

**ROBIT PLC**  
**(Business ID: 0825627-0)**

**MINUTES 1/2016**

## **ANNUAL GENERAL MEETING**

**TIME** 18 March 2016 at 2 p.m.

**PLACE** Lapland Hotel Tampere, Yliopistonkatu 44, Tampere

**ATTENDANCE** The shareholders included in the list of votes adopted at the meeting were recorded as being present, in person or by proxy (**Appendix 1**).  
  
Also present at the meeting were members of the Board of Directors, the CEO, the auditor, and other members of the company's management.

### **Opening of the meeting**

The Chairman of the Board of Directors, Harri Sjöholm, opened the meeting, wished the shareholders welcome and introduced the participating members of the Board of Directors and the auditor.

Mr Sjöholm proposed that Attorney Tuomo Marttila be elected as the Chair of the meeting.

No other nominations were proposed.

### **Calling the meeting to order**

Tuomo Marttila called Attorney Leo Lagerstam to act as the secretary of the meeting.

The Chair explained certain matters of order relating to the course of the meeting.

It was noted that matters would be discussed in the order presented in the agenda handed out to participants.

### **Election of persons to scrutinise the minutes and to supervise the counting of votes**

The Chair proposed that one person to scrutinise the minutes and one person to supervise the counting of votes be elected.

Jukka Luoma proposed that Sami Karjalainen be elected as the person to scrutinise the minutes and Silva Paunonen as the person to supervise the counting of votes.

As no other persons were proposed, these persons were elected.

## **Recording the legality of the meeting**

In accordance with Article 8 of the Articles of Association, General Meetings may be held in Tampere or Helsinki in addition to the company's domicile.

As per that same Article the Annual General Meeting shall be held annually on a date decided by the Board of Directors within six months of the end of the accounting period.

The financial period of the Company is a calendar year.

The Board of Director shall publish the notice of the Annual General Meeting on the Company's website no earlier than two (2) months and no later than 21 days before the meeting, but in any case no later than nine (9) days before the Annual General Meeting record date referred to in the Limited Liability Companies Act.

The record date of the Annual General Meeting is 8 March 2016.

The Notice of the Annual General Meeting has been published on the Company's website on 24 February 2016.

The Notice of the General Meeting and the proposals made to the Company have been available on Robit Plc's website.

The annual report, including the company's financial statements, the report of the Board of Directors, and the auditor's report have been available on the above-mentioned website from 26 February 2016.

The proposals and the financial statements were available also at the General Meeting.

On the basis of the above, it was noted that since all requirements of the Limited Liability Companies Act and the Articles of Association concerning the convocation of the General Meeting had been met, the meeting was legal and constituted a quorum.

The Notice of the General Meeting was attached to the minutes (**Appendix 2**).

## **Recording the attendance at the meeting and adopting the list of votes**

In accordance with chapter 4, section 2(2) of the Limited Liability Companies Act, only shareholders who have been entered into the shareholder register eight working days before a General Meeting, i.e. on the General Meeting record date, have the right to attend the meeting.

In accordance with Article 8 of the Articles of Association, in order for the shareholder to exercise his or her rights to speak and vote at the General Meeting, he or she shall give an advance notice of participation in the manner stated in the notice no later than on the date mentioned in the notice, not to be earlier than ten (10) days before the Meeting.

The record date of the General Meeting was 8 March 2015 and the final registration date was Friday 11 March 2016.

In order to participate in the General Meeting, holders of nominee-registered shares had to be temporarily recorded in the shareholders' register by 10.00 a.m. 15 March 2016.

It was noted that 40 shareholders and proxies were present at the meeting, representing a total of 10,827,868 shares and votes.

The list of votes was attached to the minutes (**Appendix 1**).

### **Presentation of the annual accounts, the report of the Board of Directors and the auditor's report for the year 2015**

It was noted that the financial statements had been available on the Company's website since 26 February 2016, in addition to which they were available at the meeting. The financial statements also include the consolidated financial statements.

CEO Mikko Mattila and CFO Jukka Luoma gave a review of the Company's operations in 2015 and presented the financial statements.

The financial statements were attached to the minutes (**Appendix 3**).

The auditor's report was presented and attached to the minutes (**Appendix 4**). Auditor Mikko Järventausta, Authorised Public Accountant, read the opinion paragraph of the auditor's report out loud.

It was recorded that the financial statements, annual report and auditor's report have been presented to the General Meeting.

### **Adoption of the financial statements and consolidated financial statements**

It was resolved to adopt the Company's financial statements and consolidated financial statements for the financial period of 2015.

### **Use of the profit shown in the balance sheet and deciding on the payment of dividends**

It was recorded that the Company's Board of Directors had proposed the following to the General Meeting:

"The Board of Directors proposes that a dividend of EUR 0.04 per share be distributed for the financial year 2015 for shares other than the company's own shares in the company's possession. The total amount of dividend is EUR 631,373.32. Dividend is paid to shareholders who are recorded on the record date 22 March 2016 in the company's shareholders' register held by Euroclear Finland Ltd. The Board of Directors proposes that the dividend be paid on 31 March 2016."

Since no other proposals were made, it was resolved to approve the Board of Director's proposal.

### **Resolution on the discharge of the members of the Board of Directors and the CEO from liability**

It was recorded that in the term expiring at the end of the Annual General Meeting, the members of the Board of Directors were Harri Sjöholm as the Chairman, Tapio Hintikka, Matti Kotola, Pekka Pohjoismäki and Hannu-Kalle Reponen.

The CEO of the Company in the financial period of 2015 had been Jussi Ronkainen.

It was resolved to discharge the members of the Board of Directors from liability for the term expiring at the end of this Annual General Meeting and the CEO for the financial period of 2015.

### **Resolution on the number of members of the Board of Directors**

It was recorded that in accordance with Article 3 of the Articles of Association, the Board of Directors of the Company has 3–6 ordinary members.

The shareholders who together represent over 40% of all the Company's shares and votes had proposed to the General Meeting that the number of members in the Board of Directors be five (5), which is the same as in the previous financial period.

Since no other proposals were made, it was resolved that the Board of Directors consists of five members.

### **Resolution on the remuneration of the members of the Board of Directors**

It was recorded that the shareholders who together represent over 40% of all the Company's shares and votes had proposed to the General Meeting that the remunerations to be paid to the members of the Board of Directors should remain unchanged.

Since no other proposals were made, the following was resolved in accordance with the proposal:

- The annual remuneration for the Chairman of the Board is EUR 35,000, of which 40% is paid as shares, and the remaining 60% is advance tax withheld and paid to the tax authority by the Company. In addition, an attendance fee of EUR 500 is paid per meeting. Other costs such as travel and lodging expenses will also be compensated.
- The annual remuneration for the Board members is EUR 20,000, of which 40% is paid as shares, and the remaining 60% is advance tax withheld and paid to the tax authority by the Company. In addition, an attendance fee of EUR 500 is paid per meeting. Other costs such as travel and lodging expenses will also be compensated.
- In addition to these fees, members of the Board of Directors' working committee will receive a monthly remuneration of EUR 750. The Chairman of the Board of Directors shall not be paid the

additional working committee remuneration, as this remuneration is already included in his compensation stated above.

- The annual remuneration for the entire term of office is paid in December 2016. The part of the remuneration that shall be paid in shares may be paid by issuing new shares in the Company or by acquiring Shares by the authorization given to the Board of Directors by the General Meeting of Shareholders. Primarily, the shares should be paid by acquiring own shares in the public market. The receiver of the remuneration shall pay the transfer tax.

### **Election of members of the Board of Directors**

The shareholders who together represent over 40% of all the Company's shares and votes had proposed to the General Meeting that Tapio Hintikka, Matti Kotola, Hannu-Kalle Reponen and Harri Sjöholm be re-elected as members of the Board of Directors for a term expiring at the end of the following Annual General Meeting.

The Nomination Committee of the Board of Directors had further proposed to the General Meeting that Anni Ronkainen be elected as a new member of the Board of Directors for a term expiring at the end of the following Annual General Meeting.

Since no other proposals were made, it was resolved to elect Hintikka, Kotola, Reponen, Sjöholm and Ronkainen as members of the Board of Directors.

### **Electing the Chairman of the Board**

The shareholders who together represent over 40% of all the Company's shares and votes had proposed to the General Meeting that Harri Sjöholm be elected as the Chairman of the Board.

Since no other proposals were made, it was resolved to elect Harri Sjöholm as Chairman of the Board of Directors.

### **Election of auditor**

In accordance with Article 5 of the Articles of Association, the General Meeting shall elect one auditor, which shall be an audit firm authorised by the Finnish Central Chamber of Commerce, to verify the company's administration and accounts.

The auditor's term concludes at the end of the Annual General Meeting following the auditor's election.

In the financial period of 2015, the Company's auditor has been Ernst & Young Oy, an Authorised Public Accounting firm, with Mikko Järventausta as the auditor in charge.

The shareholders who together represent over 40% of all the Company's shares and votes had proposed that they support the election of Ernst & Young as the Company's auditor. Ernst & Young had announced that it will appoint Mikko Järventausta, Authorised Public Accountant, as the Company's auditor in charge.

Since no other proposals were made, it was resolved to approve the proposal.

#### **Resolution on the remuneration of the auditor**

It was resolved in accordance with the Board of Directors' proposal that the auditor's remuneration is paid in accordance with the reasonable invoice approved by the Company.

#### **Authorising the Board of Directors to decide on the acquisition of the Company's own shares**

The Board of Directors proposed that the General Meeting authorises the Board of Directors to decide on the acquisition of a maximum of 1,588,390 own shares, in one or several tranches, using the Company's unrestricted shareholder's equity, provided however that the aggregate number of own shares in the possession of the Company at any one time shall not exceed 10% of all shares in the Company. This number includes the shares in the possession of the company and its subsidiary as set out in Chapter 15, section 11(1) of the Limited Liability Companies Act.

Own shares may be acquired on Nasdaq OMX Helsinki Ltd. at the market price formed in public trading on the date of the acquisition.

The Company's own shares may be acquired in order to be used as payment in corporate acquisitions and as part of the company's incentive programme, and otherwise for further transfer, retention or cancellation.

In accordance with the proposal, the Board of Directors is authorised to decide on all other terms and conditions regarding the acquisition of the company's own shares. Based on the authorisation, the acquisition of Company's own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed acquisition).

The authorisation is effective until 30 June 2017 and cancels the corresponding authorization granted to the Board of Directors by the Annual General Meeting on 27 April 2015.

The General Meeting resolved, in accordance with the proposal, to authorise the Board of Directors to decide on the acquisition of the Company's own shares.

#### **Authorising the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares**

The Board of Directors proposed that the General Meeting authorises the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares referred

to in chapter 10, section 1 of the Limited Liability Companies Act, in one or several tranches as follows:

"The amount of shares to be issued based on this authorization may not exceed 1,588,390 shares (including shares to be issued on the basis of both option rights and special rights), which currently corresponds to approximately 10% of all the shares in the company. The authorisation applies to both the issuance of new shares and rights and the transfer of the company's own shares. A share issue may involve the issue of shares against payment or free of charge.

