

Comparable net sales increased and operating result turned positive**NURMINEN LOGISTICS KEY FIGURES 1 JANUARY - 31 DECEMBER 2016**

- Net sales were EUR 50.0 million (1–12/2015: EUR 50.0 million).
- Comparable net sales were EUR 50.5 million (EUR 45.3 million).
- Reported operating result was EUR -0.9 million (EUR -2.1 million).
- Comparable operating result was EUR 0 million (EUR -3.3 million).
- Operating margin was -1.9% (-4.2%).
- Comparable operating margin was 0% (-7.3%).
- Earnings per share: EUR -0.24 (EUR -0.33).
- Equity ratio was 14.6% (17.0%).
- Balance sheet total was EUR 43.8 million (EUR 51.0 million).

NURMINEN LOGISTICS KEY FIGURES 1 JULY - 31 DECEMBER 2016

- Net sales were EUR 26.8 million (7–12/2015: EUR 23.4 million).
- Comparable net sales were EUR 26.7 million (EUR 21.5 million).
- Reported operating result was EUR 0.3 million (EUR -0.8 million).
- Comparable operating result was EUR 0.4 million (EUR -2.4 million).
- Operating margin was 1.2% (-3.4%).
- Comparable operating margin was 1.6% (-11.1%).
- Earnings per share: EUR -0.10 (EUR -0.15).

During the second half of 2016, the company reviewed and amended the reporting practices for the net sales of the Baltic companies. The reporting practices at the Baltic companies have been harmonised so as to be in line with the Group's reporting guidelines. Due to the change in reporting, the company's net sales have been adjusted upwards by EUR 12.6 million in 2016 (EUR 7.4 million for 2015). The adjustment has no effect on the reported operating result of the Baltic companies.

The company's internal reporting and segment breakdown of external reporting have been changed and, starting from 1 January 2016, Nurminen Logistics reports only one business segment. Prior to 2016, the company reported three business segments, namely Forwarding and Value Added Services, Railway Logistics, and Special Transports and Projects, which was divested in 2015.

Nurminen Logistics has applied the guidance issued by the European Securities and Markets Authority (ESMA) on the presentation of alternative performance measures, which entered into force on 3 July 2016. Nurminen Logistics uses alternative performance measures to illustrate the development of its business and to improve comparability between reporting periods. The alternative performance measures do not, however, replace the key figures reported in accordance with IFRS. Nurminen Logistics has replaced the previously used terms "operating result excluding exchange rate changes" and "operating result excluding non-recurring items" with the new term "comparable operating result". Comparable net sales and operating result are calculated by adjusting the official result by eliminating the net sales and operating result of acquired and divested businesses, the revenue and expenses of discontinued businesses, revenue and expenses allocable to previous financial years and the direct effects of exchange rates.

MARKO TUUNAINEN, PRESIDENT AND CEO:

“Nurminen Logistics’ performance in 2016 was promising. Thanks to an excellent latter half of the year, comparable net sales and profitability improved from 2015. Comparable net sales increased by 11.6 per cent and operating result improved over EUR 3.3 million. As net sales increased, Nurminen Logistics Group’s EBITDA improved considerably from the previous year. EBITDA in the financial year was EUR 416 thousand, an increase of EUR 409 thousand from the previous year.

The positive trend of forwarding services in Finland continued and the company managed to increase its market share in this business area. Net sales of forwarding services grew by 16.6 per cent year-on-year and profitability improved as well. In terminal services, the trend varied considerably between the different locations. The development of net sales and profit of the company’s largest terminals, Vuosaari and Kotka, was positive. In the other border and railway terminals, the performance in 2016 remained at the previous year’s level. The Russian railway logistics performance was good as a result of efficiency measures taken. In Finnish railway logistics, the volumes declined from the previous year, making it the company’s only business area in which the results and profitability fell short of expectations. The net sales and financial results of the Baltic companies in 2016 were at a very good level.

In 2016, Nurminen Logistics started the preparation of the strategic collaboration with the Russian Rustranscom. New subsidiary, NR Rail, focuses on locomotive business. The business of NR Rail is possible due to the new agreement on international railway transport concluded and ratified between Finland and Russia last year. In practice, the bi-lateral agreement sees the deregulation of rail transport between Finland and Russia in the Finnish rail network. The amount and the schedule of NR Rail’s investment in locomotives will depend on the development of customer volumes. This jointly owned company allows us to expand Nurminen Logistics’ entire service offering. What’s more, we will be able to offer an even longer value chain for Finnish import and export industries.

