cash and bank balances | 4,204 | 3,085 |
| **Cash and cash equivalents in the balance sheet** | **4,204** | **3,085** |

Cash and cash equivalents in the statement of cash flows equal to the cash and cash equivalents in the balance sheet.

## 21. Equity

| | Number of shares | Share equity Euro | Share premium account Euro | General reserve Euro | Unrestricted equity Euro |
|---|---|---|---|---|---|
| 1 January 2008 | 2,479,835 | 4,215 | 86 | 2,375 | 0 |
| Consolidation of shares series | 239,285 | | | | |
| Directed issue | 9,999,999 | | | | 20,000 |
| 31 December 2008 | 12,719,119 | 4,215 | 86 | 2,375 | 20,000 |

### Reserves included in shareholders' equity

*Share premium account*
Share issue gains arising during 1997–2006 have been recognised in the share premium account, less transaction expenses.

*General reserve*
Gains from share issues arising before Companies Act of 1997 have been recognised in the general reserve.

*Unrestricted equity*
Share issue 1 January 2008 gains have been recognised in the unrestricted equity.

*Translation difference*
The translation differences reserve includes translation differences arinsing from the translation of foreign units' financial statements.

*Dividend*
The Board of Directors proposes to the Annual General Meeting a dividend of 0.06 euros per outstanding share.

## 22. Share-based payments

The Board of Directors of Nurminen Logistics Plc approved a new share bonus scheme 2008–2010 on 17 April 2008. In the share bonus scheme, key individuals have the possibility of receiving shares as bonus for a three-year performance period according to how targets set for the performance period have been achieved. In addition, the proportion to be paid in cash will cover taxes and tax-related costs arising from the reward. The plan is directed to start with to 10–15 people. The rewards to be paid during the 3-year period on the basis of the plan correspond to the approximate value of a maximum total of 510,000 Nurminen Logistics Plc shares (including also the proportion to be paid in cash). It is prohibited to transfer the shares during the two year restriction period. After this period, the key personnel must, however, own half of the shares earned from the plan as long as their service or employment in the Group continues. If a key person's employment or service ends during the restriction period, he/she must return the shares paid as reward to the company without compensation.

The Board of Directors decides annually the targets to be set for each performance period. The targets are determined on the basis of the Nurminen Logistics Group's financial development. Achieving the targets set for the performance period determines how large a proportion of the maximum bonus will be paid. For the 2008 performance period, share bonuses will be paid based on Group's net sales and operating profit. Share bonuses will be paid if Group's net sale is over EUR 80 million and operating profit is over EUR 4.5 million. The bonuses are payable in full if net sale is at least EUR 115 million and operating profit over EUR 7 million. The Board of Directors allocated 85,000 shares to key personnel in 2008. The actual outcome of the share-based incentive scheme in 2008 was about 45% of the maximum. Total of EUR 166,250 of share-based payable liabilities are booked in the financial statements 2008.

## 23. Interest-bearing liabilities

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **Non-current** | | |
| Loans from financial institutions | 14,382 | 35,172 |
| Long-term liabilities to others | 7,672 | 350 |
| Finance lease liabilities | 178 | 204 |
| **Total** | **22,232** | **35,726** |
| | | |
| **Current** | | |
| Loans from financial institutions | 8,921 | 2,613 |
| Short-term liabilities to others | 2,543 | 0 |
| Finance lease liabilities | 205 | 240 |
| **Total** | **11,669** | **2,853** |
| | | |
| **Interest-bearing liabilities in currencies** | | |
| Euro | 22,617 | 25,401 |
| Roubles | 11,284 | 13,178 |
| | **33,901** | **38,579** |
| | | |
| **Finance lease liabilities** | | |
| | | |
| Present value of minimum lease payments | | |
| Less than one year | 218 | 255 |
| Between one and five years | 184 | 211 |
| More than five years | 0 | 0 |
| **Total** | **402** | **466** |
| | | |
| Present value of minimum lease payments | | |
| Less than one year | 205 | 240 |
| Between one and five years | 178 | 204 |
| More than five years | | |
| **Total** | **383** | **444** |
| | | |
| Future finance charges | 19 | 22 |
| | | |
| **Total finance lease liabilities** | **402** | **466** |

## 24. Trade and other payables

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **Current** | | |
| | | |
| Trade payables | 2,128 | 6,338 |
| Derivates | 242 | 0 |
| Share-based payments | 166 | 0 |
| Other liabilities | 1,092 | 1,383 |
| Accrued expenses and deferred income | 5,557 | 8,033 |
| **Total trade and other payables** | **9,185** | **15,754** |
| | | |
| **Trade and other payables in currencys** | | |
| Euro | 8,004 | 14,330 |
| Roubles | 1,181 | 1,424 |
| | **9,185** | **15,754** |
| **Non-current** | | |
| Liability arising from the obligation to redeem the minority interest | 0 | 1,480 |
| Share-based payments | 779 | 0 |
| **Total non-current liabilities** | **779** | **1,480** |

The most significant item, EUR 2,305 thousand in 2008 (EUR 3,209 thousand in 2007), in accrued expenses and deferred income consists of employee benefits expense accruals.

## 25. Financial risk management

The objective of Nurminen Logistics' risk management is to minimise the adverse effects arising from changes in the financial market on the Group's earnings and equity. The financial risks are divided into currency, interest rate, liquidity and credit risks. The financial risk management policy is based on the general principles of financing approved by the Board of Directors. The finance operations is responsible for the daily risk management within the limits set by the Board of Directors.

### Currency risk

Currency risk arises from foreign currency transactions, financing of foreign subsidiaries as well as equity in foreign currencies.

The currency risk related to cash flows is managed by operating incoming cash inflows and outflows in the same currency and by matching them, when possible. The currency cash flows are reviewed every 3 months so that structural changes are discovered in time. If matching is not possible, a part of an open position may be hedged.

Currency balance sheet items are hedged if the currency specific amount exceeds EUR 500,000. Currency forwards, currency options, NDF forwards and hybrids of these may be used as hedging instruments. The hedge level of the currency items shall be between 30%–70% taking into account the prevailing economic situation, the forecast currency prospects as well as the possibility of the practical implementations of the hedging.

The objective is to keep the currencies on the bank accounts as little as possible yet without this interrupting the payment transactions. The foreign currency cash and cash equivalents may not exceed 1% of the total assets.