The Company's own shares held as treasury shares and rights may be issued and transferred for example as consideration in corporate acquisitions or as part of its incentive system.

The Board of Directors is authorised to decide on all other terms and conditions regarding the issuance and transfer of the Company's own shares and rights, including on whether the possible subscription price is credited fully or partly to the invested unrestricted equity or to the share capital. The issuance and transfer of own shares and rights may be carried out also in deviation from the shareholders' pre-emptive rights to the Company's shares (directed issue). Based on the authorisation, the Board of Directors may also decide on a share issue to the Company without payment.

The authorisation remains in force for five years from the end of the General Meeting and cancels the corresponding authorisation granted to the Board by the Annual General Meeting on 27 April 2015."

The General meeting resolved, in accordance with the proposal, to authorise the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares referred to in chapter 10, section 1 of the Limited Liability Companies Act.

## **Closing of the meeting**

It was noted that all matters on the agenda had been dealt with.

It was recorded that all decisions and election were unanimous.

It was recorded that the minutes of the General Meeting would be available to the shareholders on the Company's website at the latest 1 April 2015.

The Chair thanked the participants and closed the meeting at 2.55 p.m.

[Signatures on the following page.]

*Note. This is an unofficial English translation of the original Finnish minutes provided for convenience purposes only.*

## **IN FIDEM**

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Tuomo Marttila  
Chair

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Leo Lagerstam  
Secretary

## **THE MINUTES SCRUTINISED AND APPROVED BY:**

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Sami Karjalainen  
Scrutiniser of the minutes

## **APPENDICES:**

**APPENDIX 1, LIST OF VOTES**  
**APPENDIX 2, NOTICE OF THE ANNUAL GENERAL MEETING**  
**APPENDIX 3, FINANCIAL STATEMENTS**  
**APPENDIX 4, AUDITOR'S REPORT**



## **NOTICE TO ROBIT PLC'S ANNUAL GENERAL MEETING 2016**

The shareholders of Robit Plc are hereby invited to the Annual General Meeting to be held on 18 March 2016 beginning at 2 p.m. at Lapland Hotel Tampere at Yliopistonkatu 44, 33100 Tampere. Reception of registered participants and distribution of ballots will commence at 1.30 p.m.

### **A. MATTERS ON THE AGENDA OF THE ANNUAL GENERAL MEETING**

The following matters shall be discussed at the General Meeting:

1. Opening of the meeting
2. Calling the meeting to order
3. Election of persons to scrutinise the minutes and to supervise the counting of votes
4. Recording the legality of the meeting
5. Recording the attendance at the meeting and adoption of the list of votes
6. Presentation of the financial statements and consolidated financial statements, the report of the Board of Directors and the auditor's report for the year 2015
7. Adoption of the financial statements and consolidated financial statements
8. Use of the profit shown in the balance sheet and deciding on the payment of dividends

The Board of Directors proposes that a dividend of EUR 0.04 per share be distributed for the financial year 2015 for shares other than the company's own shares in the company's possession. The total amount of dividend is EUR 631,373.32. Dividend is paid to shareholders who are recorded on the record date 22 March 2016 in the company's shareholders' register held by Euroclear Finland Ltd. The Board of Directors proposes that the dividend be paid on 31 March 2016.

9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability
10. Resolution on the number of members of the Board of Directors

The shareholders who together represent over 40% of all the Company's shares and votes have announced to the Board of Directors that they will propose to the General Meeting that the number of Board members be five (5).

11. Resolution on the remuneration of the members of the Board of Directors

The shareholders who together represent over 40% of all the Company's shares and votes have announced to the Board of Directors that they will propose to the General Meeting that the remunerations to be paid to the members of the Board of Directors should remain unchanged.

The annual remuneration for the Chairman of the Board is EUR 35,000, of which 40% is paid as shares, and the remaining 60% is advance tax withheld and paid to the tax authority by the Company. In addition, a compensation of EUR 500 is paid per attended meeting. Other costs such as travel and lodging expenses will also be compensated.

The annual remuneration for the Board members is EUR 20,000, of which 40% is paid as shares, and the remaining 60% is advance tax withheld and paid to the tax authority by the Company. In addition, an attendance fee of EUR 500 is paid per attended meeting. Other costs such as travel and lodging expenses will also be compensated.

In addition to these fees, members of the Board of Directors' working committee will receive a monthly remuneration of EUR 750. The Chairman of the Board of Directors shall not be paid the additional working committee remuneration, as this remuneration is already included in his compensation stated above.

The annual remuneration for the entire term of office is paid in December 2016. The part of the remuneration that shall be paid in shares may be paid by issuing new shares in the Company or by acquiring Shares by the authorization given to the Board of Directors by the General Meeting of Shareholders. Primarily, the shares should be paid by acquiring own shares in the public market. The receiver of the remuneration shall pay the transfer tax.

## 12. Election of members of the Board of Directors

The shareholders who together represent over 40% of all the Company's shares and votes have announced to the Board of Directors that they will propose to the General Meeting that Tapio Hintikka, Matti Kotola, Hannu-Kalle Reponen and Harri Sjöholm be re-elected as members of the Board of Directors for a term expiring at the end of the following Annual General Meeting. The Nomination Committee of the Board of Directors further proposes to the General Meeting that Anni Ronkainen be elected as a new member of the Board of Directors for a term expiring at the end of the following Annual General Meeting. The above-mentioned persons have given their consent to the election. Pekka Pohjoismäki has announced that he will no longer be available for re-election to the Board of Directors. Details of the experience and previous duties of the person proposed as the new Board Member as well as of the other candidates are presented on the Company's website [www.robif.fi](http://www.robif.fi).

Anni Ronkainen (born 1966) is a Finnish citizen and holds a Master of Science degree in Economics. She is the Senior Vice President, Chief Digital Officer and member of the group management at Kesko Oyj. She has previously acted as Google's Country Manager in Finland, CEO of McCann Helsinki Group, and Business Group Director of Satama Finland Oy. Ronkainen is a Member of the Board in Sunduka Ltd. and Suomen Asiakastieto Oy, and Deputy Chairman in Nordic Morning. Ronkainen is independent of Robit Plc and its major shareholders

## 13. Electing the Chairman of the Board

The shareholders who together represent over 40% of all the Company's shares and votes have announced to the Board of Directors that they will propose to the General Meeting that Harri Sjöholm be elected as the Chairman of the Board.

## 14. Election of auditor

The Board of Directors has assessed the operations and impartiality of the Company's current auditor, Ernst & Young. The Board of Directors recommends that Ernst & Young be re-elected as the Company's auditor for a term of office expiring at the end of the following Annual General Meeting. The shareholders who together represent over 40% of all the Company's shares and votes have announced to the Board of Directors that they support the election of Ernst & Young as the Company's auditor. Ernst & Young has announced that it will appoint Mikko Järventausta, Authorised Public Accountant, as the Company's principal responsible auditor.

## 15. Resolution on the remuneration of the auditor

The Board of Directors proposes that the auditor's remuneration is paid in accordance with the reasonable invoice approved by the Company.

## 16. Authorizing the Board of Directors to decide on the acquisition of the Company's own shares

The Board of Directors proposes that the General Meeting authorizes the Board of Directors to decide on the acquisition of a maximum of 1,588,390 own shares, in one or several tranches, using the Company's unrestricted shareholder's equity, provided however that the aggregate number of own shares in the possession of the Company at any one time does not exceed 10% of all shares in the Company. This number includes the shares in the possession of the Company and its subsidiary as set out in Chapter 15, section 11(1) of the Limited Liability Companies Act.

Own shares may be acquired in on Nasdaq Helsinki Ltd. at the market price formed in public trading on the date of the acquisition.

The Company's own shares may be acquired in order to be used as payment in corporate acquisitions and as part of the company's incentive programme, and otherwise for further transfer, retention or cancellation.

The Board of Directors is authorized to decide on all other terms and conditions regarding the acquisition of the company's own shares. Based on the authorization, the acquisition of Company's own shares may be made otherwise than in proportion to the share ownership of the shareholders (directed acquisition).

The authorization is effective until 30 June 2017 and cancels the corresponding authorization granted to the Board by the Annual General Meeting on 27 April 2015.

17. Authorizing the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares

The Board of Directors proposes that the General Meeting authorizes the Board to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares referred to in chapter 10, section 1 of the Limited Liability Companies Act, in one or several tranches as follows:

The maximum number of shares to be issued based on this authorization is 1,588,390 shares (including shares to be issued on the basis of options and special rights), which number currently corresponds to approximately 10% of the current shares in the Company. The authorization applies both to the issuance of new shares and rights and to the transfer of the Company's own shares. A share issue may involve the issue of shares against payment or free of charge.

The Company's own shares held as treasury shares and rights may be issued and transferred for example as consideration in corporate acquisitions or as part of its incentive system.

The Board of Directors is authorized to decide on all other terms and conditions regarding the issuance and transfer of the Company's own shares and rights, including on whether the possible subscription price is credited fully or partly to the invested unrestricted equity or to the share capital. The issuance and transfer of own shares and rights may be carried out also in deviation from the shareholders' pre-emptive rights to the Company's shares (directed issue). Based on the authorization, the Board of Directors may also decide on a share issue to the Company without payment.

The authorization remains in force for five years from the end of the General Meeting and cancels the corresponding authorization granted to the Board by the Annual General Meeting on 27 April 2015.

18. Closing of the Meeting

## B. DOCUMENTS OF THE GENERAL MEETING

The above-mentioned proposals for resolution, this invitation to the General Meeting, and Robit Plc's annual report containing the Company's financial statements, report of the Board of Directors and the auditor's report are available on Robit Plc's website at <http://www.robit.fi/investors/financial-information/> by 26 February 2016 at the latest. The proposals and financial statements are available also at the meeting, and copies of them and this invitation will be sent to shareholders upon request. The minutes of the General Meeting will be available on the above-mentioned website at the latest from 1 April 2016 onwards.

## C. INSTRUCTIONS FOR THE PARTICIPANTS TO THE GENERAL MEETING

### 1. The right to participate and registration

The right to attend to the General Meeting is restricted to those shareholders who on the record date on 8 March 2016 are recorded in the company's shareholders' register held by Euroclear Finland Ltd. Shareholders whose shares are registered on their personal Finnish book-entry account are registered in the shareholders' register of the company.

Shareholders wishing to attend the Shareholders' Meeting must notify the company on Friday 11 March 2016, by 4 p.m. at the latest. Shareholders can register for the General Meeting directly by email to [investors@robit.fi](mailto:investors@robit.fi).

In connection with the registration, shareholders shall notify their name, address, telephone number, and the name of any assistant or proxy. Personal data given to Robit Plc is used only in connection with the General Meeting and the related registrations.

Pursuant to Chapter 5, section 25 of the Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be considered at the meeting.

### 2. Proxy representative and power of attorney

Shareholders may participate in the General Meeting and exercise their rights at the meeting by way of proxy representation. Proxy representatives shall produce a dated power of attorney or otherwise prove in a reliable manner their right to represent the shareholder at the General Meeting. Any powers of attorney shall be delivered in originals to Violetta Hänninen, Robit Plc, Vikkiniityntie 9, 33880 Lempäälä, on Friday 11 March 2016 at 4 p.m. at the latest.

