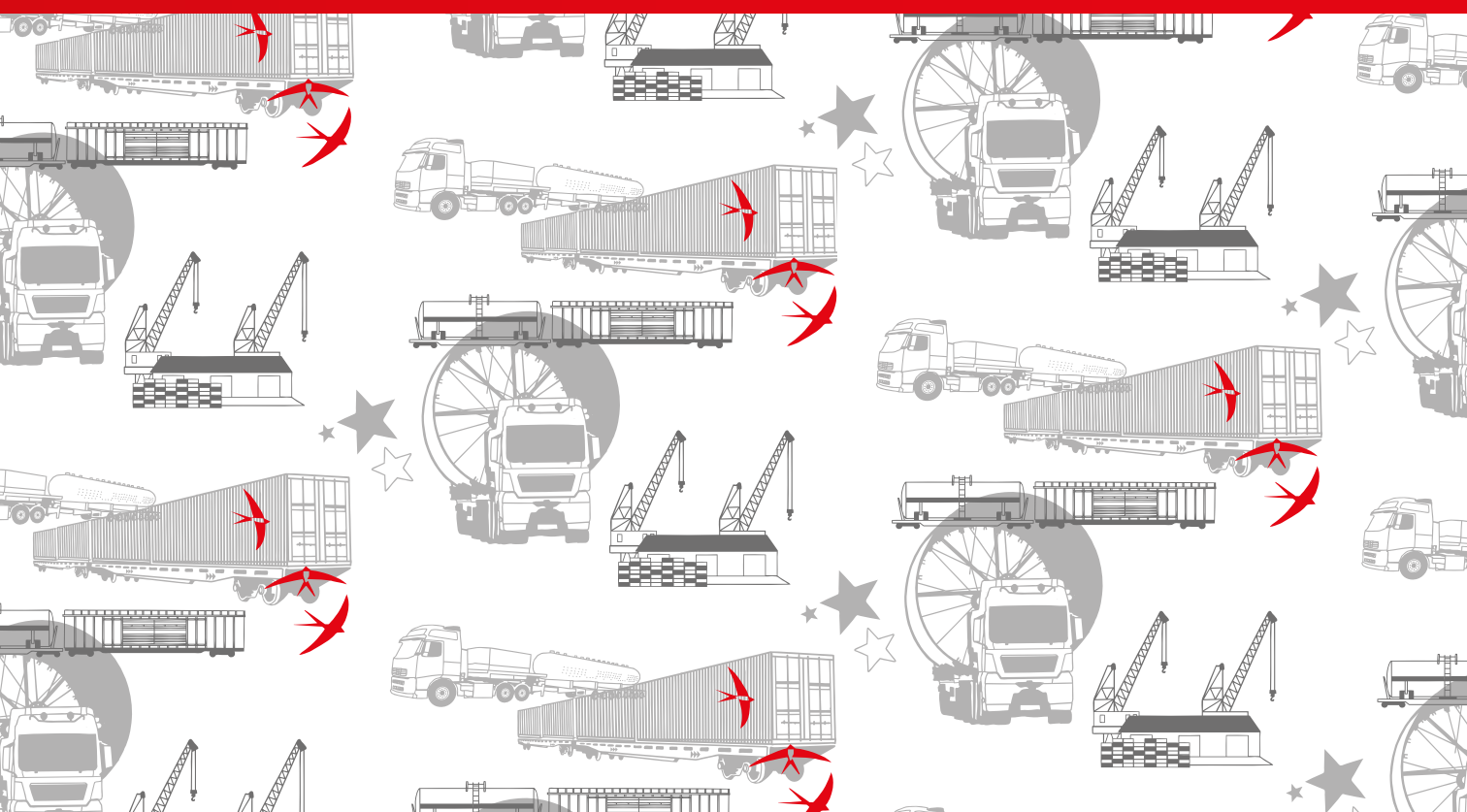




Nurminen Logistics ►►►

Financial Statements and
the Board's Report on Operations

1 January 2014–31 December 2014



The background is a light gray collage of various logistics-related icons. It includes multiple instances of a semi-truck with a large circular trailer, a flatbed truck carrying a large container, a crane lifting a load, a warehouse building, and a train car. There are also several red stylized birds in flight and white stars of different sizes scattered throughout the design.