Our aim is to grow in the years to come. We seek growth in multiple business areas. To support the growth target, we have in recent years carried out reorganisation in the company and streamlined our procedures and increased resources that support growth. We will continue improving the efficiency of our operations during the current year. High customer satisfaction, committed organisation and the improving market situation provide a solid foundation for future growth in net sales and profit. In 2017, we expect the net sales and profit to increase compared to 2016.”

MARKET SITUATION IN THE REVIEW PERIOD

The value of Finnish goods exports declined by 4 per cent in 2016. The value of imports remained at the previous year’s level. The export of forest industry products remained nearly at the level of the previous year, but the export of machinery and equipment and products of the metal and chemical industries decreased. Nurminen Logistics has a good customer base in these segments and the company managed to retain its market share in spite of the difficult market situation. Total imports in 2016 remained at the level of 2015. The company has a strong market position in the import forwarding of break-bulk cargo and managed to further increase its market share in this segment. The downward trend in the Russian economy showed signs of slowing down, but no upward turn was yet to be seen in 2016. With the price of oil rising, the Russian economy continued to stabilise. The economies of the Baltic countries are growing well and transit traffic in the Baltic countries increased compared to 2015.

OUTLOOK

Nurminen Logistics believes that the market conditions begin to recover due to the slight grow in Finland and Russian economies in 2017. Nurminen Logistics expects that its comparable net sales, comparable result and earnings per share will improve compared to 2016. Exchange rate fluctuations have an impact on the reported net sales and operating result.

NET SALES AND FINANCIAL PERFORMANCE 1 JANUARY – 31 DECEMBER 2016

EUR 1,000	1–12/2016	1–12/2015	1–12/2016 comparable	1–12/2015 comparable
Net sales	49,971	50,402	50,507	45,266
Operating result	-948	-2,127	9	-3,317

The net sales for the 2016 financial period amounted to EUR 50.0 million (2015: EUR 50.0 million), which represents a decrease of 0.9% compared to 2015. The operating result for the review period increased by 55.4% to EUR -948 (-2,127) thousand. In 2016, the company reviewed and amended the reporting practices for the net sales of the Baltic companies. Due to the adjustment the reported net sales increased by EUR 12.6 million (2015: 7.4 million).

Comparable net sales amounted to EUR 50.5 (45.3) million, which represents a year-on-year increase of 11.6%. The comparable operating result for the review period increased by 100.3% to EUR 9 (-3,317) thousand.

The appreciation of the Russian ruble during the review period reduced the company's operating result by EUR -793 (+708) thousand and reduced financial expenses by EUR 116 (-217) thousand. These exchange rate changes had no cash flow impact.

The comparable operating result includes net sales adjustments of EUR 536 (-5,136) thousand, adjustments for exchange rate effects of EUR 793 (-691) thousand and adjustments to other expenses amounting to EUR 164 (-480) thousand. The adjustments to net sales in the review period consist of a reduction in the net sales of the Russian subsidiary due to the year-on-year depreciation of the average exchange rate of the ruble. The adjustments to net sales for the comparison period are related to a divested business. A more detailed breakdown of the adjustments can be found in the tables section.

Business review 1 January – 31 December 2016

The net sales of forwarding services grew by 16.6% and also profitability improved compared to 2015. The drivers of net sales growth were successful new customer acquisitions, the development of the new services and a higher market share in export and import forwarding. During the review period, the forwarding operations of Turku office were transferred to Rauma office, and the operations of office in Vartius were transferred to Niirala office. The profit performance of forwarding services was good during the review period due to the continuous improvement of operational efficiency as well as successful sales efforts.

The net sales of terminal services increased by 0.3% compared to 2015. The profitability of terminal services increased significantly, thanks to improved efficiency in operations and increased traffic in Vuosaari. Demand for Russian transit and export traffic services continued at a low level during the review period.

The net sales of railway logistics in Finland declined by 38.0% year-on-year. The profitability of railway logistics in Finland also declined substantially from the comparison period, due to lower export volumes and a challenging market situation. Railway export volumes reflected the general trend of Finnish exports to Russia. Chemical transport volumes remained stable.

Demand for internal railway logistics services in Russia remained at the level of 2015 during the reporting period. Logistics in Russia is heavily based on railway transport and, because of the sanctions, the country's internal logistic flow of goods was lively during the period. The efficiency improvement measures carried out in the Russian office, covered wagon sales and successful sales efforts improved the result compared to the previous review period.

The net sales and financial results of the Baltic companies in 2016 were at a very good level despite the difficult first half of the year. The first half of the year was burdened by a decline in railway transport deliveries and transit traffic to Russia.