### 3. Holders of nominee registered shares

If a holder of nominee registered shares has the right to be recorded in the shareholders' register on the record date 8 March 2016, the shareholder may request as per the instructions of his or her custodian bank that he or she be temporarily recorded in the shareholders' register in order to be able to participate in the General Meeting on 15 March 2016 at 10 a.m. at the latest. If the holder of a nominee is temporarily recorded in the shareholders' register as described above, this constitutes as due registration for the General Meeting above. Holders of nominee registered shares are advised to request in good time necessary instructions regarding the temporary registration in the shareholders' register of the company, the issuing of proxy documents and registration for the General Meeting from their custodian bank.

### 4. Other information

On the date of this invitation, 24 February 2016, the total number of shares in the Company is 15,883,900, carrying 15,883,900 votes. On the date of this invitation, 24 February 2016, there are a total of 99,567 shares in the possession of the Company.

In Lempäälä on 24 February 2016

ROBIT PLC

Board of Directors

For additional information, please contact:

Mikko Mattila, CEO  
+358 40 736 7001

[mikko.mattila@robit.fi](mailto:mikko.mattila@robit.fi)

Harri Sjöholm, Chairman of the Board of Directors  
+358 400 622 092  
[harri.sjoholm@robit.fi](mailto:harri.sjoholm@robit.fi)

Skandinaviska Enskilda Banken AB (publ), Helsinki branch acts as the Company's Certified Advisor.  
Tel. +358 9 616 28 101

*Robit is a Finnish company selling and servicing global customers in drilling consumables for applications in tunneling, geothermal heating and cooling, construction, and mining industries. The company's business is divided into Top Hammer, Down the Hole and Digital Services business units. The company has eight own offices and active sales networks in 115 countries. The company has production in Finland and South Korea. The company is listed in Nasdaq Helsinki Ltd's First North Finland marketplace with trading code ROBIT. For more information see [www.robit.fi](http://www.robit.fi).*

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# Robit Plc

# Financial Statements

# 2015



# Report of the Board of Directors

Robit is a Finnish company selling and servicing global customers in drilling consumables for applications in tunnelling, geothermal heating and cooling, construction, and mining industries.

The Company's business is divided into Top Hammer, Down the hole and Digital Services business units. The Company has eight own offices and active sales networks in 115 countries. The Company has production in Finland and South Korea.

The company is listed in Nasdaq Helsinki Ltd First North Finland marketplace with trading code ROBIT.

## Net sales and profitability

Robit Group net sales increased by 19.1 % amounting to EUR 45.6 million (FY 2014: 38.3). Group EBITA for financial year 2015 was EUR 3.4 million (FY 2014: 3.8) and net income was EUR 2.2 million (FY 2014: 2.9).

## Market review and sales by territory

(Million euro)	H2/2015	H2/2014	Change %	2015	2014	Change %
Europe and Middle East	10,1	9,2	9,8 %	19,7	18,8	4,8 %
North and South America	4,8	3,2	50,0 %	8,5	5,8	46,6 %
Asia and Oceania	4,3	3,7	16,2 %	9,0	7,3	23,3 %
Africa	2,8	2,1	33,3 %	5,3	3,2	65,6 %
Russia and CIS countries	1,7	1,8	-5,6 %	3,1	3,2	-3,1 %
	<b>23,7</b>	<b>20,0</b>	<b>18,5 %</b>	<b>45,6</b>	<b>38,3</b>	<b>19,1 %</b>

The general market situation remained challenging and we do not see signs of improvement in market activity at the beginning of 2016. However, through our investments in new employees and our active market presence, we succeeded in going against the tide and market trends and increased our global market share. Sales in our four market segments: Geothermal heating and cooling, Construction, Tunnelling and Mining, remained well balanced.

Robit sales developed positively in four out of five regions. Europe and Middle-East remained the biggest sales region with 43% of sales. The relative share that this region accounted for declined by six percentage points as Asia & Oceania, Americas and Africa all continued to see double digit organic growth. A number of new sales persons were recruited during 2015 to ensure first class service and to enable continued high growth.

The biggest growth area in euro terms was North and South America, where sales rose from EUR 5.8 million to EUR 8.5 million. During 2015 the US subsidiary, Robit Inc. hired new personnel and further expanded the customer base. It also won complex piling projects, which will in future be good references for gaining new

customers. To further improve service and availability in South America, Robit established a new sales company in Lima, Peru. The Peru subsidiary will in future form the hub for the South American market.

Sales in the Asia and Oceania region continued to grow, with year on year organic growth of 23.3%. Total sales for this region amounted to EUR 9.0 million, or 20% of the company's total sales. The active sales work in the Korean market and in other Asian countries further increased sales in this region. The developing markets in South East Asia offer interesting opportunities for further growth. In January 2016 the Robit Thailand sales office was opened in Bangkok. This sales office will further reinforce the company's presence in Asia.

In Africa organic growth continued as sales increased 65.6% from EUR 3.2 million to EUR 5.3 million. Robit SA (Pty) Ltd in South Africa contributed a big part of the growth in the region. 2015 was the first full operational year for Robit SA. The South African subsidiary has played an important role in obtaining major mining customers in southern Africa. Sales in the northern part of Africa also developed positively as new sales resources were allocated to this region.

Russia and the CIS countries was the only region where sales did not grow. The weak economic situation, the decline of the ruble against the euro and the EU sanctions resulted in a slight decrease in sales (-3.1%) in this region compared to the previous year. Despite the challenges in the Russian economy, Robit subsidiary Robit OOO was able to more than double its ruble-denominated local sales from 2014, showing again the

importance of a local presence and the opportunities this offers. Robit aims to keep its position in the area long term.

In conclusion, if overall economic activity in the world and in our target markets picks up, we believe we will exceed our organic growth targets in the long term.

### Net sales by business\*

(Million euro)	H2/2015	H1/2015	H2/2014	H1/2014	2015	2014	Change %
Top Hammer	15,3	14,6	12,5	12,2	29,9	24,8	20,9 %
Down-the-Hole	8,4	7,3	7,5	6,1	15,7	13,5	15,9 %
	<b>23,7</b>	<b>21,8</b>	<b>20,0</b>	<b>18,3</b>	<b>45,6</b>	<b>38,3</b>	<b>19,1 %</b>

\*Sales split between Top Hammer and Down-the-Hole business has been reclassified from information shown in offering memorandum.

During 2015, sales for both the Top Hammer (TH) and the Down-the-Hole (DTH) business developed positively. The increase in sales in the TH business for FY 2015 was 20.9 %. Thanks to our continuous development of our dealer network and the quality of our Top Hammer products, we were able to win new customers and increase our sales. One further driver for organic growth was the offering of a full package of bits and drill steel products to our dealer network and end users.

The Down-the-Hole business increased 15.9 %. We continued to develop our DTH products and this had a positive impact on our sales. With our expertise in challenging piling projects together with our high quality products, we won major deals in Scandinavia and North America. Our market leader position in Finland for geothermal heating and cooling gives us strong confidence that we can further increase our sales in other countries as well. In Finland geothermal drilling is more widely used in industrial heating and cooling applications. We see that in Scandinavia geothermal heating as an environmentally friendly heating method is becoming the preferred heating method for new residential and industrial buildings. It is very possible for this trend to expand to new countries, which will increase our sales potential.

### Research and development - developing the offering

The Digital Services business was further strengthened during 2015. The Company is convinced that the investments in digitalization and IoT will give totally new business opportunities in the near future. The Digital Services business will focus on providing new digital technologies to customers operating with Top Hammer and Down-the-Hole drilling applications. Initially the offering comprises the unique drill hole measurement technology branded as Robit Sense Systems. With this system the straightness of a drill hole can be measured utilising special technology that is integrated into a standard drill string and rig. The results can be obtained immediately after the hole has been drilled, unlike existing manual systems, where measuring is carried out as a separate operation afterwards. Robit Sense Systems was launched at the international Intermat trade fair in Paris during H1/2015.

Robit Sense Systems has been piloted successfully with several customers in Scandinavia. The next step is the commercial roll out during 2016 in selected regions. The development of additional functionalities for the Sense Systems product family and the development of the ecosystem will also continue in 2016.

The new 76 millimetre RoX glass fiber reinforced polymer (GFRP) casing system for the tunnelling



segment was introduced for the Top Hammer business. This system will allow Robit customers to drill an average of 20 metre face bolt holes with less than 1% deviation, which brings clear savings in time and increased safety for drilling in tunnel projects.

During 2015 we continued to develop our large size (+400 mm) DTH sales with a focus on construction piling projects. This had a visible impact especially in major piling projects, for which the company has obtained strong references for example in North America and Scandinavia. For micropiling, the new Robit Prime series was launched. The new series is specially designed for Scandinavian threaded casing piles. This application also offers a drill through feature, which is very suitable for the North American market.

In order to adjust ourselves to changing market situations, we are constantly optimizing and developing our product range in a dynamic way. Our new global cloud based ERP system enables us to have better transparency and real time information on our product availability and customer behaviour.

The company has capitalized patent and research and development cost during 2015 in total of EUR 0.7 million (FY 2014: 0.5). Total costs in relation to research and development were 3.0 % of net sales (FY 2014: 2.1%).

## Profitability and key financials

	H2/2015	H2/2014	Change %	2015	2014	Change %
Net Sales, EUR 1,000	23 676	19 983	18,5 %	45 588	38 272	19,1 %
Net Sales growth, percent	18,5 %	-		19,1 %	12,7 %	
Gross profit	7 747	6 277	23,4 %	14 683	11 337	29,5 %
Gross profit, percent	32,7 %	31,4 %		32,2 %	29,6 %	
EBITDA, EUR 1,000	2 713	2 888	-6,1 %	5 066	4 765	6,3 %
EBITDA, percent of sales	11,5 %	14,5 %		11,1 %	12,5 %	
EBITA, EUR 1,000	1 713	2 345	-26,9 %	3 448	3 819	-9,7 %
EBITA, percent of sales	7,2 %	11,7 %		7,6 %	10,0 %	
Operating profit, EUR 1,000	1 683	2 316	-27,3 %	3 389	3 761	-9,9 %
Operating profit, percent of sales	7,1 %	11,6 %		7,4 %	9,8 %	
Net income for the review period	841	1 623	-48,2 %	2 244	2 925	-23,3 %
Net income for the review period, percent of sales	3,6 %	8,1 %		4,9 %	7,6 %	
EPS, adjusted for share split	-	-		0,17	0,29	-41,0 %
Return on equity, percent	-	-		7,4 %	25,4 %	
Return on capital employed (ROCE), percent	-	-		9,5 %	21,2 %	
Net interest -bearing debt, EUR 1,000	-22 070	6 866	-421,4 %	-22 070	6 866	-421,4 %
Equity ratio, percent	71,1 %	47,4 %		71,1 %	47,4 %	
Gearing, percent	-46,1 %	52,9 %		-46,1 %	52,9 %	
Gross investments, EUR 1,000	3 389	1140	197,3 %	7 732	1 731	346,7 %
Gross investments, % of sales	14,3 %	5,7 %		17,0 %	4,5 %	
R&D costs, % of sales	3,1 %	2,1 %		3,0 %	2,1 %	
Average number of employees	129	111	16,2 %	124	109	13,8 %
Number of employees at the end of period	134	109	22,9 %	134	109	22,9 %

Robit continued to grow despite quite a tough market situation. Looking at the profitability indicators, the gross margin continued to develop positively compared with the previous year. Robit has been able to maintain its price levels. Key factors in the improvement in the gross profit margin have been higher volumes, and the reductions in raw material prices and in subcontracting costs.