Nurminen Logistics ▶▶▶

Head Office
Satamakaari 24, FI-00980 Helsinki, Finland
Tel. +358 10 545 00
www.nurminenlogistics.com

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The Board's Report on Operations

The Ukrainian crisis and the collapse of oil prices had a negative impact on the company's net sales and operating result.

Market conditions remained challenging throughout the review period due to the tense international political situation around Russia.

In spite of the unsatisfactory development of the Finnish economy and the substantial depreciation of the Russian rouble, we were able to expand our clientele in 2014 in all of our business units. The Forwarding and Value Added Services business unit, which operates in Finland and the Baltic countries, improved both its net sales and result and in Group administration, we were able to reduce fixed costs.

Measures to improve operational efficiency under the profit improvement programme launched in 2013, as well as measures to develop sales, were continued in 2014, which included investing in the salesforce for railway logistics services and project logistics in Finland and Russia.

The company's internal reporting and segment breakdown of external reporting have been amended as stated in the stock exchange release published on 7 August 2014. The Luumäki railway terminal and the Finnish railway forwarding operations were transferred from the Railway Logistics business unit to the Forwarding and Value Added Services business unit. Business operations are reported according to the new business unit structure as of the second quarter of the financial period 1 January 2014 – 31 December 2014.

In Railway Logistics, the market conditions deteriorated further towards the end of the year due to the escalation of the Ukrainian crisis, the substantial decline in the price of oil, and the subsequent depreciation of the Russian rouble. The lower prices and faster delivery times of road transports have resulted in transports shifting from rail to road. The utilisation rate of the company's rolling stock was good considering the market situation, and the company was successful in winning new Russian export sector accounts for covered wagons to replace the falling Finnish volumes.

In the special transport and project market, the uncertainty in the world economy and the tightening of financial markets were reflected in demand, which remained weak throughout the review period. The volumes of international project deliveries by the engineering industry remained low in the fourth quarter. Depreciation of the Russian rouble and the crisis in Ukraine affected the demand for transports in Russia and the CIS in the second half of 2014. Competition remained intense and price levels in the market fluctuated considerably.

In the Forwarding and Value Added Services business unit's markets, the negative impact of the difficult market conditions was the most significant for Finnish exports to Russia and transit logistics through Finland to Russia, the value of which declined substantially. However, Finnish exports to Europe and countries outside Europe developed favourably in 2014. Competition in the Finnish forwarding sector remained intense and profitability is weak. The decrease in total exports and imports in Finland increased price competition, but the business unit nevertheless succeeded in improving its net sales and operating result.

As of 1 January 2014, Nurminen Logistics reports on three business units: Railway Logistics, Special Transports and Projects, and Forwarding and Value Added Services. In 2013, the company reported on four business units. At the end of 2013, the Transit Logistics business unit was merged into the Forwarding and Value Added Services unit.

Net sales weakened but result improved

The net sales for the 2014 financial period amounted to EUR 52.8 million (2013: EUR 63.8 million), which represents a decrease of 17.3% compared to 2013. The reported operating result was EUR 1,328 (216) thousand. The operating result includes non-recurring items of EUR -174 (-1,366) thousand. The comparative operating result was therefore EUR 1,502 (1,582) thousand. The operating result for the financial period was improved by exchange rate gains on the valuation of rouble-denominated trade payables resulting from the depreciation of the rouble. This had a total effect of EUR 2.7 million on the result, with no cash flow impact.

The non-recurring costs in the review period and in 2013 were related to adjustment measures, personnel arrangements and restructuring implemented under the profit improvement programme.

The depreciation of the Russian rouble during the review period decreased the company's financial result by EUR 1.5 million. This exchange rate loss had no cash flow impact.

