



Interim Report
1.1.–30.9.2022

RAUTE CORPORATION – INTERIM REPORT JANUARY 1–SEPTEMBER 30, 2022

July–September 2022

- Net sales were EUR 41.8 million (37.9), a growth of 10.2%. EUR 5.7 million of the net sales came from revenue recognized from the Russian order book.
- Operating profit was EUR 1.4 million (1.7), a decline of 18.0%.
- Earnings per share were EUR 0.29 (0.28), and diluted earnings per share EUR 0.29 (0.28).
- Order intake was EUR 35 million.

January–September 2022

- Net sales were EUR 112.6 million (98.1), a growth of 14.8 %. EUR 21.8 million of the net sales came from revenue recognized from the Russian order book.
- Operating loss was EUR -15.2 million (-2.8). The loss was impacted by approximately EUR - 9 million from write-downs related to winding down the Russian business as well as one-time items of approximately EUR -2.5 million.
- Result before taxes was EUR -15.1 million (-2.4).
- Earnings per share were EUR -3.02 (-0.59), and diluted earnings per share EUR -3.02 (-0.59).
- Order intake was EUR 110 million.
- Order book at the end of the reporting period was EUR 94 million (150). The order book includes EUR 6 million in orders from Russia which constitutes the remaining part of the Russian order book after the controlled wind-down of Russian agreements.
- Gearing was 22.5 % (-26.0).

Guidance statement for 2022

On June 22, 2022, Raute Corporation's Board of Directors issued a revised earnings guidance for 2022. The Board of Directors expects Raute's 2022 operating profit to stay significantly negative and below last year's level. Raute's operating profit for 2021 was -2.2 million euros.

Mika Saariaho, President and CEO: Good demand in most market areas and recovered profitability in Q3 brightening the unprecedented year

Following the very difficult first half of the year, Raute is operating in a new business environment leveraging the ongoing good market demand. At the same time determined steps for a controlled wind-down of the remaining operations in Russia continue.

Demand during the third quarter has continued at a high level. EMEA demand is good, customers continue efforts to increase capacity to fulfill the gap left by missing imports into the region. This has also raised new interest towards Raute's solutions among customers and countries where earlier activity has been small. We are actively pursuing opportunities in these markets. Market activity has also been especially strong in North America. Latin America, where raw material availability is good, continues to be positive as well. Activity in Asian markets and in China continue recovery following the extended Covid-19 related downturn.

Order intake in 2022 amounts to EUR 110 million, third quarter order intake being EUR 35 million. No new mill size projects have been received in 2022, and the overall amount includes EUR 2.4 million orders from Russia that were received in the beginning of the year. Received orders continue at a reasonable level giving confidence that the new market situation can provide good volume filling the production capacity. Mid-sized single production line orders and technology services have increased during the year, compensating the lack of mill size orders.

Order book at the end of September was EUR 94 million. The continuing order book excluding Russia amounts to EUR 88 million and has remained on the same level as in Q2.

The remaining order book for the Russian market, after risk reservations, is EUR 6 million, majority of which is planned to be delivered in 2022 or early part of 2023. The ongoing activities for a controlled wind-down of the remaining operations in Russia

are strictly bound by the existing sanctions and local laws and regulations in both countries. Each project is considered individually including the contractual commitments, sanctions, changing impacts on logistics, financing and payment conditions, and we continue to adjust the order book and expected margin to reflect the outcome.

Third quarter net sales were EUR 41.8 million, 10% above comparison period. The increase is coming from all market areas, however most significant growth has been in EMEA and North America. The sales of technology services have also developed favorably.

Following the reorganization of Russian delivery projects, the third quarter operational situation has clearly stabilized, and overall loading has been on a good level. Following the improved operating environment, we are encouraged by the third quarter operating profit of EUR 1.4 million. Our Russian projects had net neutral impact on the Q3 profit.

Strong cost inflation as experienced during the first half of the year has started to recede slightly, but margin pressure still prevails. Poor availability of components also continues to burden the supply chain and increases working capital needs. In addition, the ongoing business transformation puts pressure for working capital financing resulting in negative cash flow for the quarter and increasing the net debt.

During the third quarter the earlier announced development program to improve competitiveness and profitability has progressed well and execution has started. Related to this, headcount in Finland is expected to reduce by over 40 people by the end of the year as a result of change negotiations, transfer of business, retirements and other measures. Overall, the program is expected to reduce costs by some EUR 4-5 million and improve margins.

During the last quarter of the year, we will focus on stabilizing the operational situation further and ensure actions to improve our profitability are followed through. We will also work with our customers to secure good and timely service and delivery of our products.

After my first weeks with Raute, I am pleased to say that our people and teams I have met are talented and diligent, and we have an outstanding knowledge to support our customers in utilizing forest assets in the most profitable and sustainable way. We are well equipped to respond to the key challenges of the future by combining leading wood expertise with digital production solutions and local know-how.

THIRD QUARTER OF 2022

Order intake and order book

The total order intake in the third quarter, EUR 35 million (58), was at a good level. The order intake consisted mainly of deliveries of single production lines, spare parts, modernizations and analyzers.

Technology services accounted for EUR 11 million (21) of the order intake. Modernization orders have decreased vs the comparison period.

The order book decreased during the third quarter by EUR 10 million and amounted to EUR 94 million at the end of the period (150). The order book includes EUR 6 million orders from Russia.

Net sales

Third-quarter net sales amounted to EUR 41.8 million (37.9) of which EUR 5.7 million was recognized from the remaining Russian order book. Technology services net sales at EUR 19 million (15) have continued to grow its relative share and accounted for 46 % (39) of net sales.

Result and profitability

Operating profit for the third quarter was EUR 1.4 million (1.7) and accounted for 3.4 % (4.6) of net sales. The result before taxes was EUR 1.4 million (1.7), and earnings per share were EUR 0.29 (0.28).

JANUARY - SEPTEMBER 2022

BUSINESS ENVIRONMENT

Market situation in customer industries

Raute's customers in the veneer, plywood and LVL (Laminated Veneer Lumber) industries are engaged in the manufacture of wood products used in investment projects and are thus affected by fluctuations in construction, housing-related consumption, international trade, and transportation. We believe that one of the future trends focuses on wood-based construction and its growth will create demand for our customers and indirectly for Raute, strengthening our long-term growth opportunities.

Market situation and outlook in the global economy and the financial markets, that became uncertain earlier this year due to the military action begun by Russia and the resulting sanctions, have slightly stabilized but remain uncertain. Higher inflation caused by the rise in raw material and transport costs, and poor availability of certain materials and components increase uncertainty and weaken the outlook, but these impacts have not yet become visible in demand for Raute's customers' products. Restrictions imposed due to the Covid-19 pandemic and its other direct impacts have mainly disappeared in Raute's market area, with some still remaining in China.

Demand for wood products technology and technology services

Demand for Raute's technology and services has been strong in the developed markets of Europe and North America. However, likelihood for economic downturn seems higher in Europe whereas North American demand continues stronger. In Latin

America demand is on fairly good level, also as the availability of raw material in the market area is good. In Asia, demand was lower than in the developed markets, and market continues to feel uncertain, still slowly recovering from the Covid-19 measures, that have been mainly lifted, and reduced industry financing.