For FY 2015 EBITDA was EUR 5.1 million (FY 2014: 4.8). The EBITDA margin decreased from 12.5 % to 11.1 %. The main factors contributing to this decrease were related to future growth, which can be seen in the increase in personnel expenses (increase of 27.6 %) and the increase in other operating expenses (increase of

30.1 %). During 2015 the company recruited a total of 25 new employees and the total number of employees at the end of December 2015 was 134. Recruitment was mainly for sales and customer service positions, to ensure that future organic and strategic growth targets can be met. Investments in resources in front line sales and in an active market presence allowed us to gain more market share and increase our sales in 2015 despite the challenging market situation.

For FY 2015 EBITA was EUR 3.4 million (FY 2014: 3.8). The main factor in the decrease in EBITA was increased depreciation. Depreciation for FY 2015 was EUR 1.7 million (FY 2014: 1.0). The increase in depreciation was mainly due to normal investments in machinery and

equipment, capitalized IPO costs, capitalized expenses in relation to the new ERP investment, and capitalized expenses in relation to the Robit Sense system.

Total financial income and expenses for FY 2015 were EUR -0.4 million (FY 2014: -0.1). Financial income was EUR 0.4 million (FY 2014: 0.4). Financial expenses increased from EUR 0.5 million to EUR 0.9. Financial expenses included normal loan expenses amounting to EUR 0.3 million and a negative foreign currency exchange effect amounting to EUR 0.6 million. The main factor in the unfavourable currency exchange effect was the negative development of the South African rand against the euro.

For FY 2015 the return on equity was 7.4 % and the return on capital employed was 9.5 %. Both percentages declined since the funds obtained in the public offering were in the company's account at the end of the period under review. The return on operative capital employed was 17.3 %. The company's cash and cash equivalents amounted to EUR 33.4 million (FY 2014: 1.6) and the net debt was EUR -22.1 million (FY 2014: 6.9). The equity ratio was 71.1 %. The company intends to use the funds received in the listing to finance further growth.

Earnings per share were EUR 0.17.

### **Major events during the financial year 2015**

- Robit shares were listed to Nasdaq First North Finland marketplace with a trading code ROBIT on the 21st of May.
- Offering was oversubscribed and as a result company obtained EUR 30.4 million in the issue after costs.
- Robit Sense Systems was launched in Intermat exhibition in Paris.
- In July the manufacturing business and all related assets and liabilities in Robit Plc were transferred to a new 100% owned subsidiary Robit Finland Ltd.
- Sales company in Peru, Lima was opened in July.
- The company informed of the change of CEO in December. Jussi Rautiainen (51), served as Group CEO until 2 January 2016. Mikko Mattila (38), M.Sc. (Eng.) was appointed as the new Group CEO.





*One of the first full-time employee was Veijo Tuominen, who started in May 1994 and is still working at Robit.*

## Group structure

Parent company Robit Oyj has subsidiaries in Finland, South Korea, United States, South Africa, Russia, Sweden and in Peru. Robit S.A.C. in Peru, Lima was founded during 2015. Robit Rocktools Sweden AB and Robit Africa Holding (Pty) Ltd remained dormant. Robit Africa Holding (Pty) Ltd has not been included in consolidated financial statements.

## Risks and uncertainties

The risks and uncertainties to which the company is exposed relate to the company's business environment, to any changes in this, and to global economic developments. Prospects especially in the euro zone and in Russia are uncertain. During H2 there were no significant changes in Robit's risks and uncertainties.

Additional uncertainty factors are developments in currency exchange rates, the introduction of new information systems and their smooth operation, risks relating to delivery reliability and logistics, IPR risks and uncertainties relating to the company's operations and corporate governance issues. Changes in the tax and customs regulations in export countries may also complicate the company's export activities or affect their profitability.

The risks can mainly have a negative impact on the company's growth, on its financial position and result, and on its corporate image. Company management does not consider these risks and uncertainties to be significant at the end of the period under review. The prospectus published in relation to Robit's Initial Public Offering contains a more detailed description of the company's risks and risk management.

## Net working capital and investments

Net working capital at the end of review period was EUR 14.6 million (FY 2014: 13.5). The company's cash flow from operations during FY 2015 was EUR 2.9 million (FY 2014: 0.7).

Gross Investments totalled EUR 7.7 million (FY 2014: 1.7). The company's main investments for FY 2015, in addition to the capitalized costs in relation to the public offering (EUR 2.6 million) and the cloud based global ERP system (EUR 0.3 million), focused on R&D (EUR 0.7 million) and machinery and equipment (EUR 2.3 million).



During FY 2015 the company also purchased additional real estate next to the Lempäälä factory. The amount invested was EUR 1.1 million. This new facility, Robit Technology Center, will house operations related to product and production technology. The additional space ensures the Company has the space needed for further growth.

At year end 2015 EUR 9.2 million was tied up in trade receivables (FY 2014: EUR 6.3). Trade receivables grew at the end of the year due to increased sales volumes. The last three months of the review period were also among the highest selling months in the history of Robit.

Inventories amounted to EUR 11.7 million (FY 2014: 11.8). Inventories decreased by EUR 0.16 million from the comparative period. The company launched an inventory optimisation project in Q2/2015, with the target of reducing inventories by 15 % while still maintaining an excellent service capability for customers. The total inventory at the end of H1 2015 was EUR 14.6 million. The project was successfully carried out as inventories decreased by EUR 2.9 million during H2 2015.

Interest-bearing debts at the end of review period were EUR 11.3 million (FY 2014: 8.5), an increase of EUR 2.8 million. New loans were utilized mainly for machinery and for the investment in the Robit Technology Center. The company's decision was not to utilize the IPO funds for these investments since interest rates were so low. Net debt at the end of the year was EUR -22.1 million (FY 2014: 6.9).

## Information presented in the notes of the financial statements

Information regarding company's personnel and related parties have been presented in more detail in the notes of the financial statements.

## Shares and shareholders

On 31 December 2015 the company had 15,883,900 shares. The company was listed on the Nasdaq Helsinki First North Finland Marketplace on 21 May, and as a result the company obtained EUR 30.4 million in the share issue after related costs. On 31 December 2015 the company had 889 shareholders. On 31 December 2015 the company holds 99,567 own shares (0.6 % of the shares).

The subscription price in the Initial Public Offering (IPO) was EUR 5.70. The average share price based on closing prices during H2 was EUR 5.86, and EUR 5.89 for the period from the listing to the end of 2015. The highest closing price during the year was EUR 6.24 and the lowest EUR 5.41. At the end of December 2015, the closing price was EUR 5.68 per share and Robit had a market capitalization of EUR 90.2 million. The number of shares traded between 21 May and 30 December was 4.1 million, which is 26 % of the total number of shares. When excluding the block sale related to the IPO, 9 % of the total number of shares were traded during the year.

Robit has one share series and all shares have equal voting rights. Each share is entitled to one vote at the annual general meeting.

## Consumables for Site Investigation



Site investigation is used for an initial evaluation of the site and of its suitability for the proposed development. A casing tube is driven to the selected depth and a sample is taken with a coring tool. The Robit® Casing System enables more accurate drilling to reach the targeted depth.

<b>The largest, registered shareholders on 31.12.2015</b>	<b>Shares</b>	<b>%</b>
FIVE ALLIANCE OY	6 408 253	40,3 %
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) HELSINGIN SIVUKONTTORI	1 020 437	6,4 %
SIIJOITUSRAHASTO AKTIA CAPITAL	861 873	5,4 %
KESKINÄINEN TYÖELÄKEVAKUUTUSYHTIÖ VARMA	717 000	4,5 %
FONDITA NORDIC MICRO CAP PLACERINGSF	615 422	3,9 %
OP-DELTA -SIIJOITUSRAHASTO	571 110	3,6 %
OP-FOCUS -ERIKOISSIIJOITUSRAHASTO	570 000	3,6 %
SIIJOITUSRAHASTO DANSKE INVEST SUOMEN PIENYHTIÖT	521 132	3,3 %
RAUTIAINEN JUSSI-PEKKA	391 500	2,5 %
NORDEA PANKKI SUOMI OYJ	380 134	2,4 %
<b>The 10 largest shareholders in total</b>	<b>12 056 861</b>	<b>75,9 %</b>
Other shareholders	3 827 039	24,1 %
<b>Shares in total</b>	<b>15 883 900</b>	<b>100 %</b>

<b>Breakdown of share ownership (number of shares)</b>	<b>Owners</b>	<b>%</b>	<b>Shares</b>	<b>%</b>
1 - 100	206	23 %	14 280	0,1 %
101 - 500	375	42 %	109 630	0,7 %
501 - 1 000	145	16 %	125 572	0,8 %
1 001 - 5 000	108	12 %	248 837	1,6 %
5 001 - 1 0000	16	2 %	119 875	0,8 %
10 001 - 50 000	15	2 %	420 610	2,6 %
50 001 - 100 000	4	0 %	324 447	2,0 %
100 001 -	20	2 %	14 520 649	91,4 %
	<b>889</b>	<b>100 %</b>	<b>15 883 900</b>	<b>100,0 %</b>

<b>Shareholding of management on 31.12.2015</b>	<b>Shares</b>	<b>%</b>
CEO	251 228	3,7 %
Members of the Board	6 424 636	95,4 %
Other members of the executive management team	61 000	0,9 %
	<b>6 736 864</b>	<b>100,0 %</b>

## Personnel, management and board of directors

The number of personnel increased in 2015 by 25 from year end 2014, with the total number of personnel being 134 at the end of the period under review. The increase in personnel has been as planned, to enable the company to grow further. More than 50 % of new personnel were hired for sales and marketing or for customer service positions to secure future growth.

Jussi Rautiainen (51), served as Group CEO until 2 January 2016. Mikko Mattila (38), M.Sc. (Eng.) was appointed as the new Group CEO. Mr. Mattila has been working in the organization and has had a long, 15 year career at Robit Plc. He has, for example, been responsible for the take-over and integration of the

South Korean acquisition. Mr. Rautiainen will continue in the company and will focus on structural growth options.

In order to facilitate Robit's growth strategy, we have continued to invest in our personnel. More emphasis has been given to our hiring and training practices. During 2015 Robit's ability to attract talented personnel has further increased, which can be seen in an increase in the number of applications received. During 2015 the Robit Talent program was launched. The basic principle in the talent program is to hire highly-educated young people and train them in-house by our experienced employees. With this method we can ensure the transfer of valuable experience-based know-how within our organization.