NET SALES AND FINANCIAL PERFORMANCE 1 JULY – 31 DECEMBER 2016

EUR 1,000	7–12/2016	7–12/2015	7–12/2016 comparable	7–12/2015 comparable
Net sales	26,772	23,414	26,663	21,527
Operating result	329	-798	431	-2,390

Net sales for the second half of 2016 amounted to EUR 26.8 (7–12/2015: EUR 23.4) million, which represents an increase of 14.3% compared to the corresponding period in 2015. The operating result for the review period increased by 141.2% to EUR 329.0 (-797.8) thousand.

Comparable net sales amounted to EUR 26.7 (21.5) million, which represents a year-on-year increase of 23.7%. The comparable operating result for the review period increased by 118.0% to EUR 431 (-2,390) thousand.

The appreciation of the Russian ruble during the review period reduced the company's operating result by EUR -65 (+1,350) thousand and increased financial expenses by EUR -106 (-648) thousand. These exchange rate changes had no cash flow impact.

The comparable operating result includes net sales adjustments of EUR -139 (-1,887) thousand, adjustments for exchange rate effects of EUR 65 (-1,350) thousand and adjustments to other expenses amounting to EUR 37 (-242) thousand. The adjustments to net sales in the review period consist of an increase in the net sales of the Russian subsidiary due to the year-on-year appreciation of the average exchange rate of the ruble. The adjustments to net sales for the comparison period are related to a divested business. A more detailed breakdown of the adjustments can be found in the tables section.

Business review 1 July – 31 December 2016

Net sales of forwarding services grew by 14.4 per cent compared to the corresponding period in 2015, and the profitability of forwarding services was good. In terms of market conditions, the latter half of the year was similar to the first half. New customers and service products increased the net sales.

The net sales of terminal services grew by 3.9 per cent compared to the corresponding period in the previous year. Measures to improve efficiency and new flows of goods in Vuosaari increased

the profitability of terminal services compared to the corresponding period in the previous year. Demand for Russian transit and export traffic services increased slightly towards the end of the review period but, on the whole, remained at a low level.

Net sales of railway logistics in Finland declined by 36.4 per cent during the latter half of the year, and profitability declined from the comparison period due to lower Russian export volumes and a challenging market situation. Railway export volumes reflected the general trend of Finnish exports to Russia. Chemical transport volumes remained stable.

In Russian domestic railway transport, loading volumes during the latter half of the year were at the same level as in the previous corresponding period. During the review period, the company concluded the sales of 380 covered wagons in Russia. Due to the sales of the covered wagons, the net sales of the Russian office decreased, but profitability increased. The company will continue operating with the company's other types of wagons and with leased covered wagons.

Demand for business services in the Baltic companies increased significantly during the latter half of the year. The company significantly increased its net sales and profit compared to the corresponding period of 2015.

SHORT-TERM RISKS AND UNCERTAINTIES

A decline of the Finnish economy and the Russian economy compared to the current situation would have a negative impact on the company's operations and result. Fluctuations in the rouble exchange rate have an impact on company's business operations and on the Group's reported result.

More detailed information about risk management can be found on Investors page on Nurminen Logistics' website www.nurminenlogistics.com.

The company has received a total of 32 subsequent levy decisions from the National Board of Customs' Eastern District Office in Lappeenranta, which state that the company and VG Cargo Plc, which has filed for bankruptcy, are liable to pay import taxes from the year 2009. The company's liability for the import taxes is, at a maximum, EUR 0.5 million. The company does not consider itself liable for the aforementioned import taxes and has not recorded provisions for the associated costs. If there is a case for subsequent levy, the company's view is that the levy should primarily be directed at the bankruptcy estate of VG Cargo Plc and be paid from its valid customs guarantee. The company has filed an appeal with the Helsinki District Court against the subsequent levy decisions made by the National Board of Customs.

FINANCIAL POSITION AND BALANCE SHEET

The company's cash flow from operations was EUR -479 thousand. Cash flow from investments was EUR 5,826 thousand. In 2016 finalised wagon sales increased cash flow from investments. Cash flow from financing activities amounted to EUR -6,351 thousand. Cash flow from financing activities reflected the agreed short-term bank loan repayments.

At the end of the financial period, cash and cash equivalents amounted to EUR 2,304 thousand. The company has current interest-bearing liabilities of pension loans of EUR 0.6 million. The company's management estimates that the operating cash flow generated by the company covers the current business needs and current liabilities for the next 12 months.

The covenants of the guarantee for Group's pension loans, namely the ratio of net debt to operating margin and the equity ratio, were breached as of the financial statement date of 31 December 2016. Also the covenant governing the company's guarantees was breached on 31

December 2016. The Group has received a commitment from its creditors confirming that the breach of the covenants will not have any consequences on the Group.