### Interest rate risk

Nurminen Logistics' interest rate risk arises primarily from interest-bearing liabilities. The objective of the interest rate risk management is to decrease the effect of changes in market interest rates on the cash flows of financing. Interest rate forwards and futures, interest rate swaps as well as interest rate collars may be used as hedging instruments. The interest rate risk is hedged by hedging loans of 30%–70% depending on the prevailing interest rate and cost level.

### Liquidity risk

The objective of the liquidity risk management is to ensure sufficient liquidity reserves at all times. As a liquid payment transaction buffer shall be approximately liquid reserves needed for payment transactions for a period of two weeks. The financing is secured by using committed credit facilities as well as using several financial institutions as counterparties and also by using several financing methods.

### Credit risk

Credit risk arises if the counterparty cannot satisfy its contractual obligations. The objective of the credit risk management is to minimise losses that arise when counterparty does not satisfy its obligations. The counterparty risk is managed based on the creditworthiness of customers. The creditworthiness defines, whether a credit limit can be granted or whether the transaction requires a guarantee.

## Interest rate risk

### Sensitivity analysis of the interest rate risk

In calculating the sensitivity to changes in the interest rate level the following assumptions have been used:
- the change in the interest rate level has been assumed to be +/- 100 bps

### Sensitivity analysis of variable interest rate loans

| 2008 | Income statement 100 bp | | Equity 100 bp | |
|---|---|---|---|---|
| 1,000 EUR | increase | decrease | increase | decrease |
| Variable interest rate instruments | -322 | 322 | - | - |
| Interest rate swaps | 123 | -123 | - | - |
| Total effect | -199 | 199 | - | - |

| 2007 | Income statement 100 bp | | Equity 100 bp | |
|---|---|---|---|---|
| 1,000 EUR | increase | decrease | increase | decrease |
| Variable interest rate instruments | -364 | 364 | - | - |
| Interest rate swaps | 9 | -9 | - | - |
| Total effect | -355 | 355 | - | - |

Market-based loans are raised mainly as variable interest rate loans. Nurminen Logistics hedges from interest rate risk of market-based loans by electing the interest rate periods and with derivative instruments, mainly with interest rate swaps.

## Currency risk

In calculating the sensitivity to changes in the exchange rate the following assumptions have been used:
- the change in the exchange rate has been assumed to be +/- 10%
- other variables do not change

| 2008 | Income statement | | Equity | |
|---|---|---|---|---|
| | 10% | | 10% | |
| 1,000 EUR | increase | decrease | increase | decrease |
| RUR | -67 | 67 | -2 426 | 2 426 |

| 2007 | Income statement | | Equity | |
|---|---|---|---|---|
| | 10% | | 10% | |
| 1,000 EUR | increase | decrease | increase | decrease |
| RUR | 264 | -264 | -227 | 227 |

### Exchange rates used

| | Exchange rate for the period | | Balance sheet exchange rate | |
|---|---|---|---|---|
| | 2008 | 2007 | 2008 | 2007 |
| RUR | 36.43 | 34.79 | 41.28 | 35.35 |

## Liquidity risk

### The contractual cash flows of loan instalments and interests at 31 December 2008 were the following:

| 1,000 EUR | 1 month | 1–3 months | 3 months– 1 year | 1–5 years | Total |
|---|---|---|---|---|---|
| | 799 | 2,681 | 10,007 | 23,593 | 37,080 |

### The contractual cash flows of loan instalments and interests at 31 December 2007 were the following:

| 1,000 EUR | 1 month | 1–3 months | 3 months– 1 year | 1–5 years | Total |
|---|---|---|---|---|---|
| | 853 | 1,021 | 5,258 | 37,080 | 44,212 |

## Credit risk

### The maximum exposure to credit risk

| 1,000 EUR | |
|---|---|
| 2008 | 13,843 |
| 2007 | 15,103 |

### The aging of trade receivables

| 1,000 EUR | Not past due | Past due less than 30 days | Past due 30–120 days | Past due over 120 days | Total |
|---|---|---|---|---|---|
| 2008 | 4,305 | 1,038 | 273 | 105 | 5,721 |
| 2007 | 8,056 | 2,048 | 355 | 76 | 10,536 |

Nurminen Logistics has no significant concentrations of credit risk.

## 26. Operating leases

### The Group as lessee

Future minimum lease payments under non-cancellable leases are as follows:

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Less than one year | 4,838 | 2,120 |
| Between one and five years | 26,577 | 8,304 |
| More than five years | 50,353 | 3,991 |
| **Total** | **81,768** | **14,415** |

## 27. Commitments and contingencies

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| Liabilities for which mortgages over property have been given | | |
| Loans to financial institutions | 10,310 | 21,180 |
| Mortgages given | 6,223 | 3,560 |
| Floating charges | 0 | 164 |
| Pledges given | 0 | 4,539 |
| | | |
| Other contingencies | | |
| Customs duties and other guarantees | 7,038 | 11,829 |
| | | |
| Commitments and contingencies given on behalf of Group companies | | |
| Customs duties and other guarantees | 0 | 1,993 |
| Counter-guarantees | 0 | 0 |
| **Total** | **0** | **1,993** |

### Other liabilities

The Group has a responsibility to revise the VAT deductions it has made from the real estate investments in 2008, if the taxable use of the building declines during the period. The maximum amount of the VAT liability is EUR 965 781,94 and the last revising year 2017.

## 28. Related party transactions

Related parties of Nurminen Logistics belong the members of the Board of Directors and the Group management as well as companies under their control. Related parties are also shareholders that have direct or indirect control or significant influence in the Group. The business transferred to New John Nurminen in the demerger of Old John Nurminen Ltd is also considered to belong to the related party.

### Related party transactions

| 1,000 EUR | 2008 |
|---|---|
| Sales | 838 |
| Purchases | 470 |
| Interest charges | 179 |
| Current receivables | 65 |
| Current liabilities | 2,543 |
| Non-current liabilities | 7,628 |

**Management remuneration**

| EUR | 2008 |
|---|---|
| CEO and the members of the Executive Board and the Board of Directors | |
| Short-term employee benefit | 947,930 |
| Post-employment benefits | 150,500 |
| Total | 1,098,430 |
| CEO | |
| Lasse Paitsola | 260,840 |
| Board of Directors | |
| Juha Nurminen | 37,000 |
| Matti Lainemaa | 27,000 |
| Matti Packalen | 22,000 |
| Olli Pohjanvirta | 22,000 |
| Rolf Saxberg | 22,000 |

Members of Board and CEO ownes 66,70% of company shares on 31 of December 2008.