Young and talented employees are a great asset for us. Our age demographics are well balanced and the average age is 39 years. We also place strong emphasis on work safety, and this has resulted in zero occupational accidents resulting in an absence from work during 2015.

Prior to the Annual General Meeting that was held on the 18th of February 2015 the Members of the Board were Tapio Hintikka, Pekka Pohjoismäki, Jussi Rautiainen, Kalle Reponen and Harri Sjöholm. Mr. Sjöholm acted as the Chairman of the Board. In the ordinary shareholder's meeting Matti Kotola was selected to replace Mr. Jussi Rautiainen. Other members were selected to continue. Mr. Sjöholm was selected as the Chairman of the Board.

### **Decisions by the annual general meeting**

The Annual General Meeting was held in Lempäälä on 18 February 2015. The meeting confirmed the 2014 financial statements and discharged the members of the Board and the CEO from liability for the 2014 fiscal year. The meeting decided to pay a total dividend of EUR 432,659.50, or EUR 6.50 per share. There were a total of 67,226 shares before the share-split and initial public offering.

Those elected to the Board of Directors are listed in the section "Personnel, management and Board of Directors" above.

Ernst & Young Oy, Authorised Public Accountants, were re-elected as the company's auditors, with Mikko Järventausta as principle auditor.

The Company's Extraordinary General Meeting of Shareholders was held on 27 April 2015. It was decided to convert the Company into a public limited liability company, to change the name of the Company to Robit Plc and to split the Company's shares to ratio of 1:150 due to which the number of the Company's shares increased from 67,226 shares to 10,083,900 shares. The Extraordinary General Meeting of Shareholders also decided to authorise the Board of Directors to decide on a share issue. According to the authorisation, a maximum total amount of 8,500,000 new shares may be issued. Based on the authorisation granted by the General Meeting of Shareholders, the Board of Directors resolved on 4 May 2015 on the Share Issue preliminarily consisting of a maximum of 5,800,000 issue shares in deviation from the shareholders' pre-emptive right in order to expand the ownership base of the Company and to strengthen the capital structure.



*Production Manager Gi-hyun Kim (from left), Shift Supervisors Sang Pil Joo and Jin Man Kim in Donghae, South Korea factory.*



## Corporate governance statement

Corporate Governance statement has been included in Annual report for 2015 and is also available in Company's web pages.

## Significant events after the end of the review period

The Company has decided to issue new shares in Robit SA (Pty) Ltd to Robit SA employees. After the share issue Robit Plc will own 70% of Robit SA (Pty) Ltd. This will ensure that the company is in compliance with South African laws and regulations. It also supports the local black people by following the rules and regulations of the Black Economic Empowerment program, which aims to improve the socioeconomic development of black people in South Africa.

The Company has opened a sales office in Bangkok, Thailand on 1st January 2016. The new sales office is part of Robit Plc's globalization strategy. The new office strengthens further sales and customer service in Southeast Asia. This way Robit Plc will reach the present and new customers even better.

The market position of Robit Plc in Asia was strengthened when the South Korean acquisition was made in 2011. The sales office in Thailand will further reinforce the company's presence in Asia.

On 1 February 2016 Antti Leino, 41, M.Sc. (Eng.) was appointed a member of the Management Team. He is responsible for Group research and development with the title of VP R&D.

On 1 February 2016 Jorma Pyykkö (42), B.Sc. (Eng.) was appointed a member of the Management Team. He is responsible for global manufacturing and sourcing with the title of VP Supply.

Robit Plc continues its renewal. To support this, the company has changed its organizational structure. The Company has established three new strategic business units (SBU): the Top Hammer, Down-the-Hole (DTH) and Digital Services units. With this organizational change the company is aiming at even stronger growth and renewal.

## Board proposal for the distribution of profit

The parent company's non-restricted equity on 31 December 2015 is EUR 45,119,803.95, of which the net profit for the financial year is EUR 1,860,211.33.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.04 per share be paid on the outstanding 15,784,333 shares, resulting in a total proposed dividend of EUR 631,373.32.



**Robit® Korea Ltd Factory**

The Board proposes that the dividend will be payable from 31 March 2016. All the shares existing on the dividend record date are entitled to the dividend for 2015 except for the own shares held by the parent company.

### **Financial targets**

The company's plan is to continue to grow in line with the target set in its strategy of annual organic growth in net sales of a minimum of 15 % per annum. Net sales in FY 2015 increased 19.1 % from the comparative period. The company's long-term (10 year) average annual growth has been 23 %.

Robit's target is to further improve profitability in order to achieve the long-term strategic target of EBITA of +13 %. This will be achieved primarily through growth in net sales, since fixed costs will then account for a smaller proportion of net sales. Robit has made significant investments during 2014 and 2015 to build the base for further growth. At the same time company management continues to further optimize variable cost factors.

### **Future outlook**

Robit's long term financial targets are to reach annual organic growth of 15% and to achieve an EBITA margin of 13 %. We also believe that the weak market environment gives us excellent room to grow our market share with our consumable focused strategy. Our global market share is still modest, so there is plenty of room to grow. According to the management this will also mean that the company will further strengthen its market share and market position. Company's strategic target is to double our global market share. Continuous growth can also be seen to have a positive effect on our employees, who are enthusiastic and hungry for growth.

The company is looking for structural growth in line with its strategy, through acquisitions. The company continues to evaluate potential acquisition candidates in a controlled manner. In the view of company management, consolidation will continue to take place in the global market. The company aims to be an active player in this.





# Consolidated Statement of Comprehensive Income

Consolidated Income Statement	1.1.2015- 31.12.2015 €	1.1.2014- 31.12.2014 €
<b>Net sales</b>	<b>45 588 319,89</b>	<b>38 272 382,56</b>
Changes in stocks of finished goods and work in progress	1 103 330,31	2 468 128,31
Manufacturing for own use	232 011,51	94 428,57
Other operating income	169 422,70	175 197,71
Materials and services		
Raw materials and consumables		
Purchases during the financial year	-16 316 457,55	-15 689 632,25
Change in stocks	-985 408,60	1 075 236,62
External services	-10 487 115,58	-10 132 093,99
Total materials and services	-27 788 981,73	-24 746 489,62
Personnel expenses		
Wages and salaries	-6 354 529,88	-4 874 584,55
Indirect personnel expenses		
Pension expences	-800 424,74	-656 451,86
Other social security expences	-184 287,95	-222 231,21
Total personnel expenses	-7 339 242,57	-5 753 267,62
Depreciation and amortisation		
Depreciation according to plan	-1 676 282,18	-1 004 574,24
Other operating charges	-6 899 082,01	-5 744 917,11
<b>OPERATING PROFIT (LOSS)</b>	<b>3 389 495,92</b>	<b>3 760 888,56</b>
Financial income and expences		
Other interest and financial income		
From others	444 334,11	438 204,60
Interest and other financial expences		
To others	-850 587,80	-522 049,36
Financial income and expences total	-406 253,69	-83 844,76
<b>PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS</b>	<b>2 983 242,23</b>	<b>3 677 043,80</b>
<b>PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES</b>	<b>2 983 242,23</b>	<b>3 677 043,80</b>
Income taxes	-727 877,28	-760 299,22
Changes in deferred income taxes	-11 583,32	8 674,13
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>2 243 781,63</b>	<b>2 925 418,71</b>
<b>Consolidated Net Income</b>	<b>2 243 781,63</b>	<b>2 925 418,71</b>

# Consolidated Statement of Financial Position

## Assets

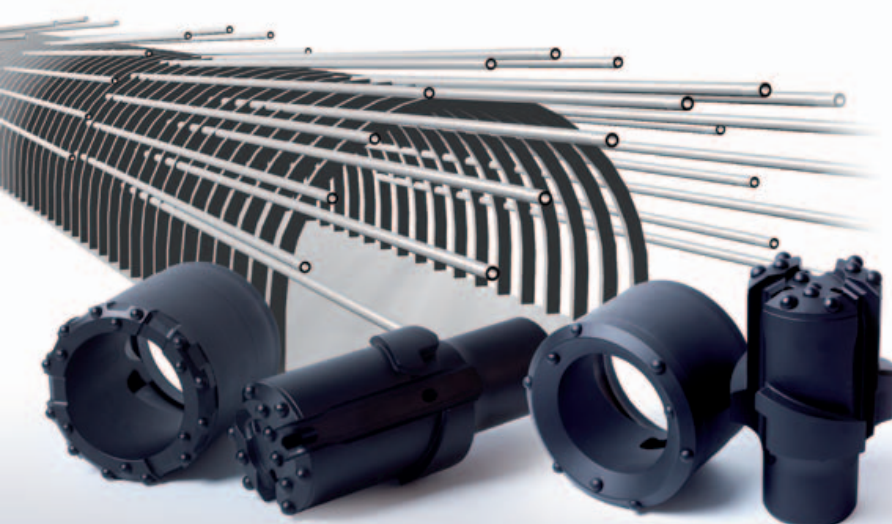
Consolidated Balance Sheet A S S E T S	31 Dec. 2015 €	31 Dec. 2014 €
<b>NON-CURRENT ASSETS</b>		
Intangible assets		
Goodwill	29 011,87	87 614,45
Intangible rights	164 815,35	68 684,18
Other capitalised long-term expences	3 526 588,90	585 365,19
Intangible assets total	3 720 416,12	741 663,82
Tangible assets		
Land and waters	149 114,99	110 981,63
Buildings	3 092 503,93	1 990 246,13
Machinery and equipment	3 736 359,31	2 586 858,80
Other tangible assets	6 376,56	5 035,02
Advance payments and construction in progress	62 358,18	277 219,30
Tangible assets total	7 046 712,97	4 970 340,88
Investments		
Other shares and similar rights of ownership	2 769,88	3 956,97
Other receivables	238 451,89	241 415,23
Investments total	241 221,77	245 372,20
<b>Non-current assets total</b>	<b>11 008 350,86</b>	<b>5 957 376,90</b>
<b>CURRENT ASSETS</b>		
Inventories		
Raw materials and consumables	2 741 084,18	3 188 840,87
Work in progress	1 060 873,71	992 497,17
Finished products/Goods	7 697 719,43	6 380 958,25
Other inventories	161 221,30	1 245 725,62
Advance payments	18 402,21	30 365,82
Inventories total	11 679 300,83	11 838 387,73
Debtors		
Long-term		
Accrued income	0,00	5 409,41
Loan receivables	716 688,57	737 540,15
Long-term total	716 688,57	742 949,56
Short-term		
Trade debtors	9 219 451,54	6 335 136,42
Amounts owed by group undertakings	0,00	0,00
Loan receivables	20 681,32	31 184,27
Calculated tax claim	159 458,54	78 049,64
Other debtors	809 266,26	597 897,88
Prepayments and accrued income	528 046,49	596 855,03
Short-term total	10 736 904,15	7 639 123,24
Funding papers		
<b>Other funding papers</b>	<b>31 230,97</b>	<b>29 928,47</b>
Funding papers total	31 230,97	29 928,47
Cash in hand and at banks	33 352 632,04	1 558 952,51
<b>Current assets total</b>	<b>56 516 756,56</b>	<b>21 809 341,51</b>
<b>ASSETS TOTAL</b>	<b>67 525 107,42</b>	<b>27 766 718,41</b>