The Railway Logistics business unit's net sales for the review period amounted to EUR 17,935 (2013: 29,405) thousand and the operating result was EUR 2,686 (5,276) thousand. The operating result includes non-recurring items of EUR -85 (-534) thousand. The comparative operating result was therefore EUR 2,771 (5,808) thousand.

The net sales and operating result of Railway Logistics declined substantially during the review period compared to the previous year due to a significant decrease in transport volumes in traffic between Finland and Russia and the suspension of traffic to Ukraine. Covered wagon deliveries originating from Finland declined by 50 per cent on average compared to 2013. The situation was particularly weak in the fourth quarter. Transport volumes for other wagon types remained at a good level throughout the review period. In Russian domestic transport, covered wagon traffic volumes grew, while the volumes for other wagon types remained at the same level as in 2013.

The Special Transports and Projects business unit's net sales for the review period amounted to EUR 7,794 (8,874) thousand and the operating result was EUR 163 (-142) thousand. The operating result includes non-recurring items of EUR 0 (-78) thousand. Therefore, the comparative operating result was EUR 163 (-64) thousand.

Net sales of the Special Transports and Projects business unit decreased from 2013 due to decreased volumes in the project business. The special transport business succeeded in increasing its market share in a tight market situation. Successful new customer acquisition compensated for the substantial decline in the volumes of a few key customers. The unit's result improved due to cost savings and successful equipment renewal. Late in the year, the company invested in developing the project and special transport business in Russia by opening a branch in Moscow and strengthening its resources in St. Petersburg. This will be reflected in the company's order books in the near future.

The net sales of the Forwarding and Value Added Services business unit for the review period amounted to EUR 27,778 (26,095) thousand and the operating result was EUR -1,521 (-4,918) thousand. The operating result includes non-recurring items of EUR -89 (-754) thousand. The comparative operating result was therefore EUR -1,432 (-4,164) thousand.

The Forwarding and Value Added Services business unit's result has developed positively due to measures implemented by the unit to improve the efficiency of operations. The business unit's net sales increased and the operating result improved significantly compared to 2013. At the Vuosaari terminal, volumes in the pulp, paper and forest industry were at a good level throughout the year, while substantial fluctuation was seen in the volumes of the engineering and metal industries during the review period. The demand for the services of the Baltic companies was at a good level in a difficult market situation, and their results improved significantly year-on-year. Forwarding volumes in railway transport and transit logistics declined from the previous year due to the Ukrainian crisis, but in general forwarding services, the unit achieved a significant increase in market share in 2014. The operational loss of the Vuosaari logistics centre was EUR -1.2 (-2.2) million in the review period. The high rental level of the Vuosaari logistics centre has a significant negative effect on the otherwise good operating result.

The development of the key financial, personnel and share indicators for 2012–2014 is included in the Financial Statements separately.

Financial position and balance sheet

The company's cash flow from operations was EUR -448 thousand. Cash flow from investments was EUR 268 thousand. Cash flow from financing activities amounted to EUR -1,670 thousand.

At the end of the financial period, cash and cash equivalents amounted to EUR 1,530 thousand. Liquidity remained at a satisfactory level during the review period, but tightened towards the end of the year.

The covenants of the Group's loans from financial institutions, namely the ratio of net debt to operating margin and the equity ratio, were breached as of the financial statement date of 31 December 2014.

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

Nurminen Logistics has preliminarily agreed with its financing banks on a 12-month financial arrangement that will be finalised during the next few weeks.

The Group has also launched other actions to improve its financial position.

Financing negotiations related to the company's continuing business operations will be held in the first quarter. The company's management expects the negotiations to lead to a positive outcome.

The Group's interest-bearing debt totaled EUR 21.8 million at the end of the financial period, and net interest-bearing debt amounted to EUR 20.3 million.

The balance sheet total was EUR 45.3 million, and the equity ratio was 23.6% (36.3%). The most significant factor contributing to the decline in the equity ratio is the substantial depreciation of the rouble and the decrease in equity due to translation differences.