## 29. Subsidiaries, associates and joint ventures

**The companies belonging to Nurminen Logistics are the following:**

| | Domicile | Ownership | Share of the voting power |
|---|---|---|---|
| RW Logistics Oy | Finland | 100.0% | 100.0% |
| JN Ferrovia Oy | Finland | 100.0% | 100.0% |
| | | | |
| Nurminen Maritime Latvia SIA | Latvia | 51.0% | 51.0% |
| UAB Nurminen Maritime | Lithuania | 51.0% | 51.0% |
| | | | |
| Nurminen Maritime Eesti AS | Estonia | 51.0% | 51.0% |
| Nurminen Heavy Oü | Estonia | 100.0% | 100.0% |
| | | | |
| OOO John Nurminen (St. Petersburg ) | Russia | 100.0% | 100.0% |
| OOO Huolintakeskus | Russia | 88.0% | 88.0% |
| OOO John Nurminen Terminal | Russia | 100.0% | 100.0% |
| ZAO Terminal Rubesh | Russia | 100.0% | 100.0% |
| OOO John Nurminen (Moscow) | Russia | 100.0% | 100.0% |
| ZAO Ir-Trans | Russia | 100.0% | 100.0% |
| **Associates and joint ventures** | | | |
| Pelkolan Terminaali Oy | Finland | 20.0% | 20.0% |
| Team Lines Latvia SIA | Latvia | 23.0% | 23.0% |
| CMA CGA Latvia SIA | Latvia | 23.0% | 23.0% |
| Team Lines Estonia Oü | Estonia | 20.3% | 20.3% |
| CMA CGA Estonia Oü | Estonia | 23.0% | 23.0% |

## 30. Events after the balance sheet date

Nurminen Logistics and Russian rail transportation company Transgarant signed a co-operation agreement in January 2009. Transgarant is the second largest privately owned rail transportation company in Russia. The company operates more than 17,000 railway wagons. According to the agreement Nurminen Logistics acts as a representative of Transgarant in Finland. The agreement also stipulates joint use of wagons, which guarantees Nurminen Logistics' clients good supply of versatile wagons.

The company has established a branch office in Malmö, Sweden in February 2009.

Nurminen Logistics adjusts its operations to match the economic situation and weakened demand for its services. As a part of adjustment measures the company starts co-determination negotiations concerning reorganisations, temporary lay-offs, redundancies and other possible alternatives. The possible need for temporary lay-offs and redundancies as well as the duration of the temporary lay-offs will be determined in detail during the co-determination negotiations. The company's cost saving goal for the year 2009 is EUR 1.5 million.

The Board of Directors of Nurminen Logistics Plc has approved IFRS financial statement from IFRS financial statements from financial year 2008 to be released on 25 February 2009.

# Parent company's income statement

| 1,000 EUR | Note | 2008 | 2007 |
|---|---|---|---|
| **TURNOVER** | 1. | **69,629,522.77** | **804,152.29** |
| Other operating income | 2. | 3,557,914.74 | 2,990,125.27 |
| Materials and services | 3. | -40,513,244.72 | |
| Employee benefit expence | 4. | -13,876,197.21 | -901,726.92 |
| Depreciation and impairment | 5. | -2,067,975.94 | -156,053.89 |
| Other operating expenses | 6. | -13,791,755.94 | -1,635,815.22 |
| **OPERATING PROFIT** | | **2,938,263.70** | **1,100,681.53** |
| Financial income and expences | 7. | -3,892,189.18 | 163,283.99 |
| **PROFIT / LOSS BEFORE EXTRAORDINARY ITEMS** | | -953,925.48 | 1,263,965.52 |
| Extraordinary items | | 0.00 | 0.00 |
| **PROFIT / LOSS BEFORE APPROPRIATIONS AND TAXES** | | **-953,925.48** | **1,263,965.52** |
| Increase or decrease in accumulated depreciation difference | 9. | 0.00 | 43,852.01 |
| Taxes | 10. | 0.00 | -37,766.67 |
| **PROFIT / LOSS FOR THE FINANCIAL YEAR** | | **-953,925.48** | **1,270,050.86** |

# Parent company's balance sheet

| 1,000 EUR | Note | 2008 | 2007 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Intangible assets | 1. | 2,613,154.25 | 0.00 |
| Property, plant and equipment | 1. | 18,797,761.53 | 0.00 |
| Investments | 2. | 616,300.00 | |
| **Total non-current assets** | | **22,027,215.78** | **0.00** |
| | | | |
| **Current assets** | | | |
| Long-term receivables | 3. | 24,536,025.99 | |
| Short-term receivables | 3. | 9,386,725.87 | 2,931,653.66 |
| Cash and bank equivalents | | 1,992,257.17 | 7,070,756.66 |
| **Total current assets** | | **35,915,009.03** | **10,002,410.32** |
| | | | |
| **TOTAL ASSETS** | | **57,942,224.81** | **10,002,410.32** |
| | | | |
| **LIABILITIES** | | | |
| **Equity** | | | |
| Shareholders' equity | 4. | 4,214,521.00 | 4,214,521.00 |
| Share premium reserve | 4. | 86,479.00 | 86,479.00 |
| Other reserves | | | |
| Legal reserve | 4. | 2,373,537.86 | 2,373,537.86 |
| Reserve for invested non-restricted equity | 4. | 20,000,000.00 | |
| Retained earnings | 4. | 902,508.71 | 1,158,667.53 |
| Profit / loss for the financial year | 4. | -953,925.48 | 1,270,050.86 |
| **Total equity** | | **26,623,121.09** | **9,103,256.25** |
| | | | |
| **Approriations** | | | |
| Accumulated depreciation difference | | 642,189.68 | 0.00 |
| | | | |
| **Liabilities** | | | |
| Non-current liabilities | 6. | 12,944,011.00 | 0.00 |
| Current liabilities | 7. | 17,732,903.04 | 899,154.07 |
| **Total liabilities** | | **30,676,914.04** | **899,154.07** |
| | | | |
| **TOTAL EQUITY AND LIABILITIES** | | **57,942,224.81** | **10,002,410.32** |