Investment activity among Raute's customers remained good. The reporting period's order intake continued on good level, but it did not include any large capacity orders. Demand for maintenance and spare parts services has been very good, indicating generally good capacity utilization rates of Raute's customers' production plants.

Update of the impacts of the Russian military actions on Raute's business operations in Russia

Raute condemns Russia's attack on Ukraine. The attack and resulting sanctions have had a significant impact on Raute's business operations in Russia as Raute had ongoing projects for several different Russian customers. On March 4, 2022, we announced that we stopped entering into new contracts with Russian parties. Set sanctions prohibit several deliveries to Russia. With customers or deliveries that are not under sanctions, Raute is carrying out a controlled wind-down of existing agreements through completing or changing the scope of deliveries or terminating the contract. As a result of the wind-down activities, Raute's order book for Russian customers has significantly reduced during 2022 and was EUR 6 million on September 30, 2022, after risk reservations. The remaining order book includes risks in case the controlled wind-down of remaining contracts turns out not to be possible. Raute's assets in rubles in Russia were equal to approximately one million euros on September 30, 2022 and the assets were mainly related to the local maintenance business in Russia. Raute has no currency hedging related to Russian ruble.

ORDER INTAKE AND ORDER BOOK

Raute serves the wood products industry with a full-service concept that is based on technology solutions covering the customer's entire production process and services throughout their life cycle. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to deliveries of all the machines and equipment belonging to a mill's production process. Additionally, Raute's full-service concept includes

comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, analyzers as well as consulting, training, reconditioned machinery and digital services.

Market situation has continued in a reasonable level leading to order intake during the reporting period at EUR 110 million (154). The order intake consisted of individual production line project deliveries, modernizations and technology services.

Order intake 2022 includes 51 % from Europe (46), 33 % from North America (17), 9 % from Asia-Pacific (7), 5 % from South America (5) and 2 % from Russia (12). Sometimes even strong fluctuations in the distribution of new orders between the various market areas are typical for project-focused business.

Order intake in technology services amounted to EUR 50 million (59), reduced vs the comparison period in amount, but increased in relative share of 46% (38).

The order book decreased during the third quarter by EUR 10 million. The order book at the end of the reporting period was EUR 94 million (150), of which EUR 6 million was in orders from Russia.

COMPETITIVE POSITION

Raute's competitive position has remained unchanged and is strong. Raute's solutions help customers secure their delivery and service capabilities throughout the life cycle of the production process or a part thereof. Raute's solutions also offer the markets the most environmentally friendly production process, thanks to the efficient use of raw materials and additives and low energy consumption. In such investments, the supplier's overall expertise and extensive and diverse technology offering play an important role. The competitive edge provided by Raute plays a major role when customers select their cooperation partners. Raute's long-term dedication to serving selected customer industries also enhance its credibility and improve its competitive position as a company that carries out long-term investment projects.

NET SALES

Net sales for the reporting period totaled EUR 112.6 million (98.1), increase of 14.8 % from the comparison period. Sales include EUR 21.8 million from Russia. Sales to other markets have continued to grow and are 91 % above comparison period. The growth in net sales was strongest for technology services.

Of the net sales during the reporting period Europe accounted for 45 % (23), North America for 24 % (14), South America for 6 % (6), Asia-Pacific for 6 % (6), and Russia for 19 % (51). Russia's share results from the order book in the Russian market after the adjustments from renegotiations with customers, within the limits set by the sanctions.

RESULT AND PROFITABILITY

Operating loss during the reporting period was EUR -15.2 million (-2.8) and accounted for -13.5 % (-2.8) of net sales. The operating loss resulted from the provisions for write-downs and cancellations of projects for Russian market of approximately EUR 9 million, one-time items related to Chinese lockdown, production transfer and severance costs of approximately EUR 2.5 million and significant material cost inflation and freight cost increases although the trend in the third quarter started to turn to positive.

The result before taxes for the reporting period was EUR -15.1 million (-2.4). The result for the reporting period was EUR -12.9 million (-2.5). Undiluted earnings per share were EUR -3.02 (-0.59).

CASH FLOW AND FINANCING

The Group's financial position has deteriorated during the year as a result of the discontinuation of a large part of ongoing order book and the resulting poor profitability. Need for working capital financing has also been increasing as the business transformation moves forward. At the end of the reporting period, gearing was 22.5 % (-26), and the equity ratio was 35.7 % (50.4).

The Group's cash and cash equivalents amounted to EUR 7.4 million (18.1) at the end of the reporting period. Operating cash

flow was EUR -14.5 million (17.3). Cash flow from investment activities totaled EUR -5.7 million (-5.1). Cash flow from financing activities was EUR 3.0 million (-4.6).

Interest-bearing liabilities amounted to EUR 12.1 million (8.7) at the end of the reporting period. The sum consisted of liabilities for right-of-use assets and bank overdrafts in use.

The parent company Raute Corporation has a EUR 10 million commercial paper program, which allows the company to issue commercial papers maturing in less than one year, none of which was outstanding on the balance sheet date. The parent company also has long-term credit facility agreements with two Nordic banks totaling EUR 20.5 million, none of which were used during the reporting period. The main covenants of the credit facilities are an equity ratio of >30% and gearing of <80%.

Available cash-pool limits granted by Raute's banks amounted to EUR 13 million, of which EUR 5 million was in use on the balance sheet date.

EVENTS DURING THE REPORTING PERIOD

RRaute Corporation published stock exchange releases on the following events in 2022:

January 25, 2022: Profit warning: Raute Corporation's operating profit for 2021 will remain at the level of 2020 due to the new agenda decision issued by IFRIC on IT cloud services

February 11, 2022: New long-term incentive plan based on performance, share value and growth established for Raute's senior management and selected key persons

March 2, 2022: Raute Corporation to withdraw its financial guidance for 2022

March 4, 2022: The impacts of the Russian military actions on Raute's business operations in Russia

April 19, 2022: Raute Corporation's President and CEO Tapani Kiiski leaves his position

May 5, 2022: Changes in Raute Group's Executive Board

May 24, 2022: Raute Corporation's Board of Directors appoints Mika Saariaho as a new President and CEO

June 22, 2022: Raute to book provisions for write-offs related to Russian business, strengthen its performance improvement program, and issue new guidance

July 27, 2022: Raute Corporation supplements its long-term incentive scheme

August 23, 2022: Raute initiates change negotiations pursuant to the Act on Co-operation within Undertakings

August 30, 2022: Mika Saariaho to start as President and CEO of Raute Corporation on October 1, 2022

RESEARCH AND DEVELOPMENT COSTS AND CAPITAL EXPENDITURE

Raute is a leading technology supplier for the plywood and LVL industries and focuses strongly on the development of increasingly efficient, productive, safe and environmentally friendly manufacturing technology and supporting measurement and machine vision applications. New opportunities provided by digitalization are also an essential part of R&D activities.

Research and development costs in the reporting period amounted to EUR 4.5 million (3.6), representing 4.0 % of net sales (3.7).