Guarantee for pension loan covenants are assessed on a quarterly basis. Guarantee for pension loan covenants will be assessed next time on 31 March 2017. The covenants for financing guarantees are assessed on a half year basis. These covenants will be assessed next time on 30 June 2017.

The Group's interest-bearing debt totalled EUR 24.1 million, while net interest-bearing debt amounted to EUR 21.8 million.

In June 2015 Nurminen Logistics Plc has agreed with Ilmarinen Mutual Pension Insurance Company on an arrangement concerning the lease payment schedule for years 2015–2021 of terminals located at the Vuosaari harbor as well as in Luumäki, Niirala and Vainikkala. This agreement increased the company's long-term interest-bearing net liabilities of EUR 13.5 million.

The balance sheet total was EUR 43.9 million and the equity ratio was 14.6%.

CHANGES IN THE TOP MANAGEMENT

Nurminen Logistics Plc announced on 15 June 2016 that Maija Dietrich, Vice President and member of Nurminen Logistics Plc's Management Team, is leaving her post on 10 September 2016. Maija Dietrich has been a member of the Management Team since 2014. Vice President Risto Holopainen assumed responsibility for Nurminen Logistics' new railway logistics development projects in addition to his current duties. The size of Nurminen Logistics' Management Team decreased from five members to four as a result of the change.

As of 31 December 2016, Nurminen Logistics' Management Team consisted of the following members:

Marko Tuunainen, President and CEO

Markku Puolanne, CFO

Risto Holopainen, Vice President, Terminal and Value Added Services

Mike Karjagin, Vice President, Forwarding and Railway Logistics in Finland.

CAPITAL EXPENDITURE

The Group's gross capital expenditure during the review period amounted to EUR 498 (468) thousand, accounting for 1,0% of net sales. Depreciation totaled EUR 1.4 (2.2) million, or 2.9% of net sales.

GROUP STRUCTURE

During the review period Nurminen Logistics Plc abolished its subsidiary Nurminen Logistics LLC (100 %) and changed the name of its subsidiary Nurminen Logistics Finland Oy to NR Rail Oy.

The Group comprises the parent company, Nurminen Logistics Plc, as well as the following subsidiaries and associated companies, owned directly or indirectly by the parent (ownership, %): RW Logistics Oy (100%), Nurminen Logistics Services Oy (100%), NR Rail Oy (100%), Nurminen Maritime Latvia SIA (51%), Pelkolan Terminaali Oy (20%), OOO Nurminen Logistics (100%), ZAO Terminal Rubesh (100%), UAB Nurminen Maritime (51%), Nurminen Maritime Eesti AS (51%) and Team Lines Latvia SIA (23%).

PERSONNEL

At the end of the review period, the Group had 190 employees, compared with 196 on 31 December 2015. The number of employees working abroad was 52.

Personnel expenses in 2016 totaled EUR 8.7 million (2015: EUR 10.3 million).

SHARES AND SHAREHOLDERS

Nurminen Logistics Plc's share has been quoted on the main list of Nasdaq Helsinki Ltd under the current company name since 1 January 2008. The total number of Nurminen Logistics Plc's registered shares is 14,674,410 and the registered share capital is EUR 4,214,521. The company has one share class and all shares carry equal rights in the company. The company name was Kasola Oyj until 31 December 2007. The company was listed on the Helsinki Stock Exchange in 1987.

The trading volume of Nurminen Logistics Plc's shares was 992,980 during the period from 1 January to 31 December 2016. This represented 6.8% of the total number of shares. The value of the turnover was EUR 753,508. The lowest price during the review period was EUR 0.64 per share and the highest EUR 1.10 per share. The closing price for the period was EUR 0.70 per share and the market value of the entire share capital was EUR 10,272,087 at the end of the period.

At the end of the 2016 financial year the company had 753 shareholders. At the end of 2015 the number of shareholders stood at 629.

In the end of 2016 the company held 74,234 of its own shares, corresponding to 0.5% of votes. In December 2016 Nurminen Logistics issued 100,000 new shares in the company to the company without consideration. The issued shares are used for the payment of the remuneration of the Board members and/or for the creation of incentives for, or encouraging commitment in, personnel.

DECISIONS MADE BY THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

Nurminen Logistics Plc's Annual General Meeting of Shareholders held on 12 April 2016 made the following decisions:

Adoption of the financial statements and resolution on the discharge from liability

The Annual General Meeting of Shareholders confirmed the company's financial statements and the Group's financial statements for the financial period 1 January 2015 - 31 December 2015 and released the Board of Directors and the President and CEO from liability.

Payment of dividend

The Annual General Meeting of Shareholders approved the Board's proposal that no dividend shall be paid for the financial year 1 January 2015 - 31 December 2015.