Capital expenditure

The Group's gross capital expenditure during the review period amounted to EUR 506 (429) thousand, accounting for 1.0% of net sales. Depreciation totaled EUR 2.4 (3.5) million, or 4.5% of net sales.

Group structure

Nurminen Logistics Plc's Russian subsidiaries OOO John Nurminen, St. Petersburg (100%) and ZAO Irtrans (100%) were closed down on 23 September 2014. Russian subsidiary OOO John Nurminen Terminal (100%) was closed down on 1 October 2014.

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%), Nurminen Logistics Heavy Oy (100%), Nurminen Logistics Finland Oy (100%), Nurminen Maritime Latvia SIA (51%), Pelkolan Terminaali Oy (20%), OOO Nurminen Logistics (100%), ZAO Terminal Rubesh (100%), Nurminen Logistics LLC (100%), UAB Nurminen Maritime (51%), Nurminen Maritime Eesti AS (51%), Team Lines Latvia SIA (23%) and Team Lines Estonia OÜ (20.3%).

Research and development

Nurminen Logistics offers logistics services and aims to constantly develop these services both on its own and in cooperation with its partners. Due to the nature of its operations the company did not have separate research and development costs in its income statement in 2014.

Personnel

At the end of the review period, the Group had 233 employees, compared with 261 on 31 December 2013. The number of employees working abroad was 58.

Railway Logistics had 34 employees, Special Transports and Projects 21 and Forwarding and Value Added Services 161 employees. Management and administrative personnel comprised 17 employees.

Personnel expenses in 2014 totaled EUR 11.1 million (2013: EUR 14.6 million).

Nurminen Logistics announced on 25 September 2014 its plans to implement cost savings by temporarily laying off all of its Finnish personnel for a maximum of 30 days during the last quarter of 2014 and in 2015. After the negotiations were concluded, the company decided to temporarily lay off all of its Finnish personnel for two weeks during the last quarter of 2014 and the first half of 2015. The company estimates that this will achieve cost savings of approximately EUR 0.5 million. In addition, the company has the opportunity to temporarily lay off the Finnish personnel for another two weeks during 2015 so that the duration of the temporary lay-offs will be a maximum of 30 calendar days. The Management Team of Nurminen Logistics has decided to take part in the savings programme and will give up two weeks' salary during the last quarter of 2014. Correspondingly, the Board of Directors of Nurminen Logistics will give up 20% of their remuneration for 2014. This information was published in a stock exchange release on 22 October 2014.

Remuneration

Nurminen Logistics has a new key employee stock option plan. The company has a weighty financial reason for the issue of stock options, since the stock options are intended to form part of the incentive and commitment program for the Group key employees. The purpose of the stock options is to encourage the key employees to work on a long-term basis to increase shareholder value. The purpose of the stock options is also to commit the key employees to the employer. Approximately 10 key employees, including the members of the Group's Management Team and other separately named management, belong to the target group of the plan. For all key employees, the prerequisite for receiving stock options is share ownership in the company. This information was published in a stock exchange release on 14 January 2014.

Changes in the top management

Marko Tuunainen, M.Sc. (Econ), aged 43, was appointed the Senior Vice President of Nurminen Logistics Plc's Forwarding and Value Added Services business unit and member of the Management Team of Nurminen Logistics on 8 January 2014. He reports to Olli Pohjanvirta, President and CEO. Tuunainen started in his new position on 14 January 2014.

Maija Dietrich, M.Sc. (Tech.), aged 36, was appointed the HR Director and member of the Management Team of Nurminen Logistics on 12 May 2014. She reports to Olli Pohjanvirta, President and CEO. Dietrich started in her new position on 9 June 2014.

The change meant the size of Nurminen Logistics' Management Team increased from five members to six.

Ari Viinikkala, M.Sc. (Econ.), aged 46, was appointed the new Chief Financial Officer (CFO) and member of the Management Team of Nurminen Logistics on 30 June 2014. He reports to Olli Pohjanvirta, President and CEO. Viinikkala joined Nurminen Logistics on 1 August 2014 and started in his new position of CFO on 15 August 2014 after the former CFO, Paula Kupiainen, vacated her post.