The Group's capital expenditure during the period was EUR 5.7 million (6.3) and accounted for 5.0 % (6.4) of net sales. Key investments in the period were the extensive renewal project for our IT and ERP systems as well as set up of new production site in Changzhou, China.

PERSONNEL AND OCCUPATIONAL SAFETY

At the end of the reporting period, the Raute Group had 812 (783) employees. Group companies outside Finland accounted for 31 % (32) of employees.

In full-time-equivalent terms ("effective headcount"), the average number of employees was 787 (778) during the reporting period.

The Group is committed into investing in the competence development of its personnel to increase their engagement with the company. Approximately one percent (1%) of the payroll is invested in personnel training. Current training focuses on training for the needs of the new IT system.

Occupational safety has improved from 2021 continuing a longer-term downward trend. The total number of lost-time in-

juries YTD was seven. The accident frequency (LTIF) was 6.5 (11.0).

SHARES

The number of Raute Corporation's shares at the end of the reporting period totaled 4,263,194 (4,263,194), of which 991,161 (991,161) were series K shares (ordinary share, 20 votes/share) and 3,272,033 (3,272,033) were series A shares (1 vote/share). Series K and A shares confer equal rights to dividends and company assets.

Series K shares can be converted to series A shares under the terms set out in Article 3 of the Articles of Association. If an ordinary share is transferred to a new owner who has not previously held series K shares, the new owner must notify the Board of Directors of this in writing and without delay. In this kind of situation, other holders of series K shares have the right to redeem the series K share under the terms specified in Article 4 of the Articles of Association.

Raute Corporation's series A shares are listed on Nasdaq Helsinki Ltd. The trading code is RAUTE.

The company's market capitalization at the end of the reporting period was EUR 35.8 million (90.8), with series K shares valued at the closing price of series A shares for the reporting period, i.e., EUR 8.40 (21.30).

REMUNERATION

The Annual General Meeting approved, on March 31, 2022, the Remuneration Report for Governing Bodies proposed by the Board of Directors. The resolution is advisory.

The Group has remuneration systems in place that cover the entire personnel.

Share-based incentive plans

The Group has valid long-term share-based incentive plans based on performance.

The company decided to launch a new long-term incentive plan based on performance, share value and growth (LTI Plan 2022–2024) on February 11, 2022.

On July 27, the company has supplemented its long-term incentive scheme by establishing a Restricted Share Programme (also "RSP") as a complementary share-based long-term incentive scheme. The RSP structure is targeted to individually selected key employees of Raute Corporation and its group. The first individual plan within RSP, covering the years 2022–2024 (RSP 2022–2024), commences as of the beginning of the year 2022.

The terms and conditions of the incentive plans are available on the company's website. More detailed and up-to-date information is presented on the company's website.

SHAREHOLDERS

The number of shareholders totaled 6,009 at the beginning of the year and 5,837 at the end of the reporting period. Series K shares were held by 55 private individuals (55) at the end of the reporting period. Nominee-registered shares accounted for 2.0 % (2.7) of shares. The company did not receive any flagging notifications during the reporting period.

The Board of Directors, the President and CEO as well as the Executive Board held altogether 140,277 company shares, equaling 3.3% (6.0) of the company shares and 8.9% (11.6) of the voting rights at the end of the reporting period.

CORPORATE GOVERNANCE

Raute Corporation complies with the Finnish Corporate Governance Code 2020 for listed companies issued by the Securities Market Association on September 19, 2019, except for the deviation from Recommendation 15 concerning the appointment of members to the Nomination Committee.

EXECUTIVE BOARD

Raute Group's Executive Board and the members' areas of responsibility:

Mika Saariaho, President and CEO, as of October 1, 2022

Kurt Bossuyt, Executive Vice President, Services – Services market

Marko Hjelt, Executive Vice President, Human Resources – People excellence, safety

Mika Hyysti, Executive Vice President, CTO – Innovations, products and services, and R&D

Timo Kangas, Executive Vice President, Power – Power market

Jani Roivainen, Executive Vice President, Metrix – Metrix market
Jukka Siiriäinen, Executive Vice President, Grow – Grow market
Petri Strengell, Executive Vice President, COO – Supply chain and quality
Minna Yrjönmäki, Executive Vice President, CFO - Finance, business support and sustainability

ANNUAL GENERAL MEETING 2022

Raute Corporation's Annual General Meeting was held on March 31, 2022. More detailed information on the decisions of the Annual General Meeting can be found in the stock exchange release issued on March 31, 2022.

DISTRIBUTION OF PROFIT FOR THE 2021 FINANCIAL YEAR

The Annual General Meeting on March 31, 2022 decided that no dividend be paid for the financial year 2021 by a resolution of the Annual General Meeting and that the distributable assets be transferred to equity. The Annual General Meeting, however, decided to authorize the Board of Directors to decide, at its discretion, on the payment of a total dividend of no more than EUR 0.80 per share for series A and K shares. The authorization is valid until the beginning of the company's following Annual General Meeting. Unless the Board of Directors, for a legitimate reason, decides otherwise, the possible dividend is paid in one installment during the validity of the authorization. The Board of Directors will make a separate decision on the payment of dividend. The company will disclose such decision separately and confirm the record date and the payment date for the dividend in connection thereof. The dividend paid based on the Board of Directors' decision will be paid to shareholders who, on the record date for the dividend payment in question, are registered in the company's register of shareholders maintained by Euroclear Finland Ltd.

EVENTS AFTER THE REPORTING PERIOD

Mika Saariaho has started as President and CEO of Raute Corporation on October 1, 2022, as was announced on August 30, 2022.

On October 7, 2022, Raute Corporation announced the conclusion of the change negotiations in compliance with the Act on Co-operation within Undertakings, initiated on 23 August 2022. As a result of the negotiations, it was agreed that the

company would terminate the employment contracts of a maximum of 25 salaried and senior salaried employees in its Finnish units.

BOARD OF DIRECTORS AND BOARD COMMITTEES

At the Annual General Meeting held on March 31, 2022, Ms. Laura Raitio was elected Chair of the Board, Mr. Mika Mustakallio was elected Vice-Chair, and Mr. Joni Bask, Mr. Ari Harmaala, Mr. Petri Perttula, Mr. Ari Piik, and Mr. Patrick von Essen were elected as Board members. The Board of Directors' term of office will continue until the 2023 Annual General Meeting.

Based on the evaluation of independence by the Board of Directors, Chair of the Board Ms. Laura Raitio and members Mr. Joni Bask, Mr. Ari Harmaala, Mr. Petri Perttula, Mr. Ari Piik and Mr. Patrick von Essen are independent of the company. Vice-Chair of the Board of Directors Mr. Mika Mustakallio is not estimated to be independent of the company, as he has served on the Board of Directors for more than ten years. Chair of the Board Ms. Laura Raitio and three Board members, Mr. Ari Harmaala, Mr. Petri Perttula, and Mr. Patrick von Essen, are independent of major shareholders.

