

Lehto Group Plc:IMPACT OF IFRS 15 STANDARD IMPLEMENTATION FOR FINANCIAL INFORMATION 2017

Lehto Group Plc
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Lehto has adopted the IFRS 15 Revenue from Contracts with Customers retroactively from 1 January 2018 in accordance with IAS 8, and presents restated comparative data for 2017. Figures are unaudited.

The impact of new standard on the company's net sales for 2017 is minor. The Company's contracts with customers are generally less than 12 months in duration. There are minor effects due to combination of customer contracts, the recognition of revenue from additional work not part of the contracts and the treatment of variable consideration. The Group has also some contracts that do not meet the criteria of IFRS 15 for recognition over time but they are recognised when control is passed, i.e. at a certain point in time.

Net Sales by Service Area	Restated	Restated	Restated	Restated
EUR million	1-12/2017	1-9/2017	1-6/2017	1-3/2017
Business Premises	181.2	108.0	72.6	34.2
Housing	232.2	128.9	74.4	10.7
Social Care and Educational Premises	109.1	48.6	34.3	13.8
Building Renovation	75.1	49.9	32.6	16.5
Total	597.6	335.4	213.9	75.2

Net Sales by Service Area	Reported	Reported	Reported	Reported
EUR million	1-12/2017	1-9/2017	1-6/2017	1-3/2017
Business Premises	181.2	108.0	72.6	34.2
Housing	232.6	131.8	77.2	10.7
Social Care and Educational Premises	105.3	77.6	49.1	19.3
Building Renovation	75.1	49.9	32.6	16.5
Total	594.1	367.3	231.5	80.6

Group result	Restated	Restated	Restated	Restated
	1-12/2017	1-9/2017	1-6/2017	1-3/2017
Net sales, EUR million	597.6	335.4	213.9	75.2
Operating profit, EUR million	64.6	25.5	15.4	4.9
Operating profit, % of net sales	10.8%	7.6%	7.2%	6.5%
Profit for the period, EUR million	51.6	20.5	12.1	3.7

Group result	Reported	Reported	Reported	Reported
	1-12/2017	1-9/2017	1-6/2017	1-3/2017
Net sales, EUR million	594.1	367.3	231.5	80.6
Operating profit, EUR million	61.5	33.5	19.9	6.8
Operating profit, % of net sales	10.4%	9.1%	8.6%	8.5%
Profit for the period, EUR million	49.2	26.9	15.7	5.3

Further information:

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Lehto Group in brief:

Lehto is the fastest growing construction and real e group. We operate in four service areas: Business Premises, Housing, Social Care and Educational Premises, and Building Renovation. We are the innovator and pioneer of the construction sector. Our economically driven operating model makes construction more profitable, ensures the quality of construction and brings significant time and cost savings to the customer. At the end of 2017, we employed around 1,200 people. Our net sales for 2017 amounted to EUR 594 million.