# Parent company’s cash flow statement

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **Cash flow from operating activities** | | |
| Profit / loss for the period | -953,925.48 | 1,270,050.86 |
| Adjustments: | | |
| Depreciation and impairment | 2,067,975.94 | 156,053.89 |
| Gains (-) and losses (+) on sale of non-current assets | -2,835,840.77 | -2,843,748.96 |
| Unrealised foreign exchange wins (-) and losses (+) | 3,574,056.24 | 0.00 |
| Financial income and expenses | 318,132.94 | -163,283.99 |
| Income taxes paid | 0.00 | 37,766.67 |
| **Cash flow before changes in working capital** | **2,170,398.87** | **-1,543,161.53** |
| | | |
| Changes in working capital: | | |
| Short-term receivables, increase (-) / decrease (+) | 2,075,024.02 | 333,126.60 |
| Non interest bearing short-term liabilities, increase (+) / decrease (-) | -6,132,761.67 | 113,149.86 |
| **Cash flow before financing and taxes** | **-1,887,338.78** | **-1,096,885.07** |
| | | |
| Interest paid | -577,892.27 | -73,012.12 |
| Dividends received | 148,594.93 | 0.00 |
| Interest received | 397,953.76 | 231,783.06 |
| Other financial items | 14,188.04 | -6,110.45 |
| Income taxes paid | -362,321.89 | -229,565.84 |
| **Net cash flow from operating activities** | **-2,266,816.21** | **-1,173,790.42** |
| | | |
| **Investing activities** | | |
| | | |
| Investments in tangible and intangible assets | -6,722,095.24 | 0.00 |
| Proceeds from sale of tangible and intangible assets | 570,587.89 | 3,279,000.00 |
| Acquisition of subsidiaries, net of cash acquired | 4,936,565.51 | 0.00 |
| Proceeds from sale of other investments | 0.00 | 4,761,494.00 |
| Loans granted | -4,600,523.11 | 0.00 |
| Repayments | 4,585,941.24 | 0.00 |
| Current investments increase (-) / decrease (+) | | 0.00 |
| **Total cash flow from investments** | **-1,229,523.71** | **8,040,494.00** |
| | | |
| **Financing activities** | | |
| Increase in current liabilities | 3,150,000.00 | 0.00 |
| Decrease in current liabilities | -504,262.02 | -1,336,375.87 |
| Increase in non-current liabilities | 5,000,000.00 | 0.00 |
| Decrease in non-current liabilities | -7,917,448.78 | -336,375.78 |
| Dividents paid | -1,526,209.68 | -297,411.00 |
| Purchases of own shares | 0.00 | -17.60 |
| **Cash flow from financing activities** | **-1,797,920.48** | **-1,970,162.65** |
| | | |
| **Change in cash and cash equivalents** | **-5,294,260.40** | **4,896,540.93** |
| | | |
| Cash and cash equivalents at the beginning of the year | 7,070,756.66 | 2,174,215.73 |
| Cash flow from merged companies | 215,760.91 | 0.00 |
| Change in cash and cash equivalents | -5,294,260.40 | 4,896,540.93 |
| Cash and cash equivalents at year-end | 1,992,257.17 | 7,070,756.66 |

# Notes to the parent company financial statements

## Accounting policies

The financial statements of the Nurminen Logistics Plc are prepared in accordance with Finnish Accounting Standards (FAS).

**Property, plant and equipment**

Items of property, plant and equipment are carried at cost less the planned depreciation.

They are depreciated during their estimated useful lives which are the following:

| | |
|---|---|
| Intangible assets | 3–5 years |
| Goodwill | 5 years |
| Other capitalised expenditure | 5–10 years |
| Buildings | 30–40 years |
| Machinery and equipment | 3–10 years |
| Rolling stock | 20–25 years |

**Valuation of receivables**

Receivables are valued at the lower of nominal and estimated probable value.

**Pensions**

Pension expenditure is presented in accordance with national legislation in each country. The pension security of the Finnish personnel has been arranged through external pension insurance companies.

**Deferred taxes**

The deferred tax liability or asset included in the balance sheet consists of the tax liability on accured depreciation differences and other temporary differences between the book values and tax bases. The deferred tax liability is included in the balance sheet in full and the deferred tax asset to the extent that can probably be recovered.

**Foreign currency items**

Foreign currency receivables and liabilities have been converted into euro at the average rate on the balance sheet date. The exchange rate differences of forward contracts made for hedging purposes have been used to adjust the exchange rate differences of the corresponding hedged items.

**Leases**

Lease payments have been treated as rental expenses. Lease payments due in future years under agreement are presented in the commitments and contingencies.

## Notes to the parent company financial statements

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **1. Net sales** | | |
| Sale of administration services | 0 | 414 |
| Rents | 0 | 390 |
| Sale of services | 69,630 | 0 |
| **Total** | **69,630** | **804** |
| | | |
| **2. Other operating income** | | |
| Capital gains on sales of tangible fixed assets | 272 | 2,800 |
| Others | 3,286 | 190 |
| **Total** | **3,558** | **2,990** |
| | | |
| **3. Material and services** | | |
| External services | **-40,513** | **0** |
| | | |
| **4. Employee benefits expenses** | | |
| Wages and salaries | -11,350 | -638 |
| Pension expenses | -1,785 | -215 |
| Other social security costs | -741 | -48 |
| **Total** | **-13,876** | **-901** |
| | | |
| **5. Depreciations and impairment** | | |
| Planned depreciation: | | |
| Intangible assets | -73 | -5 |
| Goowill | -350 | 0 |
| Other capitalised expenditure | -326 | 0 |
| Buildings | -570 | -129 |
| Machinery and equipment | -571 | -22 |
| Other tangible assets | -178 | 0 |
| **Total** | **-2,068** | **-156** |
| | | |
| **6. Other operating costs and expenses** | | |
| Rents | -2,721 | -57 |
| Audit fees | -67 | -45 |
| Other operating expences | -11,004 | -1,534 |
| **Total** | **-13,792** | **-1,636** |
| | | |
| **7. Finance income and expenses** | | |
| **Divident income** | | |
| Dividend income from Group companies | 106 | 0 |
| Divident income from interest | 42 | 0 |
| **Total** | **148** | **0** |
| | | |
| **Interest and financial income** | | |
| Interest income from Group companies | 252 | 127 |
| Interest and other financial income from others | 185 | 115 |
| **Total** | **437** | **242** |