Raute Corporation's Board of Directors has a Nomination Committee. The Nomination Committee is chaired by Ms. Laura Raitio, and its members are Mr. Mika Mustakallio and Mr. Pekka Suominen. Due to the company's ownership structure, it has been considered, in deviation from recommendation 15 of the Finnish Corporate Governance Code 2020 for listed companies issued by the Securities Market Association on September 19, 2019, that it is justified that a representative of a large shareholder group who is not a member of the Board of Directors is a member of the Nomination Committee.

The Audit Committee's tasks are handled by the Board of Directors.

BUSINESS RISKS

Changes in the global economy and financial markets may have a negative impact on Raute's operations, performance, financial position and sources of capital.

Raute is subject to geopolitical and macroeconomic conditions, where currently prevailing high inflation and increasing interest

rates may give cause to economic downturn. Such a downturn would likely impact Raute's operations and reduce underlying demand.

The most important short-term risk for Raute continues to be Raute's remaining exposure to Russia. Following the renegotiations with Russian customers, the risk position continued to reduce during the quarter. The remaining order book is still vulnerable to changes in regulation, sanctions, financial transactions and customer's ability to conclude the contracts. The changing sanctions result in uncertainty in our ability to operate in line with our contracts and recognize revenue from our order book in progress. A large part of Raute's technology and services has fallen under the scope of the sanctions. In addition, the termination of many ongoing contracts has put pressure on the company's short-term working capital financing.

Aside from the geopolitical risk, the most significant short-term risks for Raute are related to the input price inflation and availability of raw materials, components and freight.

Raute has started a development program, to improve competitiveness and profitability, that aims to achieve annual savings of some EUR 4-5 millions by the end of 2023. The company is exposed to a risk of capturing the savings within the planned timeline.

Restrictions resulting from the pandemic caused by Covid-19 may continue to have a negative impact on Raute's outlook also in the future, but to a lesser extent than in the two previous years.

OUTLOOK FOR 2022

On June 22, 2022, Raute Corporation's Board of Directors issued a revised earnings guidance for 2022. The Board of Directors expects Raute's 2022 operating profit to stay significantly negative and below last year's level. Raute's operating profit for 2021 was -2.2 million euros.

CONSOLIDATED STATEMENT OF INCOME

Raute Corporation's Board of Directors has approved this interim report for January 1– September 30, 2022 to be published.

The figures for the financial year 2021 presented in the figures section of the interim report have been audited. The presented interim financial report figures have not been audited.

CONSOLIDATED STATEMENT OF INCOME

EUR 1,000	1.7.– 30.9.2022	1.7.– 30.9.2021	1.1.– 30.9.2022	1.1.– 30.9.2021	1.1.– 31.12.2021
NET SALES	41 775	37 900	112 639	98 112	142 212
Change in inventories of finished goods and work in progress	-3 348	-3 787	-3 303	-1 890	-2 233
Other operating income	28	22	95	201	437
Materials and services	-19 581	-18 187	-67 483	-50 458	-74 324
Employee benefits expense	-11 553	-8 435	-38 038	-32 093	-44 517
Depreciation, amortization and impairments	-1 215	-1 096	-3 741	-3 179	-4 315
Other operating expenses	-4 690	-4 691	-15 324	-13 453	-19 504
Total operating expenses	-37 038	-32 409	-124 586	-99 183	-142 661
OPERATING RESULT	1 416	1 726	-15 154	-2 759	-2 244
% of net sales	3,4	4,6	-13,5	-2,8	-1,6
Financial income	-175	74	524	822	998
Financial expenses	141	-72	-518	-414	-525
Financial expenses, net	-34	2	6	407	472
RESULT BEFORE TAX	1 382	1 728	-15 148	-2 352	-1 772
% of net sales	3,3	4,6	-13,4	-2,4	-1,2
Income taxes	-131	-526	2 267	-172	-3
RESULT FOR THE PERIOD	1 251	1 202	-12 881	-2 524	-1 775
% of net sales	3,0	3,2	-11,4	-2,6	-1,2
Result for the period attributable to					
Equity holders of the Parent	1 251	1 202	-12 881	-2 524	-1 775
Earnings per share for profit attributable to Equity holders of the Parent company, EUR					
Undiluted earnings per share	0,29	0,28	-3,02	-0,59	-0,42
Diluted earnings per share	0,29	0,28	-3,02	-0,59	-0,42

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000	1.7.– 30.9.2022	1.7.– 30.9.2021	1.1.– 30.9.2022	1.1.– 30.9.2021	1.1.– 31.12.2021
RESULT FOR THE PERIOD	1 251	1 202	-12 881	-2 524	-1 775
Other comprehensive income items					
Items that will not be reclassified to profit or loss					
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	-260	-	-416
Items that may be subsequently reclassified to profit or loss					
Hedging reserve, hedge accounting	-279	0	-594	-27	-62
Exchange differences on translating foreign operations	3	-311	712	36	56
Income taxes related to these items	-	0	51	0	83
Comprehensive income items for the period, net of tax	-276	-311	-91	9	-339
COMPREHENSIVE RESULT FOR THE PERIOD	975	891	-12 972	-2 515	-2 114
Comprehensive result for the period attributable to					
Equity holders of the Parent company	975	891	-12 972	-2 515	-2 114
Shares, 1 000 pcs					
Adjusted average number of shares	4 263	4 263	4 263	4 263	4 263
Adjusted average number of shares, diluted	4 263	4 263	4 263	4 263	4 263

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
ASSETS			
Non-current assets			
Goodwill	1 714	1 714	1 714
Other intangible assets	9 005	5 077	6 400
Property, plant and equipment	11 999	11 018	11 489
Right of use assets	7 622	6 781	10 064
Other financial assets	768	1 643	1 019
Accounts receivables	21	0	-
Deferred tax assets	3 997	1 638	1 853
Total non-current assets	35 127	27 871	32 538
Current assets			
Inventories	21 527	18 945	22 009
Accounts receivables and other receivables	40 450	43 978	31 629
Income tax receivable	21	12	143
Cash and cash equivalents	7 383	18 055	24 357
Total current assets	69 381	80 990	78 138
TOTAL ASSETS	104 508	108 861	110 676

CONSOLIDATED BALANCE SHEET

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
EQUITY AND LIABILITIES			
Equity attributable to Equity holders of the Parent company			
Share capital	8 256	8 256	8 256
Fair value reserve and other reserves	5 988	7 160	6 791
Exchange differences	2 325	1 239	548
Retained earnings	17 403	19 532	20 238
Profit for the period	-12 881	-2 646	-1 775
Total equity	21 092	33 541	34 064
Non-current liabilities			
Deferred tax liability	26	275	228
Lease liability	6 414	5 005	8 493
Provisions	-18	0	207
Total non-current liabilities	6 422	5 280	8 928
Current liabilities			
Current interest-bearing liabilities	4 407	1 740	2 071
Lease liability	1 305	1 991	1 549
Current advance payments received	45 469	40 102	33 764
Income tax liability	292	458	624
Trade payables and other liabilities	21 742	22 852	27 044
Provisions	3 778	2 897	2 632
Total current liabilities	76 993	70 040	67 685
Total liabilities	83 415	75 320	76 612
TOTAL EQUITY AND LIABILITIES	104 508	108 861	110 676