# Consolidated Statement of Financial Position

## Liabilities

Consolidated Balance Sheet LIABILITIES	31 Dec. 2015 €	31 Dec. 2014 €
<b>Capital and reserves</b>		
Subscribed capital	705 025,14	705 025,14
Share premium account	201 825,51	201 825,51
Free invested equity reserve	33 692 594,08	598 500,00
Translation difference	-267 424,11	15 166,99
Retained earnings (loss)	11 348 358,92	8 529 625,66
Profit (loss) for the financial year	2 243 781,63	2 925 418,71
Capital and reserves total	47 924 161,17	12 975 562,01
<b>Mandatory reserves</b>		
Other mandatory reserves	430 019,10	349 127,41
Mandatory reserves total	430 019,10	349 127,41
<b>Creditors</b>		
<b>Long-term</b>		
Loans from credit institutions	7 057 714,44	5 206 544,34
Long-term total	7 057 714,44	5 206 544,34
<b>Short-term</b>		
Loans from credit institutions	4 256 543,87	3 248 441,81
Advances received	132 470,16	288 735,73
Trade creditors	5 608 803,27	3 983 758,60
Amounts owed to group undertakings	0,00	22 320,00
Calculated tax debt	223 856,85	130 864,53
Other debts	573 958,51	346 204,17
Accruals and deferred income	1 317 580,05	1 215 159,81
Short-term total	12 113 212,71	9 235 484,65
<b>Creditors total</b>	19 170 927,15	14 442 028,99
<b>LIABILITIES TOTAL</b>	<b>67 525 107,42</b>	<b>27 766 718,41</b>

## Consumables for Forepoling



Forepoling, also known as tube umbrella, is an application used to strengthen the tunnel roof in broken rock conditions. The drilling system consists of casing tubes which are drilled through the overburden as an umbrella and filled with grouting. The Robit® Casing System allows easy driving of the casing tubes into the ground with low torque demand.

# Consolidated Statement of Cash Flows

CASH FLOW STATEMENT GROUP	Group 31 Dec 2015	Group 31 Dec 2014
<b>Cash flow from operations:</b>		
Profit (loss) before extraordinary items	2 983 242	3 677 044
Adjustments:		
Depreciation according to plan	1 676 282	1 004 574
Financial income and expenses	406 254	83 845
Other adjustments	0	92 913
<b>Cash flow before changes in working capital</b>	<b>5 065 778</b>	<b>4 858 376</b>
Changes in working capital:		
Increase (-) or decrease (+) in trade and other receivables	-3 109 586	-231 962
Increase (-) or decrease (+) in inventories	159 087	-4 107 562
Increase (-) or decrease (+) in trade payables	1 950 518	1 062 632
Cash flow from operations before taxes	4 065 796	1 581 483
Interest paid and other finance costs from operations	-850 588	-522 049
Interests received from operations	444 334	438 205
Direct income taxes paid	-727 877	-760 299
Cash flow before extraordinary items	2 931 665	737 340
<b>Cash flow from operations (A)</b>	<b>2 931 665</b>	<b>737 340</b>
<b>Cash flows from investing activities</b>		
Investments in tangible and intangible items	-6 731 406	-1 713 465
Granted loans	0	-373 500
Investments in other items	0	0
Changes in long-term receivables	36 764	48 849
<b>Cash flow from investments (B)</b>	<b>-6 694 642</b>	<b>-2 038 116</b>
<b>Cash flow before financing (A+B)</b>	<b>-3 762 977</b>	<b>-1 300 777</b>
<b>Cash flows from financing</b>		
Proceeds from issuance of share capital	33 094 094	373 500
Acquisition of own shares	-46 768	-145 070
Changes in translation differences	82 718	211 085
Change of short-term loans	1 008 102	937 496
Change of long-term loans	1 851 170	-543 025
Dividends and other profit distribution	-432 660	-428 994
<b>Cash flow from financing (C)</b>	<b>35 556 657</b>	<b>404 992</b>
<b>Change in cash and cash equivalents (A+B+C)</b>	<b>31 793 680</b>	<b>-895 785</b>
<b>increase (+)/decrease (-)</b>		
Cash and cash equivalents at beginning of financial year	1 558 953	2 454 737
Cash and cash equivalents at end of financial year	33 352 632	1 558 953
<b>Cash and cash equivalents according to balance sheet</b>	<b>31 793 680</b>	<b>-895 785</b>

# Income Statement of the Parent Company

Robit Plc Parent company Income Statement	1 Jan. - 31 Dec. 2015 €	1 Jan. - 31 Dec. 2014 €
<b>Net sales</b>	<b>39 671 113,75</b>	<b>32 703 543,76</b>
Changes in stocks of finished goods and work in progress	1 057 738,62	423 182,09
Manufacturing for own use	232 011,51	94 428,57
Other operating income	240 334,11	52 822,81
Materials and services		
Raw materials and consumables		
Purchases during the financial year	-16 158 410,15	-12 627 664,90
Change in stocks	383 113,72	240 516,73
External services	-13 138 818,37	-9 256 385,18
Total materials and services	-28 914 114,80	-21 643 533,35
Personnel expenses		
Wages and salaries	-3 273 364,83	-3 145 896,72
Indirect personnel expenses		
Pension expenses	-710 458,92	-650 103,84
Other indirect security expenses	-166 209,83	-222 231,21
Total personnel expenses	-4 150 033,58	-4 018 231,77
Depreciation and amortisation		
Depreciation according to plan	-965 195,38	-624 871,45
Other operating expenses	-4 687 523,33	-3 791 407,25
<b>OPERATING PROFIT (LOSS)</b>	<b>2 484 330,90</b>	<b>3 195 933,41</b>
Financial income and expenses		
Other interest and financial income		
To group companies	149 440,21	143 455,34
From others	148 655,54	94 483,10
Interest and other financial expenses		
To others	-314 753,97	-324 439,78
Total financial income and expenses	-16 658,22	-86 501,34
<b>PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS</b>	<b>2 467 672,68</b>	<b>3 109 432,07</b>
<b>PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES</b>	<b>2 467 672,68</b>	<b>3 109 432,07</b>
Appropriations		
Change in depreciation difference, increase (-) or decrease (+)	-67 899,56	-165 223,54
Income taxes	-539 561,79	-605 040,09
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>1 860 211,33</b>	<b>2 339 168,44</b>

# Balance Sheet of the Parent Company

## Assets

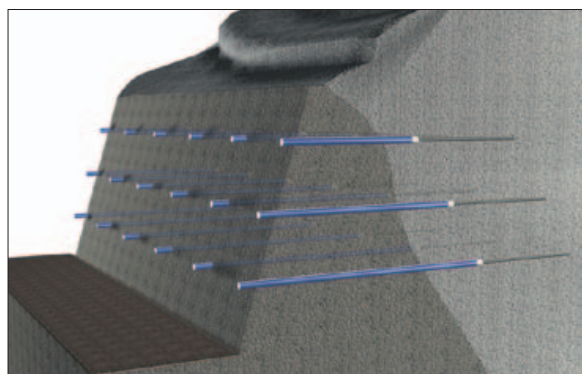
Balance Sheet Parent company	31 Dec. 2015	31 Dec. 2014
ASSETS	€	€
<b>NON-CURRENT ASSETS</b>		
Intangible assets		
Intellectual property rights	92 484,39	61 521,05
Other non-current expenses	3 387 989,22	483 077,16
Total non-current assets	3 480 473,61	544 598,21
Tangible assets		
Land and waters areas	149 114,99	110 981,63
Buildings and structures	2 943 327,95	1 888 475,09
Machinery and equipment	120 948,56	1 789 696,55
Other tangible assets	6 376,56	5 035,02
Advance payments and purchases in progress	0,00	38 992,70
Total tangible assets	3 219 768,06	3 833 180,99
Investments		
Shares in group companies	7 060 312,01	1 843 678,62
Other shares and interests	16,81	16,81
Total investments	7 060 328,82	1 843 695,43
<b>Total non-current assets</b>	<b>13 760 570,49</b>	<b>6 221 474,63</b>
<b>CURRENT ASSETS</b>		
Materials and consumables	0,00	1 353 050,87
Work in progress	0,00	141 933,44
Finished products/goods	4 140 573,74	3 524 724,88
Advance payments	0,00	18 479,90
Total inventories	4 140 573,74	5 038 189,09
Receivables		
Long-term		
Receivables from group companies	3 308 047,41	2 669 182,25
Loan receivables	716 688,57	737 540,15
Short-term		
Trade receivables	6 973 537,86	3 851 502,35
Receivables from group companies	8 121 483,17	3 106 867,59
Loan receivables	20 681,32	31 184,27
Other receivables	548 491,70	459 679,11
Accrued income	135 316,40	188 363,06
Total short-term	15 799 510,45	7 637 596,38
Cash and cash equivalents	31 011 760,20	934 582,99
<b>Total Current assets</b>	<b>54 976 580,37</b>	<b>17 017 090,86</b>
<b>TOTAL ASSETS</b>	<b>68 737 150,86</b>	<b>23 238 565,49</b>

# Balance Sheet of the Parent Company

## Equity and Liabilities

Balance Sheet Parent company EQUITY AND LIABILITIES	31 Dec. 2015 €	31 Dec. 2014 €
<b>Equity</b>		
Share capital	705 025,14	705 025,14
Share premium reserve	201 825,51	201 825,51
Invested unrestricted equity reserve	33 692 594,08	598 500,00
Retained earnings (loss)	9 566 998,54	7 707 257,41
Profit (loss) for the financial year	1 860 211,33	2 339 168,44
Total equity	46 026 654,60	11 551 776,50
<b>Accrued appropriations</b>		
Depreciation difference	243 702,24	654 322,63
<b>LIABILITIES</b>		
<b>Long-term liabilities</b>		
Loans from financial institutions	5 927 453,33	5 206 544,34
Total long-term liabilities	5 927 453,33	5 206 544,34
<b>Short-term liabilities</b>		
Loans from financial institutions	1 962 225,40	1 467 697,79
Advances received	108 230,88	183 734,94
Accounts payable	1 504 805,45	2 427 258,14
Payables to group companies	12 067 773,67	768 899,34
Other liabilities	198 970,01	172 633,78
Accrued liabilities	697 335,28	805 698,03
Total short-term liabilities	16 539 340,69	5 825 922,02
<b>Creditors total</b>	22 466 794,02	11 032 466,36
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68 737 150,86</b>	<b>23 238 565,49</b>

## Consumables for Anchoring



Anchoring is a method by which walls with masses of overburden are anchored to the solid rock. Casing tubes are driven through the overburden. Drilling then continues with a normal drill bit. Steel cable is inserted to the bottom of the hole and the hole is then filled with grouting.