Composition and remuneration of the Board of Directors

The Annual General Meeting of Shareholders resolved that the Board of Directors shall consist of five (5) ordinary members. The Annual General Meeting of Shareholders re-elected the following ordinary members to the Board of Directors: Olli Pohjanvirta, Tero Kivisaari, Juha Nurminen, Jukka Nurminen and Alexey Grom. In its organising meeting immediately following the Annual General Meeting of Shareholders, the Board of Directors elected Olli Pohjanvirta as the Chairman of the Board. The Board of Directors also appointed an Audit Committee. The members of the Audit Committee are Jukka Nurminen and Tero Kivisaari.

The Annual General Meeting of Shareholders resolved that for the members of the Board elected at the Annual General Meeting for the term ending at the close of the Annual General Meeting in 2017 remuneration level will be as follows: annual remuneration of EUR 40,000 for the Chairman and EUR 20,000 for the other members. In addition, a meeting fee of EUR 1,000 per meeting for the Board and Board Committee meetings shall be paid for each member of the Board living in Finland and EUR 1,500 per meeting for a member of the Board living outside Finland. 50 per cent of the annual remuneration will be paid in the form of Nurminen Logistics Plc's shares and the remainder in money. A member of the Board of Directors may not transfer shares received as annual remuneration before a period of three years has elapsed from receiving shares. The Chairman of the Board will get, in addition, the remuneration of EUR 7,500 per month plus car benefit with the maximum value of EUR 1,600 per month and telephone benefit.

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

Annual General Meeting authorised the Board to decide on issuance of shares and/or special rights entitling to shares pursuant to chapter 10 section 1 of the Finnish Companies Act.

Based on the aforesaid authorisation the Board of Directors is entitled to release or assign, either by one or several resolutions, shares and/or special rights up to a maximum equivalent of 20,000,000 new shares so that aforesaid shares and/or special rights can be used, e.g., for the financing of company and business acquisitions corporate and business trading or for other business arrangements and investments, for the expansion of owner structure, paying of remuneration of the Board members and/or for the creating incentives for, or encouraging commitment in, personnel.

The authorisation gives the Board the right to decide on share issue with or without payment. The authorisation for deciding on a share issue without payment also includes the right to decide on the issue for the company itself, so that the authorisation may be used in such a way that in total no more than one tenth (1/10) of all shares in the company may from time to time be in the possession of the company and its subsidiaries.

The authorisation includes the right whereby the Board of Directors is entitled to decide of all other issues of shares and special rights. Furthermore, the Board of Directors is entitled to decide on share issues, option rights and other special rights, in every way, as the same as General Meeting could decide. The authorisation also includes right to decide on directed issues of shares and/or special rights.

The authorisation shall remain in force until 30 April 2017.

Auditor

Ernst & Young Oy, Authorised Public Accountant audit-firm, was elected as Nurminen Logistics Plc's auditor. Mr. Antti Suominen, APA, acts as the responsible auditor. The auditor's term ends at the end of the first Annual General Meeting following the election. Auditor's fee will be paid in accordance with the auditor's invoice accepted by the company.

DIVIDEND POLICY

The company's Board of Directors has on 14 May 2008 determined the company's dividend policy, according to which Nurminen Logistics Plc aims to annually distribute as dividends approximately one third of its net profit, provided that the company's financial position allows this.

OTHER EVENTS DURING THE REVIEW PERIOD

New shares of Nurminen Logistics registered with the Trade Register and admitted to public trading

The company announced on 9 December 2016 that a total of 100,000 new shares issued in Nurminen Logistics' directed share issue without consideration have been registered with the Trade Register on 8 December 2016. Following the registration, the total number of the company's shares is 14,674,410 pcs, of which 147,764 shares are held by the company.

New shares have been admitted to public trading together with the company's existing shares on the stock exchange list of Nasdaq Helsinki Ltd on 9 December 2016.

Nurminen Logistics to issue new shares in the company to the company without consideration

The company announced on 29 November 2016 that the shareholders of the company have authorised at the Annual General Meeting held on 12 April 2016 the Board of Directors to decide on issuance of shares and/or special rights entitling to shares pursuant to chapter 10 section 1 of the Finnish Companies Act. Based on the aforesaid authorisation the Board of Directors is entitled to release or assign, either by one or several resolutions, shares and/or special rights up to a maximum equivalent of 20,000,000 new shares so that aforesaid shares and/or special rights can be used, e.g., for the financing of company and business acquisitions corporate and business trading or for other business arrangements and investments, for the expansion of owner structure, paying of remuneration of the Board members and/or for the creating incentives for, or encouraging commitment in, personnel.