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR 1,000	1.1.–30.9.2022	1.1.–30.9.2021	1.1.–31.12.2021
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from customers	112 945	114 561	160 037
Other operating income	95	201	-
Payments to suppliers and employees	-128 167	-97 646	-135 940
Cash flow before financial items and taxes	-15 127	17 116	24 097
Interest paid from operating activities	-53	-131	-147
Dividends received from operating activities	676	746	745
Interest received from operating activities	34	25	33
Other financing items from operating activities	-989	-294	-292
Income taxes paid from operating activities	924	-178	-433
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	-14 535	17 285	24 003
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets	-5 683	-6 320	-6 297
Proceeds from sale of property, plant and equipment and intangible assets	28	1 213	-
Payment for acquisition of subsidiary, net of cash acquired	-	-	-
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	-5 655	-5 107	-6 297
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from current borrowings	4 407	-	-
Repayments of current borrowings	-	-	-
Repayments of lease liability	-1 418	-1 232	-1 752
Dividends paid	-	-3 411	-3 411
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	2 989	-4 642	-5 163
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	-17 201	7 535	12 543
increase (+)/decrease (-)			
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	24 357	11 601	11 601
NET CHANGE IN CASH AND CASH EQUIVALENTS	-17 201	7 535	12 543
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	227	-1 082	213
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7 383	18 055	24 357
CASH AND CASH EQUIVALENTS IN THE BALANCE SHEET AT THE END OF THE PERIOD*			
Cash and cash equivalents	7 383	18 055	24 357
TOTAL	7 383	18 055	24 357

*Cash and cash equivalents comprise cash and bank receivables, which will be due within the following three months' period.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR 1,000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2022	8 256	5 711	1 080	548	18 469	34 064	34 064
Comprehensive profit for the period							
Profit for the period	-	-	-	-	-12 881	-12 881	-12 881
Other comprehensive income items:							
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	-260	-	-	-260	-260
Hedging reserve	-	-	-594			-594	-594
Exchange differences on translating foreign operations	-	-	-	1 777	-1 065	712	712
Income taxes related to these items	-	-	51	-	-	51	51
Total comprehensive profit for the period	0	0	-803	1 777	-13 946	-12 972	-12 972
Transactions with equity holders							
Equity-settled share-based transactions	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-
Total transactions with equity holders	0	0	0	0	0	0	0
EQUITY at September 30, 2022	8 256	5 711	277	2 325	4 523	21 092	21 092

COMPARISON PERIOD

EUR 1,000	Share capital	Invested non-restricted equity reserve	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	TOTAL EQUITY
EQUITY at Jan. 1, 2021	8 256	5 711	1 475	353	23 793	39 588	39 588
Comprehensive profit for the period							
Profit for the period	-	-	-	-	-2 646	-2 646	-2 646
Other comprehensive income items:							
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	-	-	-	0	0
Hedging reserve	-	-	-27			-27	-27
Exchange differences on translating foreign operations	-	-	-	886	-850	36	36
Income taxes related to these items	-	-	-	-	-	0	0
Total comprehensive profit for the period	0	0	-27	886	-3 496	-2 636	-2 636
Transactions with equity holders							
Equity-settled share-based transactions	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-3 411	-3 411	-3 411
Total transactions with equity holders	0	0	0	0	-3 411	-3 411	-3 411
EQUITY at September 30, 2021	8 256	5 711	1 448	1 239	16 887	33 541	33 541

NOTES TO THE INTERIM REPORT

General information

Raute Group is a globally operating technology and service company serving the wood products industry, with core competence in selected wood products manufacturing processes. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL and sawn timber.

Raute's full-service concept is based on product life-cycle management and includes project deliveries and technology services. Raute's technology offering covers machinery and equipment for the customer's entire production process. In addition to a broad range of machines and equipment, Raute's solutions cover technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations as well as consulting, training, reconditioned machinery and digital services.

Raute Group's Parent company, Raute Corporation, is a Finnish public limited liability company established in accordance with Finnish law (Business ID FI01490726). Its series A shares are quoted on Nasdaq Helsinki Ltd, under Industrials. Raute Corporation is domiciled in Lahti. The address of its registered office is Rautetie 2, FI-15550 Nastola, and its postal address is P.O. Box 69, FI-15551 Nastola.

All of the figures presented in the interim report are in thousand euro, unless otherwise stated. Due to the rounding of the figures in the financial statement tables, the sums of figures may deviate from the sum total presented in the table. Figures in parentheses refer to the corresponding figures in the comparison period.

Basis of preparation

Raute Corporation's interim report for January 1–September 30, 2022 has been prepared in accordance with standard IAS 34 Interim Financial Reporting.

The interim report does not contain full notes and other information presented in the financial statements, and therefore the interim report should be read in conjunction with the Financial statements published for 2021.

Raute Corporation's interim report for January 1–September 30, 2022 has been prepared in accordance with the International Financial Reporting Standards, IFRS, accepted for application in the European Union, including related interpretations. The interim report has been drawn up according to the same accounting principles as in the consolidated financial statements for 2021.

When preparing the interim report in compliance with International Financial Reporting Standards, the company management has made estimates and assumptions. In addition, the management has exercised its judgment in selecting and applying the accounting policies. The forward-looking estimates and assumptions have been based on management's best knowledge at the reporting date, and they comprise risks and uncertainties, therefore actual results may differ from these estimates.

IFRS standards that have been published and will be valid in future financial periods

Standards for future periods will not be expected to have a significant impact on Raute Corporation's Consolidated financial statements

Net sales

Raute serves the wood products industry with a full-service concept based on service that encompasses the entire life cycle of the delivered equipment. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to deliveries of all the machines and equipment belonging to a mill's production process.

Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training, reconditioned machinery and digital services. Project deliveries and modernizations related to technology services include both product and service sales, making it impossible to give a reliable presentation of the breakdown of the Group's net sales into purely product and service sales

Large mill or production line scale delivery projects can temporarily increase the share of an individual customer of the Group's net sales to more than 10 percent. At the end of the reporting period, the Group had one customer (1), whose customized share of the Group's net sales temporarily exceeded ten percent.

EUR 1,000	1.1.– 30.9.2022	%	1.1.– 30.9.2021	%	1.1.– 31.12.2021	%
Net sales by market area						
EMEA (Europe and Africa)	50 523	45	22 502	23	34 851	25
NAM (North America)	27 068	24	13 367	14	20 063	14
CIS (Russia)	21 788	19	50 503	51	69 779	49
LAM (South America)	6 749	6	5 744	6	7 816	5
APAC (Asia-Pacific area)	6 510	6	5 996	6	9 703	7
TOTAL	112 639	100	98 112	100	142 212	100

Finland accounted for 10 percent (10%) of net sales.