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **Interest and financial expenses** | | |
| Interest expenses to Group companies | -51 | 0 |
| Interest and other financial expenses to others | -4,426 | -79 |
| **Total** | **-4,477** | **-79** |
| | | |
| **Total financial income and expenses** | **-3,892** | **163** |

## 8. Depreciation difference

| | | |
|---|---|---|
| The decrease of depreciation difference | 0 | 44 |
| **Total** | **0** | **44** |

## 9. Taxes

| | | |
|---|---|---|
| Taxes on business income for the financial period | 0 | -38 |
| **Total** | **0** | **-38** |

# Notes to the balance sheet

## 1. Tangible and intangible assets

| | | |
|---|---|---|
| **Intangible rights:** | | |
| Acquisition cost at 1 Jan | 0 | 118 |
| Increases | 268 | 0 |
| Decreases | 0 | 118 |
| Acquisition cost at 31 Dec | 268 | 0 |
| | | |
| Accumulated planned depreciations at 1 Jan | 0 | 0 |
| Depreciation for the period | 73 | 0 |
| Accumulated depreciations on decreases | | |
| Accumulated depreciations at 31 Dec | 73 | 0 |
| | | |
| Book value at 31 Dec | 195 | 0 |
| | | |
| **Other capitalised expenditure** | | |
| Acquisition cost at 1 Jan | 0 | 0 |
| Increases | 1,689 | 0 |
| Decreases | 7 | 0 |
| Acquisition cost at 31 Dec | 1,682 | 0 |
| | | |
| Accumulated planned depreciations at 1 Jan | | 0 |
| Depreciation for the period | 326 | 0 |
| Accumulated depreciations on decreases | 6 | |
| Accumulated depreciations at 31 Dec | 320 | 0 |
| | | |
| Book value at 31 Dec | 1,362 | 0 |
| | | |
| **Goodwill** | | |
| Acquisition cost at 1 Jan | 0 | 0 |
| Increases | 1,405 | 0 |
| Acquisition cost at 31 Dec | 1,405 | 0 |
| | | |
| Accumulated planned depreciations at 1 Jan | 0 | 0 |
| Depreciation for the period | 349 | 0 |
| Accumulated depreciations at 31 Dec | 349 | 0 |
| Book value at 31 Dec | 1,056 | 0 |

| 1,000 EUR | 2008 | 2007 |
|---|---|---|
| **Land areas:** | | |
| Acquisition cost at 1 Jan | | 169 |
| Increases | 563 | 0 |
| Decreases | 0 | 673 |
| Acquisition cost at 31 Dec | 563 | -504 |
| Revaluation | 0 | 504 |
| Book value at 31 Dec | 563 | 0 |
| | | |
| **Buildings** | | |
| Acquisition cost at 1 Jan | 0 | 4,497 |
| Increases | 15,393 | 0 |
| Decreases | 251 | 4,497 |
| Acquisition cost at 31 Dec | 15,142 | 0 |
| | | |
| Accumulated planned depreciations at 31 Dec | 0 | 0 |
| Depreciation for the period | 570 | |
| Accumulated depreciations on decreases | 42 | |
| Accumulated depreciations at 31 Dec | 528 | 0 |
| | | |
| Book value at 31 Dec | 14,614 | 0 |
| | | |
| **Machinery and equipment** | | |
| Acquisition cost at 1 Jan | 0 | 119 |
| Increases | 2,731 | 0 |
| Decreases | 312 | 119 |
| Acquisition cost at 31 Dec | 2,419 | 0 |
| | | |
| Accumulated planned depreciations at 31 Dec | 0 | 0 |
| Depreciation for the period | 571 | |
| Accumulated depreciations on decreases | 258 | |
| Accumulated depreciations at 31 Dec | 313 | 0 |
| | | |
| Book value at 31 Dec | 2,106 | 0 |

## 2. Investments

| | | |
|---|---|---|
| Holdings in Group companies | 375 | 0 |
| Holdings in participating interest companies | 204 | 0 |
| Other shares and holdings | 37 | 0 |
| **Total** | **616** | **0** |

## Subsidiaries

| | Domicile | Ownership % |
|---|---|---|
| RW Logistics Oy | Helsinki | 100 |
| JN Ferrovia Oy | Helsinki | 100 |
| Nurminen Maritime Latvia SIA | Riga | 51 |
| Nurminen Heavy Oü | Tallinn | 100 |
| OOO John Nurminen, Moscow | Moscow | 100 |
| OOO John Nurminen, St. Petersburg | Saint Petersburg | 100 |
| | | |
| Associates | | |
| Pelkolan Terminaali Oy | Imatra | 20 |

| 1,000 EUR | 2008 | 2007 |
|---|---|---|

## 3. Receivables

| Non-current | | |
|---|---|---|
| Loan receivables from Group companies | 23,987 | 0 |
| Loan receivables from others | 651 | 0 |
| **Total** | **24,638** | **0** |

| Current | | |
|---|---|---|
| Current receivables | | |
| Trade receivables | 208 | 0 |
| Loan receivables | 1,159 | 0 |
| Other receivables | 73 | 0 |
| **Total** | **1,440** | **0** |

| | | |
|---|---|---|
| Trade receivables | 4,566 | 0 |
| Loan receivables | 250 | 2,300 |
| Other receivables | 622 | 0 |
| Prepayments and accrued income | | |
| Unfinished invoicing | 1,592 | 0 |
| Deferred tax assets | 552 | 0 |
| Others | 262 | 631 |
| **Total** | **7,844** | **2,931** |

| | | |
|---|---|---|
| **Total current receivables** | **9,284** | **2,931** |

## 4. Equity

| | | |
|---|---|---|
| Share capital, K-serie | - | 510 |
| Share capital, A-serie | - | 3,705 |
| Share capital total | 4,215 | 4,215 |
| Share premium reserve | 86 | 86 |
| Legal reserve | 2,374 | 2,374 |
| **Tied Equity** | **6,675** | **6,675** |
| Reserve for invested non-restricted equity | 20,000 | 0 |
| Retained earnings | 2,429 | 1,456 |
| Dividend payment | -1,526 | -297 |
| Profit for the period | -954 | 1,270 |
| **Non-tied equity** | **19,949** | **2,429** |
| **Equity total** | **26,623** | **9,103** |

| | | |
|---|---|---|
| Distributable equity | | |
| Reserve for invested non-restricted equity | 20,000 | 0 |
| Retained earnings | 903 | 1,159 |
| Profit / loss for the period | -954 | 1,270 |
| **Total** | **19,949** | **2,429** |

Company occupys own shares 705 pieces.

| 1,000 EUR | 2008 | 2007 |
|---|---|---|

## 5. Deferred tax assets and liabilities

| | | |
|---|---|---|
| Deferred tax assets | 57 | 205 |
| Deferred tax liabilities | 1,038 | 0 |

Deferred income tax assets and liabilities of the parent company are not recorded on the balance sheet.