President and CEO Olli Pohjanvirta assumed responsibility for the duties of the Senior Vice President for Railway Logistics in addition to his other duties as of 27 October 2014 after the member of Management Team and Senior Vice President Fedor Larionov vacated his post.

The change meant the size of Nurminen Logistics' Management Team decreased from six members to five.

On 31 December 2014, Nurminen Logistics' Management Team consisted of the following members:

Olli Pohjanvirta, President and CEO
 Ari Viinikkala, CFO
 Maija Dietrich, HR Director
 Marko Tuunainen, Senior Vice President, Forwarding and Value Added Services
 Hannu Vuorinen, Senior Vice President, Special Transports and Projects.

Shares and shareholders

Nurminen Logistics Plc's share has been quoted on the main list of NASDAQ OMX Helsinki Ltd under the current company name since 1 January 2008. The total number of Nurminen Logistics Plc's registered shares is 13,057,742 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 309,273 during the period from 1 January to 31 December 2014. This represented 2.4% of the total number of shares. The value of the turnover was EUR 432,420.65. The lowest price during the review period was EUR 0.98 per share and the highest EUR 1.73 per share. The closing price for the period was EUR 0.99 per share and the market value of the entire share capital was EUR 12,927,164.58 at the end of the period.

At the end of the 2014 financial year the company had 586 shareholders. At the end of 2013 the number of shareholders stood at 567.

In the end of 2014 the company held 20,275 of its own shares, corresponding to 0.2% of votes.

The distribution of shares and ownership by shareholders type are included in the Financial Statements separately.

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.

Authorisations given to the board

Authorising the Board of Directors to decide on the acquisition of the company's own shares

Annual Meeting authorised the Board to decide on the acquisition of a maximum of 100,000 of the company's own shares. The authorisation will be used for the paying of remuneration of the members of the Board of Directors. The own shares may be acquired pursuant to the authorisation only by using unrestricted equity. The price payable for the shares shall be based on the price of the company's shares in public trading at the time of the acquisition. The own shares may be acquired in deviation from the proportional shareholdings of the shareholders (directed repurchase). The authorisation includes the right whereby the Board of Directors is authorised to decide on all other matters related to the acquisition of own shares. The authorisation remains in force until 30 April 2015. 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 remains in force until 30 April 2015.

Shareholder agreements related to ownership and the exercise of voting rights

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

Decisions made by the Annual General Meeting of Shareholders

Nurminen Logistics Plc's Annual General Meeting of Shareholders held on 8 April 2014 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 2013 – 31 December 2013 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 2013 – 31 December 2013.

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: Tero Kivisaari, Juha Nurminen, Jukka Nurminen and Alexey Grom. Tommi Matomäki was elected as a new member of the Board of Directors. In its organising meeting immediately following the Annual General Meeting of Shareholders, the Board of Directors elected Tero Kivisaari 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 Alexey Grom.

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 2015 remuneration level will be as follows: annual remuneration of EUR 80,000 for the Chairman and EUR 20,000 for the other members. Additionally 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.

Authorising the Board of Directors to decide on the acquisition of the company's own shares

Annual Meeting authorised the Board to decide on the acquisition of a maximum of 100,000 of the company's own shares. The authorisation will be used for the paying of remuneration of the members of the Board of Directors. The own shares may be acquired pursuant to the authorisation only by using unrestricted equity. The price payable for the shares shall be based on the price of the company's shares in public trading at the time of the acquisition. The own shares may be acquired in deviation from the proportional shareholdings of the shareholders (directed repurchase). The authorisation includes the right whereby the Board of Directors is authorised to decide on all other matters related to the acquisition of own shares.

The authorisation remains in force until 30 April 2015.

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 remains in force until 30 April 2015.

Auditor

KPMG Oy Ab, Authorised Public Accountant audit-firm, was re-elected as Nurminen Logistics Plc's auditor. Mr Lasse Holopainen acts as the responsible auditor. The auditor's term of office continues until the next Annual General Meeting after the Auditor's election.