EUR 1,000	1.1.– 30.9.2022	1.1.– 30.9.2021	1.1.– 31.12.2021
Specification of net sales			
Performance obligations to be satisfied over time	81 742	70 329	102 981
Performance obligations to be satisfied at a point in time	30 897	27 783	39 231
TOTAL	112 639	98 112	142 212
Project revenues entered as income from performance obligations to be satisfied over time currently undelivered	199 944	124 980	140 394
Amount of performance obligations to be satisfied over time not yet entered as income (order book)	83 502	138 238	150 786
Balance sheet items of undelivered projects			
Projects in which the value by percentage of completion exceeds advance payments invoiced			
- aggregate amount of costs incurred and recognized profits less recognized losses	111 600	83 898	62 861
- advance payments received	87 274	68 891	47 787
Current customer contract assets	24 326	15 007	15 074
Projects in which advance payments invoiced exceed the value by percentage of completion			
- aggregate amount of costs incurred and recognized profits less recognized losses	95 483	42 502	77 096
- advance payments received	140 251	63 512	106 910
Current customer contract liabilities	44 768	21 010	29 814
Advance payments included in current liabilities in the balance sheet			
Current customer contract assets	44 768	21 010	29 814
Current customer contract liabilities	701	19 092	3 950
Total	45 469	40 102	33 764
Advance payments of the customer contracts included in inventories in the balance sheet			
Advance payments paid	4 384	3 937	6 578
Total	4 384	3 937	6 578

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
Research and development costs			
Research and development costs for the period	-4 311	-3 371	-5 257
Amortization of previously capitalized development costs	-217	-	-
Development costs recognized as an asset in the balance sheet	0	-250	338
Research and development costs recognized as an expense before impairments for the period	-4 528	-3 621	-4 919
Impairments of capitalized development costs	-	-	-
Research and development costs recognized as an expense for the period	-4 528	-3 621	-4 919

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
Right-of-use assets			
Book value at the beginning of the period	10 063	5 917	5 917
Changes	-1 057	-	-
Exchange rate differences	488	-32	153
Additions	284	3 111	5 770
Disposals	-672	-	-
Depreciations and impairments	-1 484	-2 214	-1 775
Book value at the end of the period	7 622	6 781	10 063

	30.9.2022	30.9.2021	31.12.2021
Goowill			
Goodwill at the beginning of the period	1 714	1 714	1 714
Increases	-	-	-
Goodwill at the end of the period	1 714	1 714	1 714

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
Other intangible assets			
Acquisition cost at the beginning of the period	16 144	12 492	12 492
Exchange rate differences	7	9	14
Additions	3 284	2 185	3 474
Reclassification between items	0	0	163
Acquisition cost at the end of the period	19 435	14 686	16 144
Accumulated depreciation and amortization at the beginning of the period	-9 743	-9 197	-9 197
Exchange rate differences	-7	-20	-26
Reclassification between items	-	-	0
Depreciation and amortization for the period	-679	-392	-520
Accumulated depreciation and amortization at the end of the period	-10 429	-9 609	-9 743
Book value of Other intangible assets, at the beginning of the period	6 400	3 295	3 295
Book value of Other intangible assets, at the end of the period	9 005	5 077	6 400
Property, plant and equipment			
Acquisition cost at the beginning of the period	66 456	55 018	63 635
Changes	-1 078	-	-
Exchange rate differences	767	607	466
Additions	2 399	2 820	8 593
Disposals	-893	-1 231	-120
Reclassification between items	-	-	-6 118
Acquisition cost at the end of the period	67 652	57 214	66 456
Accumulated depreciation and amortization at the beginning of the period	-44 905	-44 087	-46 816
Changes	7	-	-
Exchange rate differences	-175	-471	-178
Reclassification between items	-	-	5 895
Depreciation and amortization for the period	-2 957	-1 518	-3 808
Accumulated depreciation and amortization at the end of the period	-48 030	-46 077	-44 905
Book value of Property, plant and equipment, at the beginning of the period	21 552	10 931	16 820
Book value of Property, plant and equipment, at the end of the period	19 621	11 018	21 552

Financial assets and liabilities

At the end of the reporting period September 30, 2022, the fair value of the financial assets categorized at fair value hierarchy level 3 was EUR 720 thousand. The item includes the investments in unquoted shares which have been classified as financial assets at fair value through other comprehensive income. Derivative contracts have been classified as financial assets and liabilities at fair value through profit or loss. The fair value of these derivative contracts is based on the price available from the market data, but instruments are not traded in an active market. At the end of the period, the fair value of the derivative contracts classified as financial assets was EUR 2 thousand and the fair value of the derivative contracts classified as financial liability EUR -585 thousand. The Group's interest-bearing liabilities include a lease liability amount of EUR 7,718 thousand due to the adoption of the standard IFRS 16 Leases, at the end of the reporting period.

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
Financial liabilities			
Non-current interest-bearing liabilities			
Lease liabilities	6 414	5 005	8 493
TOTAL	6 414	5 005	8 493
Current interest-bearing liabilities			
Partial payments of financial loans	4 407	1 991	2 071
Lease liabilities	1 305	1 740	1 549
TOTAL	5 712	3 731	3 620

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
Derivatives			
Nominal values of forward contracts in foreign currency			
Hedge accounting			
- Related to the hedging of net sales	12 868	2 696	1 212
Derivatives which do not meet the criteria of hedge accounting			
- Related to financing	0	389	0
- Related to the hedging of net sales	0	8 188	8 052
Fair values of forward contracts in foreign currency			
Hedge accounting			
- Related to the hedging of net sales	-584	-29	-41
Derivatives which do not meet the criteria of hedge accounting			
- Related to financing	0	-4	0
- Related to the hedging of net sales	0	-151	-128

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
Pledged assets and contingent liabilities			
Mortgage agreements on behalf of subsidiaries			
Financial loans	4 407	1 991	2 071
Other obligations	-	-	-
Other credit guarantee arrangements	4 407	1 991	2 071
Commercial bank guarantees on behalf of the Parent company and subsidiaries	16 519	14 383	15 344
Off-balance sheet leases			
Rental liabilities maturing within one year	256	78	87
Rental liabilities maturing in one to five years	312	16	88
Total	568	94	175

Share-based payments

The company decided to launch a new performance-based, share-value-based, long-term incentive plan, LTI Plan 2022–2024, on February 11, 2022.

The Board of Directors of Raute Corporation has decided on the establishment of a Restricted Share Programme (also "RSP") as a complementary share-based long-term incentive scheme for the company. The first individual plan within RSP, covering the years 2022-2024 (RSP 2022-2024), commences as of the beginning of the year 2022.

Distribution of the profit for the financial year 2021

Raute Corporation's Annual General Meeting was held on March 31, 2022. The Annual General Meeting decided according to the proposal of the Board of Directors that no dividend be paid for the financial year 2021 by a resolution of the Annual General Meeting and that the distributable assets be transferred to equity. The Annual General Meeting decided, however, to authorize the Board of Directors to decide, at its discretion, on the payment of a total dividend of no more than EUR 0.80 per share for series A and K shares. The authorization is valid until the beginning of the company's following Annual General Meeting.

Segment information

Continuing operations of Raute Group belong to the wood products technology segment. Raute Corporation's Board of Directors is the chief operating decision maker that is responsible for assigning resources to the operating segment and assessing its result.

Due to Raute's business model, operational nature and administrative structure, the operational segment to be reported as wood products technology segment is comprised of the whole Group and the information on the segment is consistent with that of the Group. Segment reporting follows the principles of presentation of the consolidated financial statements.