Pursuant to the aforementioned authorization, the Board of Directors has on 29 November 2016 resolved to issue 100,000 new shares in the company to the company without consideration. The shares to be issued shall be used for the payment of the remuneration of the Board members and/or for the creation of incentives for, or encouraging commitment in, personnel and therefore there is especially weighty financial reason for the afore-mentioned share issue.

Nurminen Logistics and Russian Rustranscom to establish a company

Nurminen Logistics announced on 22 September 2016 that the company start the strategic collaboration with the Russian Rustranscom group. This will see the creation of a jointly owned company, NR Rail, a subsidiary of the Nurminen Logistics Group, that will offer new alternatives for import and export traffic between Finland and Russia. Rustranscom is one of the largest providers in a number of areas, including forest industry and agricultural products railway transport, with a rolling stock encompassing more than 44,000 wagons.

The new agreement on international railway transport concluded between Finland and Russia is due to be ratified in the near future. In practice, the bi-lateral agreement sees the deregulation of rail transport between Finland and Russia in the Finnish rail network. Previously, this was subject to a Finnish State Railways (VR) monopoly. The change will be significant, as the total value of the railway logistics market in Finland is valued at EUR 450 million, with rail transport connecting Finland and Russia accounting for around a third of this.

NR Rail is due to invest in modern locomotives and enhanced cost-effectiveness. The amount and the schedule of investment in locomotives will depend on the development of customer volumes. In future, Nurminen Logistics will be able to offer its own locomotives as part of a comprehensive service offering comprising wagons, terminals, railway yards and forwarding services at border crossings in Imatra, Niirala and Vainikkala.

"I am excited at the prospect of this new venture between our two companies. This will allow us to expand Nurminen Logistics' entire service offering. What's more, we will be able to offer an even longer value chain. The aim is to start the locomotive business in the second half of 2017. What we are setting out to do is to maintain our commitment to developing cost-effective and transparent logistics services to benefit Finnish import and export industries," Marko Tuunainen, President and CEO at Nurminen Logistics, said.

EVENTS AFTER THE REVIEW PERIOD

The company had no significant events after the review period.

BOARD OF DIRECTORS' PROPOSAL FOR PROFIT DISTRIBUTION

Based on the financial statements as at 31 December 2016, the parent company's distributable equity is 22,101,493.52 euros. The Board of Directors proposes to the Annual General Meeting that that no dividend shall be distributed for the financial year 2016.

ANNUAL GENERAL MEETING 2017

The Annual General Meeting of Nurminen Logistics Plc will take place on Friday, 21 April 2017 starting at 1.00 p.m. at the address Satamakaari 24, 00980 Helsinki, Finland.

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement of Nurminen Logistics Plc will be published on 9 March 2017 on the company's website at www.nurminenlogistics.com.

Disclaimer

Certain statements in this bulletin are forward-looking and are based on the management's current views. Due to their nature, they involve risks and uncertainties and are susceptible to changes in the general economic or industry conditions.

Nurminen Logistics Plc

Board of Directors

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www.nurminenlogistics.com

Nurminen Logistics is a listed company established in 1886 that offers logistics services. The company provides high-quality forwarding, cargo handling and value added services as well as railway transports and related to it project transport services to its customers. The main market areas of Nurminen Logistics are Finland, Russia and its neighbouring countries.

TABLES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1- 12/2016	1- 12/2015
EUR 1,000		

NET SALES	49 971	50 402
Other operating income	365	219
Materials and services	-28 858	-26 823
Employee benefit expenses	-8 707	-10 317
Depreciation, amortisation and impairment losses	-1 447	-2 201
Other operating expenses	-12 271	-13 406
OPERATING RESULT	-948	-2 127
Financial income	266	169
Financial expenses	-1 785	-2 468
Share of profit in equity-accounted investees	-31	143
RESULT BEFORE TAX	-2 497	-4 283
Income taxes	-622	-93
PROFIT / LOSS FOR THE PERIOD	-3 119	-4 375
Other comprehensive income		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Translation differences	1 865	-1 363
Other comprehensive income for the period after tax	1 865	-1 363
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-1 255	-5 738
Result attributable to		
Equity holders of the parent company	-3 516	-4 551
Non-controlling interest	397	176
Total comprehensive income attributable to		
Equity holders of the parent company	-1 651	-5 914
Non-controlling interest	397	176
EPS undiluted	-0,24	-0,33
EPS diluted	-0,24	-0,33