Environmental factors

Nurminen Logistics seeks environmentally friendly and efficient transport solutions as part of the development of its services. All services provided by the company in Finland are covered by a certified environmental management system that meets the requirements of the ISO 14001:2004 standard.

Outlook

Nurminen Logistics expects market conditions to remain similar to last year. A slight increase in Finnish exports appears possible, particularly through the ports of Helsinki and Kotka, while a decrease in imports also seems likely. Under the prevailing circumstances, Finnish exports to Russia are likely to remain at the same level as in the fourth quarter of 2014, with Russian domestic traffic remaining at the same level as in 2014. Changes in the rouble exchange rate have a significant impact on the company's profitability.

In the present situation, the forecast horizon is short. Nevertheless, we expect our net sales, operating result and earnings per share to improve in 2015 compared to 2014, based on our increasingly diverse clientele and improved operational efficiency.

The company's long-term goal is to grow at a faster rate than the market, on average by over 15% per year. Going forward, over 50% of net sales will come from the growth markets of Russia and its neighbouring countries. The company's further long-term goals are to improve profitability, achieve an operating profit level of 10 per cent and return on equity of 20 per cent.

Short-term risks and uncertainties

the potential escalation of the Ukrainian crisis and the continued decline of the price of oil in 2015 would have a strong impact on Russia's economic development, which in turn would negatively affect the company's railway transport and project logistics volumes, and have a significant impact on the company's outlook. The further depreciation of the Russian rouble would worsen the company's cash flow situation and complicate financing.

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.

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 2014, the parent company's distributable equity is 32,929,881.97 euros. The Board of Directors proposes to the Annual General Meeting that that no dividend shall be distributed for the financial year 2014.

Corporate governance statement

The Corporate Governance Statement of Nurminen Logistics Plc will be published on 12 March 2015 on the company's website at www.nurminenlogistics.com.

Consolidated Statement Of Comprehensive Income, IFRS

1 000 EUR	Note	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2013
NET SALES	2	52 774	63 844
Other operating income	3	465	1 834
Materials and services		-24 600	-29 189
Employee benefit expenses	5	-11 146	-14 606
Depreciation, amortisation and impairment losses	6	-2 351	-3 538
Other operating expenses	4	-13 813	-18 129
OPERATING RESULT		1 328	216
Financial income	7	82	55
Financial expenses	7	-3 298	-3 444
Share of profit of equity-accounted investees	14	-57	126
		-3 273	-3 264
RESULT BEFORE INCOME TAX		-1 945	-3 048
Income tax expense	8	-396	-899
RESULT FOR THE YEAR		-2 341	-3 947
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Translation differences		-7 842	-2 287
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-10 183	-6 234
Result attributable to			
Equity holders of the parent company		-2 793	-4 149
Non-controlling interest		453	202
Total comprehensive income attributable to			
Equity holders of the parent company		-10 636	-6 436
Non-controlling interest		453	202
Earnings per share calculated from result attributable to equity holders of the parent company			
Earnings per share, undiluted, euro		-0,21	-0,32
Earnings per share, diluted, euro		-0,21	-0,32