EUR 1,000	30.9.2022	30.9.2021	31.12.2021
Wood products technology			
Net sales	112 639	98 112	142 212
Operating profit	-15 154	-2 759	-2 244
Assets	104 508	108 861	110 676
Liabilities	83 415	75 320	76 612
Capital expenditure	5 683	6 320	6 297

EUR 1,000	30.9.2022	%	30.9.2021	%	31.12.2021	%
Assets of the wood products technology segment by geographical location						
Finland	80 376	77	66 659	61	82 413	74
North America	12 677	12	31 140	29	15 903	14
China	9 881	9	8 180	18	9 772	9
Russia	861	1	2 096	2	1 916	2
South America	405	0	297	0	297	0
Other	308	0	489	0	374	0
Total	104 508	100	108 861	100	110 675	100

EUR 1,000	30.9.2022	%	30.9.2021	%	31.12.2021	%
Capital expenditure of the wood products technology segment by geographical location						
Finland	4 780	84	6 106	97	5 308	84
North America	38	1	129	2	215	3
China	830	15	68	1	756	12
Russia	0	0	10	0	11	0
South America	24	0	5	0	5	0
Other	11	0	2	0	2	0
Total	5 683	100	6 320	100	6 297	100

	30.9.2022	30.9.2021	31.12.2021
Number of personnel			
Effective, on average, persons	787	778	780
On average, persons	841	786	788
In books at the end of the period, persons	812	783	802
Personnel working abroad at the end of the period	254	252	255
Personnel working abroad, %	31,3	32,2	31,8

Pledges on behalf of the company's management

No loans have been granted to the company's management.

No pledges have been given or other commitments made on behalf of the company's management and shareholders.

Exchange rates used in the consolidation of subsidiaries

	1.1.– 30.9.2022	1.1.– 30.9.2021	1.1.– 31.12.2021
Income statement, euros			
CNY (Chinese yuan)	7,0212	7,7415	7,6347
RUB (Russian rouble)	72,3072	88,6058	87,2392
CAD (Canadian dollar)	1,3653	1,4976	1,4836
USD (US dollar)	1,065	1,1967	1,1835
SGD (Singapore dollar)	1,4642	1,6022	1,589692
CLP (Chilean peso)	912,5878	881,94	897,3633
IDR (Indonesian rupiah)	14863,26	-	-
Balance sheet, euros			
CNY (Chinese yuan)	6,9368	7,4847	7,1947
RUB (Russian rouble)	58,97	84,3391	85,3004
CAD (Canadian dollar)	1,3401	1,475	1,4393
USD (US dollar)	0,9748	1,1579	1,1326
SGD (Singapore dollar)	1,4001	1,576	1,5279
CLP (Chilean peso)	945,21	932,24	964,44
IDR (Indonesian rupiah)	14863,26	-	-

FINANCIAL DEVELOPMENT

FINANCIAL DEVELOPMENT	30.9.2022	30.9.2021	31.12.2021
Change in net sales, %	14,8	28,9	23,7
Exported portion of net sales, %	90,5	90,2	91,8
Operating result, % of net sales	-13,5	-2,8	-1,6
Return on investment, (ROI), %	-49,1	-2,3	-2,7
Return on equity, (ROE), %	-62,3	-6,9	-4,8
Interest-bearing net liabilities, EUR million	4,7	-9,3	-12,2
Gearing, %	22,5	-26,0	-35,9
Equity ratio, %	35,7	50,4	44,3
Gross capital expenditure, EUR million	5,7	6,3	6,3
% of net sales	5,0	6,4	4,4
Research and development costs, EUR million	4,5	3,6	4,9
% of net sales	4,0	3,7	3,5
Order book, EUR million	94	150	158
Order intake, EUR million	110	154	203

In addition to IFRS Key ratios, Raute Group publishes some commonly used financial key ratios (alternative performance measures). Calculation of key ratios has been presented in the annual financial statements.

SHARE-RELATED DATA	30.9.2022	30.9.2021	31.12.2021
Earnings per share, (EPS), undiluted, EUR	-3,02	-0,59	-0,42
Earnings per share, (EPS), diluted, EUR	-3,02	-0,59	-0,42
Equity to share, EUR	4,95	7,87	8,12
Dividend per series A share, EUR	-	-	0-0,80*
Dividend per series K share, EUR	-	-	0-0,80*
Dividend per profit, %	-	-	0- -190,5*
Effective dividend return, %	-	-	0-4,0*
Price/earnings ratio (P/E ratio)	-	-	-47,14
The Annual General Meeting authorized the Board of Directors to decide on the payment of a total dividend of no more than EUR 0.80 per share for series A and K shares.			
Development in share price (series A shares)			
Lowest share price for the period, EUR	8,12	20,90	19,50
Highest share price for the period, EUR	20,40	24,90	24,90
Average share price for the period, EUR	14,10	22,85	22,28
Share price at the end of the period, EUR	8,40	21,30	19,80
Market value of capital stock			
- Series K shares, EUR million**	8,3	21,1	19,6
- Series A shares, EUR million	27,5	69,7	64,8
Total, EUR million	35,8	90,8	84,4
*Series K shares valued at the value of series A shares.			
Trading of the company's shares (series A shares)			
Trading of shares, pcs	392 118	442 680	591 208
Trading of shares, EUR million	5,5	10,1	13,2
Number of shares			
- Series K shares, ordinary shares (20 votes/share)	991 161	991 161	991 161
- Series A shares (1 vote/share)	3 272 033	3 272 033	3 272 033
Total	4 263 194	4 263 194	4 263 194
Number of shares, weighted average, 1 000 pcs	4 263	4 263	4 263
Number of shares, diluted, 1 000 pcs	4 263	4 263	4 263
Number of shareholders	5 837	5 991	6 009

DEVELOPMENT OF QUARTERLY RESULTS

DEVELOPMENT OF QUARTERLY RESULTS

EUR 1,000	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Rolling 1.7.2021– 30.9.2022	Rolling 1.7.2020– 30.9.2021
NET SALES	44 100	41 274	29 590	41 775	156 739	137 046
Change in inventories of finished goods and	-343	-617	663	-3 348	-3 645	2 102
Other operating income	236	-1	68	28	331	286
Materials and services	-23 866	-23 864	-24 038	-19 581	-91 349	-77 702
Employee benefits expense	-12 424	-12 097	-14 388	-11 553	-50 462	-42 137
Depreciation, amortization and impairments	-1 136	-1 248	-1 278	-1 215	-4 877	-4 178
Other operating expenses	-6 051	-4 925	-5 709	-4 690	-21 375	-17 921
Total operating expenses	-43 480	-42 135	-45 413	-37 038	-168 066	-141 938
OPERATING PROFIT	516	-1 478	-15 092	1 416	-14 638	-2 504
% of net sales	1,2	-3,6	-51,0	3,4	-9,3	-1,8
Financial income	176	872	-173	-175	700	918
Financial expenses	-111	-552	-107	141	-629	-577
Financial expenses, net	65	320	-280	-34	71	340
PROFIT BEFORE TAX	581	-1 158	-15 372	1 382	-14 567	-2 164
% of net sales	1,3	-2,8	-51,9	3,3	-9,3	-1,6
Income taxes	169	-60	2 458	-131	2 436	459
TOTAL PROFIT FOR THE PERIOD	750	-1 218	-12 914	1 251	-12 131	-1 706
% of net sales	1,7	-3,0	-43,6	3,0	-7,7	-1,2
Attributable to						
Equity holders of the Parent company	750	-1 218	-12 914	1 251	-12 131	-1 706
Earnings per share, EUR						
Undiluted earnings per share	0,18	-0,29	-3,03	0,29	-2,85	-0,40
Diluted earnings per share	0,18	-0,29	-3,03	0,29	-2,85	-0,40
Shares, 1 000 pcs						
Adjusted average number of shares	4 263	4 263	4 263	4 263	4 263	4 263
Adjusted average number of shares, diluted	4 263	4 263	4 263	4 263	4 263	4 263
FINANCIAL DEVELOPMENT QUARTERLY	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Rolling 1.7.2021– 30.9.2022	Rolling 1.7.2020– 30.9.2021
Order intake during the period, EUR million	50	36	40	35	161	223
Order book at the end of the period, EUR million	158	152	104	94	94	150