## 6. Non-current liabilities

| | | |
|---|---|---|
| Interest-bearing liabilities | 7,674 | 0 |
| Loans from financial institutions | 5,270 | 0 |
| **Total** | **12,944** | **0** |

## 7. Current liabilities

| | | |
|---|---|---|
| Loans from Group companies | | |
| Trade payables | 441 | 0 |
| Other liabilities | 236 | 0 |
| Accrued expenses and deferred income | 582 | 0 |
| **Total** | **1,259** | **0** |

| | | |
|---|---|---|
| Interest-bearing liabilities | | |
| Loans from financial institutions | 9,293 | 0 |
| Non-interest-bearing liabilities | | |
| Trade payables | 1,130 | 696 |
| Other liabilities | 333 | 41 |
| Accrued expenses and deferred income | | |
| Employee benefits expense sectioning | 2,306 | 0 |
| Operational sectioning | 2,251 | 0 |
| Others | 1,161 | 162 |
| **Total** | **16,474** | **899** |

| | | |
|---|---|---|
| **Total current liabilities** | **17,733** | **899** |

| 1,000 EUR | 2008 | 2007 |
|---|---|---|

## Other notes

### Commitments and contingencies

**Liabilities for which mortgages over property have been given**

| | | |
|---|---|---|
| Loans to financial institutions | 10,310 | 0 |
| Mortgages given | 6,223 | 0 |

**Other commitments**

| | | |
|---|---|---|
| Customs duties and other guarantees | 7,038 | 0 |

**Rent Liabilities**

| | | |
|---|---|---|
| Less than one year | 3,725 | 0 |
| More than five years | 75,303 | 0 |

**Lease Liabilities**

| | | |
|---|---|---|
| Less than one year | 1,113 | 0 |
| More than five years | 1,627 | 0 |

**Derivates**

| | | |
|---|---|---|
| Interest rate swaps | | |
| Fair value | -242 | 0 |
| Underlying security value | 12,256 | 0 |

**Real estate investments**

The Group has a responsibility to revise the VAT deductions it has made from the real estate investments in 2007, if the taxable use of the building declines during the period. The maximum amount of the VAT liability is EUR 965 781,94 and the last revising year 2017.

## Notes to the accounts regarding personnel and organs

**The number of personnel**

| | | |
|---|---|---|
| Officers, average | 304 | 4 |
| Officers, at year end | 313 | 1 |

**Management remuneration**

| | | |
|---|---|---|
| CEO and the Board of directors | -337 | -263 |

# Auditor's report

**To the Annual General Meeting of Nurminen Logistics Plc**

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Nurminen Logistics Plc for the financial period 1.1.–31.12.2008. The financial statements comprise the consolidated balance sheet, income statement, cash flow statement, statement of changes in equity and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

**The responsibility of the Board of Directors and the Managing Director**

The Board of Directors and the Managing Director are responsible for the preparation of the financial statements and the report of the Board of Directors and for the fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the fair presentation of the parent company's financial statements and the report of the Board of Directors in accordance with laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

**Auditor's responsibility**

Our responsibility is to perform an audit in accordance with good auditing practice in Finland, and to express an opinion on the parent company's financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report of the Board of Directors are free from material misstatement and whether the members of the Board of Directors and the Managing Director have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion on the consolidated financial statements**

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

**Opinion on the company's financial statements and the report of the Board of Directors**

In our opinion, the financial statements, together with the consolidated financial statements included therein, and the report of the Board of Directors give a true and fair view of the financial performance and financial position of the company in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

The financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors on how to deal with distributable equity is in compliance with the Limited Liability Companies Act.

Helsinki, 5 March 2009
KPMG OY AB

Lasse Holopainen
Authorized Public Accountant

# Signing of the report of the board of directors and the financial statements

Helsinki 24 February 2009

Juha Nurminen
Chairman of the Board

Matti Lainema

Rolf Saxberg

Matti Packalén

Olli Pohjanvirta

Lasse Paitsola
President & CEO of Nurminen Logistics Plc

An auditor's report on the general audtit has been given today.

Helsinki 5 March 2009

KPMG Oy Ab
Lasse Holopainen, Authorized Public Accountant

# Shares and Shareholders

Nurminen Logistics Plc's share has been quoted on the main list of NASDAQ OMX Helsinki Ltd with the current company name since 1 January 2008. The total number of Nurminen Logistics Plc's registered shares is 12,719,119 and registered share capital is EUR 4,214,521. The company has one share class and all the shares carry equal rights in the company. The company name was until 31 December 2007 Kasola Plc. The company was listed on Helsinki Stock Exchange in 1987.

### Share trading and price development

The trading volume of Nurminen Logistics Plc's shares was 82,946 in 1 January – 31 December 2008, which represented 0.65% of the total number of shares. The value of the turnover was EUR 392,292. The lowest price for the period was EUR 2.90 per share and the highest EUR 5.70 per share. The closing price for the period was EUR 3.00 per share and the market value of the entire share capital EUR 38,157,357.

Nurminen Logistics Plc has a liquidity providing (LP) agreement with Evli Bank Plc. In accordance with the agreement, Evli Bank Plc undertakes to submit bids and offers for Nurminen Logistics Plc's share so that the maximum spread of the bid and offer prices is four percent calculated from the bid. The bids and offers submitted by the liquidity provider must be for a number of shares worth at least 4,000 euros. Evli Bank Plc undertakes to submit bids and offers for Nurminen Logistics Plc's share in the trading system of NASDAQ OMX Helsinki Oy on the stock exchange list on each trading day for at least 85 percent of the time of Continuous Trading I period and also in the auction procedures applied to Nurminen Logistics Plc's share during a trading day.

### Shareholders

At the end of the financial year Nurminen Logistics Plc had 324 shareholders. At the end of the year 2007 company had 293 shareholders.