Consolidated Statement of Financial Position, IFRS

1 000 EUR	Note	31 Dec 2014	31 Dec 2013
ASSETS			
Non-current assets			
Property, plant and equipment	11	23 351	31 492
Goodwill	12,14	9 516	9 516
Other intangible assets	12	354	530
Investments in equity-accounted investees	13	173	295
Receivables	16	35	35
Deferred tax assets	17	608	926
Non-current assets, total		34 037	42 795
Current assets			
Trade and other receivables	18	9 648	11 045
Current tax receivables		83	93
Cash and cash equivalents	19	1 530	3 553
Current assets, total		11 262	14 691
TOTAL ASSETS		45 299	57 486
EQUITY AND LIABILITIES			
Equity attributable to holders of the parent company	20		
Share capital		4 215	4 215
Share premium reserve		86	86
Other reserves		19 568	19 505
Translation differences		-7 679	-4 193
Retained earnings		-6 349	720
Equity attributable to holders of the parent company		9 841	20 333
Non-controlling interest		833	558
Equity, total		10 674	20 891
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	17	426	350
Other liabilities	23	350	561
Financial liabilities	22	13 200	14 849
Non-current liabilities, total		13 977	15 760
Current liabilities			
Current tax liabilities		127	88
Financial liabilities	22	8 592	8 902
Trade payables and other liabilities	23	11 930	11 846
Current liabilities, total		20 649	20 835
Liabilities, total		34 625	36 595
EQUITY AND LIABILITIES, TOTAL		45 299	57 486

Consolidated Cash Flow Statement, IFRS

1 000 EUR	Note	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2013
Cash flow from operating activities			
PROFIT/LOSS FOR THE YEAR		-2 341	-3 947
Adjustments for:			
Depreciation, amortisation & impairment losses	6	2 351	3 538
Gains (-) and losses (+) on disposals of property, plant and equipment and other non-current assets		-19	-1 685
Share of profit of associates, profit (-) / loss (+)		57	-126
Unrealised foreign exchange gains (-) and losses (+)		1 530	1 071
Financial income (-) and expenses (+)		1 686	2 319
Income taxes	8	396	899
Cash flow before changes in working capital		-2 654	0
Rahavirta ennen käyttö pääoman muutosta		1 006	2 069
Working capital changes:			
Increase (-) / decrease (+) in non-interest bearing current receivables		374	2 742
Increase (+) / decrease (-) in non-interest bearing current payables		201	2 106
Net cash from operating activities before financial items and taxes		1 582	6 917
Interest paid		-1 295	-1 401
Interest received		1	1
Other financial items		-386	-465
Income taxes paid		-349	-1 244
Net cash from operating activities		-448	3 808
Cash flow from investing activities			
Purchases of property, plant and equipment and intangible assets		-490	-446
Proceeds from sale of property, plant and equipment and intangible assets		758	3 531
Proceeds from sale of other investments		0	2
Net cash used in investing activities		268	3 087
Cash flow from financing activities			
Acquisition of own shares	20	0	0
Proceeds from current borrowings		2 087	1 030
Repayment of current borrowings		-1 947	-4 962
Proceeds from non-current borrowings		0	400
Repayment of non-current borrowings		-900	-1 000
Repayment of finance lease liabilities		-796	-828
Dividends paid / repayments of equity		-178	-2 762
Net cash used in financing activities		-1 670	-8 122
Net increase / decrease in cash and cash equivalents		-1 850	-1 227
Cash and cash equivalents at the beginning of the year		3 553	4 901
Translation differences of cash and cash equivalents at the beginning of the year		-186	-203
Net increase / decrease in cash and cash equivalents		-1 850	-1 227
Translation differences of net increase / decrease in cash and cash equivalents		14	81
Cash and cash equivalents at the end of the year	19	1 530	3 553

Consolidated Statement of Changes in Equity, IFRS

1 000 EUR	Note	Equity attributable to equity holders of the parent company								
		Share capital	Share pre-mium reserve	Legal reserve	Reserve for invested unre-stricted equity	Trans-lation differ-ences	Retained earnings	Total	Non-controlling interest	Total equity
1–12/2013										
Equity on 1 Jan 2013		4 215	86	2 378	18 158	–3 276	5 799	27 360	2 437	29 797
Comprehensive income										
Result for the year							–4 149	–4 149	202	–3 947
Other comprehensive income										
Translation differences						–917	–1 370	–2 287		–2 287
Total comprehensive income for the year						–917	–5 519	–6 436	202	–6 234
Business transactions with share holders										
Other changes							441	441	–350,6	90
Dividends									–1731	–1 731
Repayments of equity	19				–1 031			–1 031		–1 031
Total business transactions with share holders					–1 031		441	–591	–2 081	–2 672
Equity on 31 Dec 2013		4 215	86	2 378	17 127	–4 193	720	20 334	558	20 891