SHAREHOLDERS

20 LARGEST SHAREHOLDERS AT SEPTEMBER 30, 2022 BY NUMBER OF SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Sundholm Göran	-	500 000	500 000	11,7	500 000	2,2
2. Laakkonen Mikko Kalervo	-	119 919	119 919	2,8	119 919	0,5
3. Suominen Pekka Matias	48 000	62 429	110 429	2,6	1 022 429	4,4
4. Mandatum Henkivakuutus- osakeyhtiö	-	108 257	108 257	2,5	108 257	0,5
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
7. Suominen Tiina Sini-Maria	48 000	50 491	98 491	2,3	1 010 491	4,4
8. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
9. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
10. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
11. Mustakallio Kari Pauli	60 480	-	60 480	1,4	1 209 600	5,2
12. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
13. Särkijärvi Anu Riitta	12 000	43 256	55 256	1,3	283 256	1,2
14. Särkijärvi Timo Juha	12 000	43 256	55 256	1,3	283 256	1,2
15. Mustakallio Ulla Sinikka	47 740	5 946	53 686	1,3	960 746	4,2
16. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
17. Keskinäinen työeläke- vakuutusyhtiö Varma	-	51 950	51 950	1,2	51 950	0,2
18. Relander Pär-Gustaf	-	51 000	51 000	1,2	51 000	0,2
19. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
20. Keskiaho Ilta Marjaana	24 780	17 094	41 874	1,0	512 694	2,2
Total	635 200	1 290 284	1 925 484	45,2	13 994 284	60,6

20 LARGEST SHAREHOLDERS AT SEPTEMBER 30, 2022 BY NUMBER OF VOTES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
1. Mustakallio Mika Tapani	62 100	21 170	83 270	2,0	1 263 170	5,5
2. Särkijärvi Anna Riitta	60 480	22 009	82 489	1,9	1 231 609	5,3
3. Mustakallio Kari Pauli	60 480	-	60 480	1,4	1 209 600	5,2
4. Kirmo Kaisa Marketta	55 680	48 341	104 021	2,4	1 161 941	5,0
5. Siivonen Osku Pekka	50 640	53 539	104 179	2,4	1 066 339	4,6
6. Suominen Pekka Matias	48 000	62 429	110 429	2,6	1 022 429	4,4
7. Suominen Tiina Sini-Maria	48 000	50 491	98 491	2,3	1 010 491	4,4
8. Mustakallio Ulla Sinikka	47 740	5 946	53 686	1,3	960 746	4,2
9. Suominen Jussi	48 000	-	48 000	1,1	960 000	4,2
10. Mustakallio Marja Helena	46 740	12 547	59 287	1,4	947 347	4,1
11. Keskiaho Kaija Leena	33 600	51 116	84 716	2,0	723 116	3,1
12. Mustakallio Hanna Leena	32 975	5 565	38 540	0,9	665 065	2,9
13. Mustakallio Jukka Jeremias	32 975	-	32 975	0,8	659 500	2,9
14. Keskiaho Vesa Heikki	29 680	-	29 680	0,7	593 600	2,6
15. Keskiaho Juha-Pekka	27 880	5 716	33 596	0,8	563 316	2,4
16. Suominen Jukka Matias	24 960	27 964	52 924	1,2	527 164	2,3
17. Keskiaho Ilta Marjaana	24 780	17 094	41 874	1,0	512 694	2,2
18. Sundholm Göran	-	500 000	500 000	11,7	500 000	2,2
19. Kultanen Leea Annikka	21 595	8 031	29 626	0,7	439 931	1,9
20. Piik Ari Aarne Juhani	20 855	418	21 273	0,5	417 518	1,8
Total	777 160	892 376	1 669 536	39,2	16 435 576	71,2

MANAGEMENT'S SHAREHOLDING AND NOMINEE-REGISTERED SHARES

	Number of series K shares	Number of series A shares	Total number of shares	% of total shares	Total number of votes	% of voting rights
Management's holding at September 30, 2022						
The Board of Directors, The Group's President and CEO and Executive Board*	100 745	39 532	140 277	3,3	2 054 432	8,9
Total	100 745	39 532	140 277	3,3	2 054 432	8,9

*The figures include the holdings of their own, minor children and control entities.

Nominee-registered shares at September 30, 2022	-	85 152	85 152	2,0	85 152	0,4
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RAUTE CORPORATION
Board of Directors

BRIEFING ON OCTOBER 21, 2022 AT 2 P.M.:

A briefing will be organized for analysts, investors and the media on October 21, 2022 at 2 p.m. at Scandic Simonkenttä Hotel, Tapiola cabinet, Simonkatu 9, Helsinki. The interim report will be presented by Mr. Mika Saariaho, President and CEO, and Ms. Minna Yrjönmäki, Interim CFO. The event can also be watched online via Teams. We will send a Teams link to those who have registered by email; registrations at ir@raute.com. The event will be recorded, and the recording can be viewed on Raute's website www.raute.com later on the same day, July 22, 2022.

FURTHER INFORMATION:

Mr. Mika Saariaho, President and CEO, tel. +358 40 154 9393

Ms. Minna Yrjönmäki, Interim CFO, tel. +358 40 570 2067

DISTRIBUTION:

Nasdaq Helsinki Ltd, main media, www.raute.com

RAUTE IN BRIEF:

Raute is a technology and service company that operates worldwide. Raute's customers are companies operating in the wood products industry that manufacture veneer, plywood, LVL (Laminated Veneer Lumber) and sawn timber. Its technology offering covers the entire production process for veneer, plywood and LVL and special measurement equipment for sawn timber. As a supplier of mill-scale projects, Raute is a global market leader both in the plywood and LVL industries. Additionally, Raute's full-service concept includes technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations. Raute's head office is located in Lahti, Finland. The company's other production plants are located in Kajaani, Finland, the Vancouver area of Canada, the Changzhou area of China, and in Pullman, Washington, USA. Raute's net sales in 2021 were EUR 142.2 million. The Group's headcount at the end of 2021 was 802. More information about the company can be found at www.raute.com.



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