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	7-12/2016	7-12/2015	Change
EUR 1,000			
NET SALES	26 772	23 414	3 358
Other operating income	304	131	173
Materials and services	-15 824	-12 402	-3 423
Employee benefit expenses	-4 360	-5 286	926
Depreciation, amortisation and impairment losses	-668	-1 178	510
Other operating expenses	-5 895	-5 476	-418
OPERATING RESULT	329	-798	1 127

Financial income	200	93	107
Financial expenses	-1 138	-1 586	449
Share of profit in equity-accounted investees	-26	167	-193
RESULT BEFORE TAX	-634	-2 124	1 490
Income taxes	-815	-37	-777
PROFIT / LOSS FOR THE PERIOD	-1 449	-2 162	713
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Translation differences	485	-3 334	3 818
Other comprehensive income for the period after tax	485	-3 334	3 818
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-964	-5 495	4 531
Result attributable to			
Equity holders of the parent company	-1 798	-2 260	462
Non-controlling interest	349	99	251
Total comprehensive income attributable to			
Equity holders of the parent company	-1 313	-5 594	4 280
Non-controlling interest	349	99	251
EPS undiluted	-0,12	-0,15	0,03
EPS diluted	-0,12	-0,15	0,03

THE GROUP'S COMPARABLE RESULT	1-12/2016	1-12/2015
1000 e		
REPORTED NET SALES	49 971	50 402
Divested businesses	0	-5 145
Changes in exchange rates	545	0
Adjustments to previous financial periods	-9	9
COMPARABLE NET SALES	50 507	45 266
REPORTED OPERATING RESULT	-948	-2 127
Adjustments to net sales	0	0
Divested businesses	0	-316
Changes in exchange rates	793	-710
Adjustments to previous financial periods	164	-164
COMPARABLE OPERATING RESULT	9	-3 317

THE GROUP'S COMPARABLE RESULT	7-12/2016	1-12/2015
1000 e		

REPORTED NET SALES	26 772	23 414
Divested businesses	0	-1 896
Changes in exchange rates	-131	0
Adjustments to previous financial periods	-8	9
COMPARABLE NET SALES	26 633	21 527
REPORTED OPERATING RESULT	329	-798
Adjustments to net sales	0	0
Divested businesses	0	-78
Changes in exchange rates	65	-1 350
Adjustments to previous financial periods	37	-164
COMPARABLE OPERATING RESULT	431	-2 390

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31.12.2016	31.12.2015
EUR 1,000		
ASSETS		
Non-current assets		
Property, plant and equipment	13 253	14 088
Goodwill	8 970	8 970
Other intangible assets	61	191
Investments in equity-accounted investees	263	293
Receivables	5 713	7 223
Deferred tax assets	659	609
NON-CURRENT ASSETS	28 918	31 374
Current assets		
Inventories	41	0
Trade and other receivables	12 498	10 709
Current tax receivables	92	67
Cash and cash equivalents	2 304	3 273
Assets of disposal group classified as held for sale	14 936	14 049
FOR SALE NON-CURRENT ASSETS	0	4 710
ASSETS TOTAL	43 854	50 133
EQUITY AND LIABILITIES		
Share capital	4 215	4 215
Other reserves	21 360	21 355
Translation differences	-7 285	-8 168
Retained earnings	-12 584	-10 116
Non-controlling interest	695	489
EQUITY, TOTAL	6 400	7 775
Non-current liabilities		
Deferred tax liability	400	447
Other liabilities	375	305
Financial liabilities	22 198	23 759
NON-CURRENT LIABILITIES	22 972	24 511

Current liabilities		
Current tax liabilities	141	79
Financial liabilities	1 919	4 517
Trade payables and other liabilities	12 422	13 252
CURRENT LIABILITIES	14 482	17 847
TOTAL LIABILITIES	37 454	42 358
TOTAL EQUITY AND LIABILITIES	43 854	50 133

CONDENSED CONSOLIDATED CASH FLOW STATEMENT EUR 1,000	1-12/2016	1-12/2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/Loss for the period	-3 119	-4 375
Depreciation, amortisation and impairment losses	1 447	2 201
Unrealised foreign exchange gains and losses	-14	196
Other adjustments	1 873	1 331
Paid and received interest	-1 308	-1 455
Received dividend	0	19
Taxes paid	-471	-152
Changes in working capital	1 113	3 378
Cash flow from operating activities	-479	1 143
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment and intangible assets	-448	-540
Investments in property, plant and equipment and intangible assets	5 762	1 341
Loans granted	512	-512
Cash flow from investing activities	5 826	325
CASH FLOW FROM FINANCING ACTIVITIES		
Share issue for cash	0	1 700
Changes in liabilities	-6 160	-1 075
Dividends paid / repayments of equity	-191	-354
Cash flow from financing activities	-6 351	270
CHANGE IN CASH AND CASH EQUIVALENTS	-969	1 743
Cash and cash equivalents at beginning of period	3 273	1 530
Cash and cash equivalents at end of period	2 304	3 273