### Flagging notices

During the financial year Nurminen Logistics Plc published three notifications of changes in shareholdings in compliance with Chapter 2, Section 9 of the Securities Markets Act. The stock exchange releases published on 2 January 2008, 7 January 2008 and 11 January 2008 can be found on company's website www.nurminenlogistics.com.

### Authorisations

The company's extraordinary general meeting held on 8 October 2007 authorised the company board to decide on the issue of shares and special rights, so that authorisation was given for the board to release 20,000,000 new shares. The authorisation included the right to deviate from the shareholders' registration privilege, should a weighty financial reason exist for doing so. The authorisation may be used, e.g., for the financing of corporate and business trading or for other business arrangements and investments, for the expansion of owner structure, and/or for the creating incentives for, or encouraging commitment in, personnel. The authorisation is effective for 18 months from the extraordinary general meeting's decision on the authorisation. The authorisation gives the board the right to decide on share issue with or without payment which includes the granting of new shares and the distribution of shareholders' shares possibly in the possession of the company. The authorisation for deciding on a share issue without consideration also includes the right to decide on the issue for the company itself, so that the number of shares granted to the company is no more than one tenth of all shares held by the company. The board has not decided on using the authorisation.

### Shareholder agreements

No shareholder agreements related to holdings in Nurminen Logistics Plc and the exercise of voting rights have been brought to the company's attention with the exception of the announcement that was published in stock exchange release on 28 December 2007. According to the announcement the members of the board of directors and executive board have undertaken not to sell or otherwise transfer shares in John Nurminen Ltd owned by them on this date and the company's shares received as demerger consideration in conjunction with the demerger of John Nurminen Ltd without the advance written consent of the board of directors of the company.

### Management holdings

At the end of the financial year the members of the Board of Directors, the President and CEO and the corporations under their control own altogether 8,484,000 Nurminen Logistics Plc's shares, which represent 66.70% of the stock and voting rights.

### Options rights for management

Nurminen Logistics Plc has no valid share option schemes.

### Share-based incentive plan for the group personnel

The board of directors of Nurminen Logistics Plc has approved in April 2008 a new share-based incentive plan for the Group key personnel. The plan was described in more detail in stock exchange release published on 17 April 2008.

### Treasury shares

Nurminen Logistics Plc holds a total of 705 treasury shares, corresponding to 0.006% of the number of shares and votes.

### Dividend

Company's board has on 14 May 2008 determined company's dividend policy, according to which Nurminen Logistics Plc aims to, in case company's financial policy so allows, annually distribute as dividends approximately one third of its net profit.

The board of directors proposes to the Annual General Meeting that the company would pay dividend of EUR 0.06 per share for the financial year 1 January – 31 December 2008. The dividend shall be paid to a shareholder that has been entered into the Company's shareholders' register on the record date of the dividend payment on 9 April 2009. The board of directors proposes to the Annual General Meeting that the dividend shall be paid on 21 April 2009.

For the financial year 2007 the company distributed a dividend of EUR 0.12 per share to a total of 1,526,209.68 EUR.

| Number of shares | Number of shareholders | % Number of shareholders | Number of shares | % of total shares |
|---|---|---|---|---|
| 1–100 | 112 | 34.57% | 6,638 | 0.05% |
| 101–500 | 86 | 26.54% | 24,241 | 0.19% |
| 501–1,000 | 40 | 12.35% | 36,993 | 0.29% |
| 1,001–5,000 | 46 | 14.20% | 109,344 | 0.86% |
| 5,001–50,000 | 21 | 6.48% | 461,690 | 3.63% |
| 50,001– | 19 | 5.86% | 12,080,213 | 94.98% |
| Total | 324 | 100.00% | 12,719,119 | 100.00% |
| Registered in the name of nominee | 2 | | 11,900 | 0.09% |

## Largest shareholders

| | Number of shares | % of total shares |
|---|---|---|
| Nurminen Juha Matti | 5,311,415 | 41.76% |
| Jn Uljas Oy | 1,094,112 | 8.60% |
| Nurminen Jukka Matias | 893,229 | 7.02% |
| Lassila Satu Maaria | 885,566 | 6.96% |
| Nurminen Mikko Johannes | 876,808 | 6.89% |
| John Nurminen Oy | 657,903 | 5.17% |
| Maturiala Oy | 361,800 | 2.84% |
| Forsström Kirta | 314,900 | 2.48% |
| Bachmann Sanni Piritta | 314,900 | 2.48% |
| Bachmann Jari | 314,900 | 2.48% |
| Tuuli Markku Juhani | 282,963 | 2.22% |
| Saxberg Rolf M | 181,451 | 1.43% |
| Kulp Kaj Kristian | 125,893 | 0.99% |
| Paitsola Lasse Antero | 120,104 | 0.94% |
| Packalen Matti | 75,262 | 0.59% |
| Pohjanvirta Olli | 75,262 | 0.59% |
| Lainema Matti | 75,262 | 0.59% |
| Sallila Antti Pekka Santeri | 60,326 | 0.47% |
| Vuorinen Hannu M | 58,157 | 0.46% |
| Vainikka Harri | 47,894 | 0.38% |
| Other 304 shareholders | 591,012 | 4.66% |
| | 12,719,119 | 100.00% |

## Shareholders by type

| | Number of shares | % of total shares |
|---|---|---|
| Private companies | 2,181,418 | 17.15% |
| Financial Institutions | 19,404 | 0.15% |
| Public bodies | 0 | 0.00% |
| Households | 10,513,397 | 82.66% |
| Associations | 4,900 | 0.04% |
| Total | 12,719,119 | 100.00% |
| | | |
| Registered in the name of nominee | 11,900 | 0.09% |