# Cash Flow Statement of the Parent Company

CASH FLOW STATEMENT PARENT COMPANY	Parent company 31 Dec 2015	Parent company 31 Dec 2014
<b>Cash flow from operations:</b>		
Profit (loss) before extraordinary items	2 467 673	3 109 432
Adjustments:		
Depreciation according to plan	965 195	624 871
Financial income and expenses	16 658	86 501
Other adjustments	0	-31 767
<b>Cash flow before changes in working capital</b>	<b>3 449 526</b>	<b>3 789 038</b>
Changes in working capital:		
Increase (-) or decrease (+) in trade and other receivables	-3 919 271	-2 004 703
Increase (-) or decrease (+) in inventories	-1 498 535	-682 179
Increase (-) or decrease (+) in trade payables	5 474 721	745 035
Cash flow from operations before taxes	3 506 441	1 847 191
Interest paid and other finance costs from operations	-314 754	-324 440
Interests received from operations	298 096	237 938
Direct income taxes paid	-826 059	-605 040
Cash flow before extraordinary items	2 663 724	1 155 650
<b>Cash flow from operations (A)</b>	<b>2 663 724</b>	<b>1 155 650</b>
<b>Cash flows from investing activities</b>		
Investments in tangible and intangible items	-5 912 861	-858 333
Granted loans	-638 865	-677 498
Investments in other items	-15 870	0
Changes in long-term receivables	20 852	408 849
<b>Cash flow from investments (B)</b>	<b>-6 546 744</b>	<b>-1 126 983</b>
<b>Cash flow before financing (A+B)</b>	<b>-3 883 020</b>	<b>28 667</b>
<b>Cash flows from financing</b>		
Proceeds from issuance of share capital	33 094 094	373 500
Acquisition of own shares	-46 768	-145 070
Changes in translation differences	0	0
Change of short-term loans	321 528	-416 872
Change of long-term loans	1 654 003	-474 104
Dividends and other profit distribution	-432 660	-428 994
<b>Cash flow from financing (C)</b>	<b>34 590 197</b>	<b>-1 091 539</b>
<b>Change in cash and cash equivalents (A+B+C)</b>	<b>30 707 177</b>	<b>-1 062 872</b>
<b>increase (+)/decrease (-)</b>		
Cash and cash equivalents at beginning of financial year	934 583	1 997 455
Cash and cash equivalents at end of financial year	31 011 760	934 583
<b>Cash and cash equivalents according to balance sheet</b>	<b>30 077 177</b>	<b>-1 062 872</b>
Company reorganization, money transaction to Robit Finland Oy Ltd.	630 000	0



# Notes to the Financial Statements

## Scope of the Consolidated Financial Statements

Robit Oyj is a company listed in Nasdaq OMX Helsinki Ltd First North Finland marketplace with trading code ROBIT.

Robit Oyj is parent company of subsidiaries, which have been combined to the consolidated financial statement: Robit Rocktools Sweden Ab (ownership 100 %), Robit Korea Ltd (former YP Robit Ltd), South Korea (ownership 100 %), Robit OOO, Russia (ownership 100 %), Robit Inc., USA (ownership 100 %), Robit SA (Pty) Ltd, South Africa (ownership 100 %), Robit S.A.C., Peru (parent direct ownership 99 % and group ownership 100 %) and Robit Finland Oy Ltd (ownership 100 %). Robit Africa Holdings (Pty) Ltd, South Africa (ownership 100 %) is dormant and has not been combined to the consolidated financial statement.

Copy of Consolidated financial statement is available at Robit Oyj Vikkiniityntie 9, FI-33880 Lempäälä, Finland.

## Elimination of mutual business transactions

The intra-group distribution of profits, transactions, receivables and debts have been eliminated. The consolidation difference resulted from acquiring a subsidiary has been adjusted by the group reserve formed in the acquisition of the minority interest. Conversely, the depreciation of consolidation difference has been adjusted.

## Translation differences

The income statement of the foreign subsidiary has been converted to average exchange rate of the financial year and the balance sheet has been converted to Finnish currency by using the respective exchange rate at the closing date. Translation differences resulting from changes in exchange rates as a result of applying the acquisition cost method have been entered into the equity of the group. Average rate difference of the results presented in the income statement and balance sheet for the financial year has been entered into the equity.

## Accounting Principles for the Group and Parent Company

### Valuation Principles of Non-Current Assets

Variable costs resulting from acquisition and manufacture of assets have been included in the acquisition cost of the non-current assets. The non-current assets will be depreciated during their useful life according to plan. In the previous financial year, depreciation according to plan were introduced in depreciation of buildings and movable tangible assets. Buildings and movable tangible assets are depreciated during their economic life.

Depreciation periods

Depreciation method is a straight-line depreciation.

Other long-term expences	5 - 7 years
Capitalized listing expenses	5 years
Goodwill	5 years
Buildings	30 years
Machinery and equipment of buildings	15 years
Structures	10 years
Machinery and equipment	5 - 10 years
Other tangible assets	5 - 10 years

### Investments

Investments are valued by acquisition price.

### Valuation of Inventories

Inventories are presented variable acquisition cost or lower probable sale price. Variable direct costs have been included in the acquisition cost of inventories.

### Items in Foreign Currencies

Receivables and payables in foreign currencies have been converted to Finnish currency by using the respective exchange rate at the closing date.

# Notes to the Financial Statements

## Net sales by geographical market area:

	Parent 31.12.2015	Parent 31.12.2014	Group 31.12.2015	Group 31.12.2014
Finland	7 914 700	6 712 482	7 914 700	6 712 482
Community countries	5 285 729	5 801 487	7 340 227	5 801 487
Other countries	26 470 685	20 189 576	30 333 393	25 758 415
Total	39 671 114	32 703 544	45 588 320	38 272 383

## Personnel information

	Parent 31.12.2015	Parent 31.12.2014	Group 31.12.2015	Group 31.12.2014
Amount of personnel on average				
Clerical workers	47	43	74	63
Employees	11	21	50	46
Total	58	64	124	109

## Salaries of Members of the Board of Directors and managing director

Managing Director Jussi Rautiainen	182 975	177 175	182 975	177 175
	182 975	177 175	182 975	177 175
Members of the Board of Directors				
Harri Sjöholm	47 025	25 862	47 025	25 862
Tapio Hintikka	34 000	11 500	34 000	11 500
Matti Kotola (begin 18.2.2015)	30 750	0	30 750	0
Pekka Pohjoismäki	25 500	7 500	25 500	7 500
Kalle Reponen	39 000	10 500	39 000	10 500
Jussi Rautiainen (until 18.2.2015)	3 500	7 000	3 500	7 000
	179 775	62 362	179 775	62 362

## Auditors' itemised fees

1 ) Auditing	38 304	16 870	67 609	38 746
2 ) Assignments according to the audit law 1,1 § section 2, of the Finnish Auditing Act	0	700	1 240	700
3 ) Tax consultancy	11 860	10 000	14 563	10 000
4 ) Other services	75 497	1 535	75 497	6 227
	125 661	29 105	158 910	55 673

## Depreciation according to plan by balance sheet items

Goodwill	0,00	0,00	58 602,58	58 602,58
Intellectual property rights	29 734,80	17 595,16	35 571,42	21 654,15
Other non-current expenses	630 686,28	125 228,30	726 196,40	125 228,30
Buildings	105 360,64	87 830,64	111 987,40	92 259,89
Machinery and equipment	197 550,30	392 994,97	742 060,75	705 606,94
Other tangible assets	1 863,36	1 222,38	1 863,63	1 222,38
	965 195,38	624 871,45	1 676 282,18	1 004 574,24

## Tangible and intangible assets

### Goodwill

undepreciated balance on 1 Jan.	0,00	0,00	87 614,45	146 217,03
increases			0,00	0,00
adjustment to goodwill	0,00	0,00	0,00	0,00
depreciation for the financial period	0,00	0,00	-58 602,58	-58 602,58
book value on 31 Dec.	0,00	0,00	29 011,87	87 614,45

### Intellectual property rights

undepreciated balance on 1 Jan.	61 521,05	23 033,91	68 684,18	33 545,41
increases	60 698,14	56 082,30	131 702,59	56 792,92
decreases	0,00	0,00	0,00	0,00
depreciation for the financial period	-29 734,80	-17 595,16	-35 571,42	-21 654,15
book value on 31 Dec.	92 484,39	61 521,05	164 815,38	68 684,18

### Other non-current expenses

undepreciated balance on 1 Jan.	483 077,16	114 530,37	585 365,19	252 074,30
increases *)	3 535 598,34	493 774,99	3 681 007,66	493 774,99
decreases	0,00	0,00	-13 587,55	-35 255,80
depreciation for the financial period	-630 686,28	-125 228,30	-726 196,40	-125 228,30
book value on 31 Dec.	3 387 989,22	483 077,06	3 526 588,90	585 365,19

\*) Part of the expense related to the initial public offering 2.603.161,91 and depreciation 303.702,21

	Parent 31.12.2015	Parent 31.12.2014	Group 31.12.2015	Group 31.12.2014
<b>Land and water areas</b>				
undepreciated balance on 1 Jan.	110 981,63	110 981,63	110 981,93	110 981,83
increases	38 133,36	0,00	38 133,36	0,00
decreases	0,00	0,00	0,00	0,00
book value on 31 Dec.	149 114,99	110 981,63	149 115,19	110 981,83
<b>Buildings and structures</b>				
undepreciated balance on 1 Jan.	1 888 475,09	1 940 034,73	1 990 246,13	1 940 034,73
increases	1 160 213,50	36 271,00	1 214 245,20	142 471,29
decreases	0,00	0,00	0,00	0,00
depreciation for the financial period	-105 360,64	-87 830,64	-111 987,40	-92 259,89
book value on 31 Dec.	2 943 327,95	1 888 475,09	3 092 503,93	1 990 246,13
<b>Machinery and equipment</b>				
undepreciated balance on 1 Jan.	1 789 696,55	1 881 441,38	2 586 858,80	2 543 466,43
increases	640 020,55	311 949,06	2 291 741,37	761 143,00
decreases	-175 180,11	-10 698,92	-4 001 810,11	-12 143,69
	-1 938 038,06	0,00	0,00	0,00
depreciation for the financial period	-195 550,37	-392 994,97	-742 060,75	-705 606,94
book value on 31 Dec.	120 948,56	1 789 696,55	3 736 359,31	2 586 858,80
<b>Other tangible assets</b>				
undepreciated balance on 1 Jan.	5 035,02	6 257,40	5 035,02	6 257,40
increases	3 204,90	0,00	3 204,90	0,00
decreases	0,00	0,00	0,00	0,00
depreciation for the financial period	-1 863,36	-1 222,38	-1 863,36	-1 222,38
book value on 31 Dec.	6 376,56	5 035,02	6 376,56	5 035,02
<b>Advance payments and purchases in progress</b>				
undepreciated balance on 1 Jan.	38 992,70	36 271,00	277 219,30	36 271,00
increases	309 527,46	38 992,70	371 885,64	277 219,30
decreases	-348 520,16	-36 271,00	-586 746,76	-36 271,00
depreciation for the financial period	0,00	0,00	0,00	0,00
book value on 31 Dec.	0,00	38 992,70	62 358,18	277 219,30

**The shares held by the company of which the ownership exceeds 20 %**

	Proportion, %	Proportion, %	Proportion, %	Proportion, %
Robit Rocktools Sweden Ab	100 %	100 %	100 %	100 %
Robit Korea Ltd	100 %	100 %	100 %	100 %
Robit OOO, Russia	100 %	100 %	100 %	100 %
Robit Inc. USA	100 %	100 %	100 %	100 %
Robit SA, South Africa	100 %	100 %	100 %	100 %
Robit S.A.C, Peru	99 %	0 %	100 %	0 %
Robit Africa Holdings Ltd (Pty), South Africa	100 %	0 %	100 %	0 %
Robit Finland Oy Ltd	100 %	0 %	100 %	0 %

Robit Rocktools Sweden AB and Robit Africa Holdings (Pty) Ltd were dormant companies.  
Robit Oyj established a branch in Thailand in January 2016, Robit Thailand.