A= Share capital

B= Share premium reserve

C= Legal reserve

D= Reserve for invested unrestricted equity

E= Translation differences

F= Retained earnings

G= Non-controlling interest

H = Total

STATEMENT OF CHANGES IN EQUITY 1-12/2016 EUR 1,000	A	B	C	D	E	F	G	H
Equity 1.1.2016	4215	86	2378	18890	-8168	-10116	489	7775
Result for the period	0	0	0	0	0	-3516	397	-3119
Total comprehensive income for the period / translation differences	0	0	0	0	883	982	0	1865
Other changes	0	0	0	5	0	66	0	71
Equity 31.12.2016	4215	86	2378	18895	-7285	-12584	695	6400

STATEMENT OF CHANGES IN EQUITY 1-12/2015 EUR 1,000	A	B	C	D	E	F	G	H
Equity 1.1.2015	4215	86	2378	17190	-7679	-6349	833	10674
Error correction	0	0	0	0	0	-900	0	-900
Result for the period	0	0	0	0	0	-4551	176	-4375
Total comprehensive income for the period / translation differences	0	0	0	0	-490	-873	0	-1363
Other changes	0	0	0	1700	0	2558	0	4258
Equity 31.12.2015	4215	86	2378	18890	-8168	-10116	489	7775

Movements in fixed assets	Tangible	Intangible	Total
EUR 1,000			
Book value 1.1.2016	14 088	9 161	23 249
Additions	498	0	498
Disposals	-817	0	-817
Depreciation, amortisation and impairment losses	-1 317	-131	-1 447

Exchange rate differences	801	0	801
Book value 31.12.2016	13 253	9 031	22 284

Movements in fixed assets	Tangible	Intangible	Total
EUR 1,000			
Book value 1.1.2015	23 351	9 870	33 221
Changes to previous financial periods	-900	0	-900
Additions	434	34	468
Disposals	-5 755	-565	-6 320
Depreciation, amortisation and impairment losses	-2 091	-177	-2 268
Exchange rate differences	-952	0	-952
Book value 31.12.2015	14 088	9 161	23 249

Related party transactions	1-12/2016
EUR 1,000	
Sales	16
Purchases	68
Current liabilities	0

KEY FIGURES	1-12/2016	1-12/2015
Gross capital expenditure, EUR 1,000	498	468
Personnel	193	225
Operating margin %	-1,9 %	-4,2 %
Share price development		
Share price at beginning of period	1,10	0,99
Share price at end of period	0,70	1,10
Highest for the period	1,10	1,66
Lowest for the period	0,64	0,97
Equity/share EUR	0,44	0,53
Earnings/share (EPS) EUR, undiluted	-0,24	-0,33
Earnings/share (EPS) EUR, diluted	-0,24	-0,33
Equity ratio %	14,59	15,51
Gearing %	340,80	321,60

Contingencies and commitments, EUR 1,000	31.12.2016	31.12.2015
Mortgages given	19 500	19 500
Book value of pledged subsidiary shares and -loan receivables	4 266	46 613
Other contingent liabilities	9 945	9 985
Rental obligations	61 888	68 686

ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the standards in force on 31 December 2016 have been applied. The Financial Statement Release has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies applied are consistent with those applied in the 2015 Financial Statements, with the exception of the changes listed below. Other new or amended IFRS standards or interpretations that have entered into force did not have a material impact on the Financial Statements.

All figures have been rounded and consequently the sum of individual figures can deviate from the presented sum figure. Key figures have been calculated using exact figures.

Calculation of Key Figures

Equity ratio (%) =

$$\frac{\text{Equity}}{\text{Balance sheet total} - \text{advances received}} \times 100$$

Earnings per share (EUR) =

Result attributable to equity holders of the parent company

Weighted average number of ordinary shares outstanding

Equity per share (EUR) =

Equity attributable to equity holders of the parent Company

Undiluted number of shares outstanding at the end of the financial year

Gearing (%) =

$$\frac{\text{Interest-bearing liabilities - cash and cash equivalents}}{\text{Equity}} \times 100$$

Comparable net sales (EUR) =

Reported net sales +/- net sales of acquired and divested businesses +/- net sales of discontinued businesses +/- net sales allocable to previous financial years +/- direct effects of exchange rates

Comparable operating result (EUR) =

Reported operating result +/- revenue and expenses of acquired and divested businesses +/- revenue and expenses of discontinued businesses +/- revenue and expenses allocable to previous financial years +/- direct effects of exchange rates