# Group key figures

| | IFRS 2006 Kasola Plc | IFRS 2007 Kasola Plc | IFRS 2006 Carve out | IFRS 2007 Carve out | IFRS 2008 |
|---|---|---|---|---|---|
| **Key figures** | | | | | |
| Net sales, 1,000 EUR | 11,079 | 10,298 | 72,205 | 81,693 | 89,405 |
| Increase in net sales, % | -1.6% | -7.0% | 8.3% | 13.1% | 9.4% |
| Operating profit (EBIT), 1,000 EUR | 597 | 128 | 1888 | 4527 | 5542 |
| Operating profit % of turnover | 5.4% | 1.2% | 2.6% | 5.5% | 6.2% |
| Profit before taxes, 1,000 EUR | 578 | 37 | 872 | 2065 | 3635 |
| % of turnover | 5.2% | 0.4% | 1.2% | 2.5% | 4.1% |
| Net profit for the financial year, 1,000 EUR | 427 | 11 | 743 | 1681 | 2857 |
| % of turnover | 3.9% | 0.1% | 1.0% | 2.1% | 3.2% |
| Return on equity (ROE), % | 4.6% | 0.1% | 5.3% | 9.0% | 8.0% |
| Return on investments (ROI), % | 5.3% | 1.3% | 3.6% | 6.7% | 9.1% |
| Equity ratio % | 71.7% | 91.0% | 22.7% | 29.4% | 44.2% |
| Gearing % | -12.9 % | 0.0 % | 224.2 % | 1.51 | 0.851 |
| Gross investments, 1,000 EUR | 418 | 286 | 13,270 | 20,637 | 11,110 |
| % of turnover | 3.8% | 2.8% | 18.4% | 25.3% | 12.4% |
| Total balance | 13,165 | 10,002 | 60,962 | 80,080 | 79,007 |
| Average number of employees | 86 | 80 | 509 | 544 | 516 |
| | | | | | |
| **Share-related indicators** | | | | | |
| Earnings per share (EPS), EUR | 0.17 | 0.00 | - | - | 0.170 |
| Equity per share, EUR | 3.79 | 3.67 | - | - | 2.74 |
| Dividend per share (adjusted), EUR | 0.12 | 0.12 | - | - | 0.06 |
| Dividend per share (nominal), EUR | 0.12 | 0.12 | - | - | 0.06 |
| Dividend to earnings ratio, % | 70.6% | 2,974% | - | - | 35.3% |
| Effective dividend yield, % | 3.0% | 2.4% | - | - | 2.0% |
| Price per earnings (P/E) | 23 | 1,264 | - | - | 18 |
| Number of shares, weighted average | 2,483,463 | 2,479,130 | - | - | 12,718,414 |
| Number of shares, at end of financial year | 2,479,130 | 2,479,130 | - | - | 12,718,414 |
| | | | | | |
| **Share price development** | | | | | |
| Highest price for the period | 4.33 | 5.75 | - | - | 5.70 |
| Lowest price for the period | 2.60 | 3.43 | - | - | 2.90 |
| Average price | 3.39 | 5.04 | - | - | 4.73 |
| Share price at end of period | 4.00 | 5.10 | - | - | 3.00 |
| Market value | 8.7 | 11.1 | - | - | 38.1 |
| | | | | | |
| Number of shares traded | 756,182 | 660,507 | - | - | 82,946 |
| Shares traded, % of total number of shares | 34.7% | 30.3% | - | - | 0.7% |
| Number of shareholders | 267 | 293 | - | - | 324 |

# Calculation of key figures

Return on equity in per cent = $\dfrac{\text{Result before extraordinary items - taxes}}{\text{Equity + minority interests (average of beginning and end of financial year)}} \times 100$

Capital employed = Balance sheet total - non interest bearing liabilities

Return on capital employed in per cent = $\dfrac{\text{Result before extraordinary items + interest and other financial expenses}}{\text{Capital employed (average of beginning and end of financial year)}} \times 100$

Equity ratio in per cent = $\dfrac{\text{Equity + minority interests}}{\text{Balance sheet total - advances received}} \times 100$

Gearing % = $\dfrac{\text{Interest bearing debt - liquid funds}}{\text{Equity + minority interests}} \times 100$

Earnings per share (EPS) = $\dfrac{\text{Result before extraordinary items + / - minority share - taxes}}{\text{Adjusted average number of shares during the financial year}}$

Equity per share = $\dfrac{\text{Equity}}{\text{Number of shares at the end of the financial year, adjusted for the share issue}}$

Dividend per earnings in per cent = $\dfrac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$

Effective dividend yield in per cent = $\dfrac{\text{Dividend per share}}{\text{Adjusted share price at the end of the financial year}} \times 100$

Price per earnings (P/E) = $\dfrac{\text{Share price at the end of the financial year}}{\text{Earnings per share}}$

# Stock exchange releases in 2008

**2 January 2008**
Kasola Plc becomes Nurminen Logistics Plc – New shares and combining of share classes – Amendment of Articles of Association –New trading code and industry sector classification

**2 January 2008**
Announcement pursuant to chapter 2, section 10 of the securities markets act

**7 January 2008**
Preliminary outcome of the tender offer related to shares in Nurminen Logistics Plc

**7 January 2008**
Announcement pursuant to chapter 2, section 10 of the securities markets act

**8 January 2008**
Final result of the tender offer related to the shares in Nurminen Logistics Plc

**11 January 2008**
Announcement pursuant to chapter 2, section 10 of the securities markets act

**14 January 2008**
Decisions made by the Extraordinary General Meeting

**15 January 2008**
The maximum amount of shares entitling to John Nurminen Oy's purchase commitment related to the shares in Nurminen Logistics Plc

**23 January 2008**
Liquidity providing for Nurminen Logistics Plc's share

**29 February 2008**
Financial Statements Bulletin 1 January – 31 December 2007

**19 March 2008**
Annual summary 2007

**20 March 2008**
Notice for Annual General Meeting

**4 April 2008**
Kasola Plc's Auditor's report and brochure covering Nurminen Logistics' year 2007 published

**11 April 2008**
Decisions made by the Annual General Meeting of Shareholders

**17 April 2008**
The Board of Directors of Nurminen Logistics Plc resolved on an incentive plan for key personnel

**15 May 2008**
Nurminen Logistics Plc's Interim Report 1 January – 31 March 2008

**11 July 2008**
Nurminen Logistics Plc explores strategic alternatives regarding Nurminen Care

**15 August 2008**
Nurminen Logistics Plc's Interim Report 1 January – 30 June 2008

**10 October 2008**
Nurminen Logistics Plc sells the Nurminen Care business unit to Sentica Partners and updates its outlook due to the transaction

**30 October 2008**
Change in Executive Board

**14 November 2008**
Interim Report 1 January – 30 September 2008

**16 December 2008**
Financial information in 2009

All Stock Exchange Releases can be found on company's website www.nurminenlogistics.com.

**Nurminen Logistics ▶▶▶**

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