**Material items of accrued income**

Items included in accrued income are deemed conventional accruals in financial statements.

	Parent 31.12.2015	Parent 31.12.2014	Group 31.12.2015	Group 31.12.2014
<b>Receivables from group companies</b>				
Trade receivables	4 268 504,41	2 613 577,92	0,00	0,00
Group loan receivables	3 668 047,41	3 029 182,25	0,00	0,00
Other group receivables	3 492 978,76	63 505,27	0,00	0,00
	<u>11 429 530,58</u>	<u>5 706 265,44</u>	<u>0,00</u>	<u>0,00</u>
<b>Loans from group companies</b>				
Accounts payable	8 661 202,59	768 899,34	0,00	0,00
Others loans	3 406 571,08	0,00	0,00	0,00
	<u>12 067 773,67</u>	<u>768 899,34</u>	<u>0,00</u>	<u>0,00</u>
<b>Relevant items in receivables carried forward</b>				
Accrual of staff expenses	662 753,20	483 330,15	799 660,30	483 330,15
Accrual of taxes	0,00	296 853,60	122 954,71	369 211,80
Other accrual liabilities	34 582,08	25 514,28	394 965,04	362 617,86
	<u>697 335,28</u>	<u>805 698,03</u>	<u>1 317 580,05</u>	<u>1 215 159,81</u>
<b>Deferred tax assets</b>				
Internal profit elimination	0,00	0,00	159 458,54	78 049,64
	<u>0,00</u>	<u>0,00</u>	<u>159 458,54</u>	<u>78 049,64</u>
<b>Deferred tax debt</b>				
Depreciation difference elimination	0,00	0,00	223 856,85	130 864,53
	<u>0,00</u>	<u>0,00</u>	<u>223 856,85</u>	<u>130 864,53</u>
<b>Changes in deferred tax</b>				
Increase deferred tax assets	0,00	0,00	81 408,90	41 718,84
Increase deferred tax debt	0,00	0,00	-92 992,32	-33 044,71
	<u>0,00</u>	<u>0,00</u>	<u>-11 583,42</u>	<u>8 674,13</u>

**Increases and decreases in items of equity during the financial period**

	Parent 31.12.2015	Parent 31.12.2014	Group 31.12.2015	Group 31.12.2014
Share capital 1.1	705 025,14	705 025,14	705 025,14	705 025,14
Share capital 31.12	705 025,14	705 025,14	705 025,14	705 025,14
Share premium reserve	201 825,51	201 825,51	201 825,51	201 825,51
Invested unrestricted equity reserve 1.1	598 500,00	225 000,00	598 500,00	225 000,00
Share issue with consideration on 21.5 / 19.12	33 094 094,08	373 500,00	33 094 094,08	373 500,00
Invested unrestricted equity reserve 31.12	<u>33 692 594,08</u>	<u>598 500,00</u>	<u>33 692 594,08</u>	<u>598 500,00</u>
Retained earnings of previous financial periods on 1 Jan.	7 707 257,41	6 534 843,40	8 544 792,65	6 803 137,63
Profit /loss of the previous financial period, carry forward	2 339 168,44	1 746 477,43	2 925 418,71	2 104 633,20
Distribution of dividend	-432 659,50	-428 993,50	-432 659,50	-428 993,50
Acquisition of own shares	-46 767,81	-145 069,92	-46 767,81	-145 069,92
Average rate difference	0,00	0,00	-38 916,91	27 814,01
Changes in translation differences	0,00	0,00	129 067,67	183 271,23
Retained earnings of previous financial periods on 31 Dec	9 566 998,54	7 707 257,41	11 080 934,81	8 544 792,65
Profit (loss) for the financial year	1 860 211,33	2 339 168,44	2 243 781,63	2 925 418,71
	<u>11 427 209,87</u>	<u>10 046 425,85</u>	<u>13 324 716,44</u>	<u>11 470 211,36</u>
Restricted equity	906 850,65	906 850,65	906 850,65	906 850,65
Unrestricted shareholders' equity	45 119 803,95	10 644 925,85	47 017 310,52	12 068 711,36
<b>Equity</b>	<u>46 026 654,60</u>	<u>11 551 776,50</u>	<u>47 924 161,17</u>	<u>12 975 562,01</u>
Depreciation difference recognized in equity			654 322,63	489 099,09
Deferred tax debt 20%			130 864,53	97 819,82

**The amount of shares in the company by their class of share and main provisions concerning each class of share**

	31.12.2015	31.12.2014
All shares are of the same class	15 883 900 pcs	67 226 pcs

**Loans, liabilities and contingent liabilities to related parties and their main provisions**

	<b>31.12.2015</b>	<b>31.12.2014</b>
Total of related-party loans	737 369,89	765 638,23

The loans have been used for subscription of shares in the company in a share issue with consideration, and the total amount of shares acquired by means of loans is 5,788 shares, which have been pledged as a security for the loans and which proportion of votes is 0.04 %.

<b>Loans maturing in more than 5 years</b>	<b>Parent 31.12.2015</b>	<b>Parent 31.12.2014</b>	<b>Group 31.12.2015</b>	<b>Group 31.12.2014</b>
Loans from financial institutions	440 000,00	15 200,00	440 000,00	15 200,00

**Pledges and mortgages and mortgages pledged as a security for debt as well as bills of exchange, guarantee and other liabilities and contingent liabilities**

	<b>Parent 31.12.2015</b>	<b>Parent 31.12.2014</b>	<b>Group 31.12.2015</b>	<b>Group 31.12.2014</b>
<b>Of own debts</b>				
Business mortgages pledged as a security	6 168 787,90	6 168 787,90	6 168 787,90	6 168 787,90
Real estate mortgages pledged as a security	3 856 000,00	2 756 000,00	3 856 000,00	2 756 000,00
	10 024 787,90	8 924 787,90	10 024 787,90	8 924 787,90
<b>Amount of loan</b>				
Loans from financial institutions	7 889 678,73	7 509 145,05	8 886 583,60	7 509 145,05

**The covenants relating to loans**

The Company has financial institution loans of 6.829.989,89 € related with following covenants:

- 1) Group equity ratio must be over 30%
- 2) The Company has prohibition of the security for business mortgages pledged. (negative pledge)

The covenants are fulfilled. The Company follows fulfillment of covenants on regular basis.

**Lease liabilities**

Items to be paid pursuant to the lease agreements				
During the following financial period	112 900,46	101 707,18	177 950,50	182 448,28
Subsequently to be paid	153 114,02	78 328,45	294 310,18	147 072,65
Total	266 014,48	180 035,63	472 260,68	329 520,93

The company lease liabilities related to company cars and computers.  
These terms of contract are in line with general practices in this field.

**Other liabilities**

Guarantee engagements	0,00	1 841 804,00	0,00	1 841 804,00
Other guarantee liabilities	1 001 340,00	7 424,08	1 001 340,00	7 424,08
Security deposits	42 500,00	42 500,00	42 500,00	42 500,00

**Derivate liabilities**

Interest rate swap agreements have been outlined for 5-10 years. Pursuant to the agreements, the variable rate of the company's loans is changed into fixed rate.

	<b>31.12.2015</b>	<b>31.12.2014</b>	<b>31.12.2015</b>	<b>31.12.2014</b>
Current value	-48 520,93	-97 944,30	-48 520,93	-97 944,30
Value of underlying commodity	1 460 066,16	2 442 012,44	1 460 066,16	2 442 012,44

**Investments in real estate**

The company is obligated to revise the deductions of value added tax it has made for the real estate investment completed in 2010 in case the taxable use of the real estate diminishes during the revision period. The last revision year will be 2019. The maximum amount of the liability amounts to EUR 262.559.42.

## Date and signatures

In Helsinki on 22. February 2016



Harri Sjöholm  
Chairman of the Board



Mikko Mattila  
CEO



Tapio Hintikka  
Member of the Board



Pekka Pohjoismäki  
Member of the Board



Kalle Reponen  
Member of the Board



Matti Kotola  
Member of the Board

## Auditor's Notation

Today, a report has been given of the conduct of the audit.

In Helsinki on 22. February 2016

Ernst & Young Oy  
Authorized Public Accountants



Mikko Järventausta  
APA

**List of accounting books and record formats and storage methods.**

<b>Accounting Books</b>	<b>Method of storage</b>
Journal	CD
General Ledger	CD
VAT calculations	CD
Cash journal	CD
Accounts Receivable	Computerised partial bookkeeping
Accounts Payable	CD
Payroll accounting	Computerised partial bookkeeping, lists of transactions wage slips and pay sheets on CD
Balance sheet book	Separately bound
Itemisations of balance sheet	Separate binder

<b>Voucher</b>		<b>Method of storage</b>
Accounting voucher	00	Paper documents
Projects	01	Paper documents
Sampo USO	09	Paper documents
Nordea	10	Paper documents, statements of account on CD
Cash vouchers	11	Paper documents, statements of account on CD
Nordea USO -193	12	Paper documents
Nordea -211	13	Paper documents, statements of account on CD
Nordea -823	14	Paper documents, statements of account on CD
Sampo	16	Paper documents, statements of account on CD
Sampo CAO	17	Paper documents
Handelsbanken	18	Paper documents
Osuuspankki	19	Paper documents, statements of account on CD
VAT vouchers	20	CD
Sales invoices	30	Paper documents
Account sales, non-ledger	32	Paper documents
Account sales, payments	35	Paper documents
Purchasing invoices, WF	53	CD
Salaries	60	Paper documents
Financial statement receipts	95	Paper documents

**Accounting data storage**

Account books have to be archived for 10 years and the accounting records data for the financial period has to be archived for 6 years at the company's office in Lempäälä, Finland.



## Auditor's Report

Translation

### To the Annual General Meeting of Robit Plc

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Robit Plc for the financial period 1.1. - 31.12.2015. The financial statements comprise the consolidated balance sheet, income statement and cash flow statement 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.

### Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of financial statements and report of the Board of Directors that give a true and fair view 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 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 express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about 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 of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act or the articles of association of the company.

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, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position 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.

Helsinki, February 22, 2016

Ernst & Young Oy  
Authorized Public Accountant Firm

Mikko Järventausta  
Authorized Public Accountant