1 000 EUR	Note	Equity attributable to equity holders of the parent company								
		Share capital	Share pre- mium reserve	Legal reserve	Reserve for invested unre- stricted equity	Trans- lation differ- ences	Retained earnings	Total	Non- controlling interest	Total equity
1-12/2014										
Equity on 1 Jan 2014		4 215	86	2 378	17 127	-4 193	720	20 333	558	20 891
Comprehensive income										
Result for the year							-2 793	-2 793	453	-2 341
Other comprehensive income										
Translation differences						-3 486	-4 357	-7 842		-7 842
Total comprehensive income for the year						-3 486	-7 150	-10 636	453	-10 183
Business transactions with share holders										
Other changes					63		80	143	0	143
Dividends									-178	-178
Repayments of equity	19							0		0
Total business transactions with share holders					63		80	143	-178	-34
Equity on 31 Dec 2014		4 215	86	2 378	17 190	-7 679	-6 349	9 840	832	10 674

Notes to the Consolidated Financial Statements, IFRS

1. THE ACCOUNTING PRINCIPLES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Basic information about the Group

The business idea of Nurminen Logistics is to provide and produce high-quality and customer competitiveness increasing logistics services in Russia, its' neighbouring areas and in Finland. The parent company of the Group is Nurminen Logistics Plc. The parent company is domiciled in Helsinki, Finland, and its registered address is Satamakaari 24, Helsinki.

Copies of the consolidated financial statements are available in internet at www.nurminenlogistics.com. The consolidated financial statements were authorised for issue by the Board of Directors on 19 February 2015. According to the Finnish Limited Liability Companies Act, shareholders have the right to approve or reject the financial statements in the Annual General Meeting held after the publication of the financial statements. The Annual General Meeting also has the right to make a decision to amend the financial statements.

Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), in accordance with the IAS and IFRS standards and SIC and IFRIC interpretations effective on 31 December 2014. International Financial Reporting Standards are standards and interpretations adopted for application in the European Union in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and Council. The notes to the consolidated financial statements are also in accordance with the Finnish Accounting Act and Ordinance and the Limited Liability Companies Act complementing the IFRSs.

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

The financial statements are presented in thousands of euro.

As from 1 January 2014 the Group has applied the following amendments to standards that did not have a significant impact on the consolidated financial statements:

- IFRS 10 Consolidated Financial Statements and subsequent amendments (in the EU effective for financial years beginning on or after 1 January 2014): IFRS 10 builds on existing principles by identifying the concept of control as the determining factor when deciding whether an entity should be incorporated within the consolidated financial statements. The standard also provides additional guidance to assist in the determination of control where this is difficult to assess.
- IFRS 12 Disclosures of Interests in Other Entities and subsequent amendments (in the EU effective for financial years beginning on or after 1 January 2014): IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including associates, joint arrangements, structured entities and other off-balance sheet vehicles.
- Amendments to IAS 36 Impairment of Assets (effective for financial years beginning on or after 1 January 2014): The objective of the amendments is to clarify that the scope of the disclosures

of information about the recoverable amount of assets, where that amount is based on fair value less costs of disposal, is limited to impaired assets.

Principles of consolidation

Subsidiaries

The consolidated financial statements include the financial statements of Nurminen Logistics Plc and those of all its subsidiaries. The subsidiaries are entities controlled by the parent company. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries acquired are included in the consolidated financial statements from the acquisition date that control commences until the date that control ceases.

Acquired subsidiaries are accounted for by using the acquisition method. The consideration transferred, identifiable assets and liabilities assumed of the acquired entity and are measured at their fair values at the acquisition date. Goodwill arising on an acquisition is recognised as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interests and previously held equity interests in the acquiree, over the Group's share of the fair value of the net assets acquired at the acquisition date.

The consideration transferred includes any assets transferred by the acquirer, liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer, measured at fair value. Any contingent consideration related to the business combination is measured at fair value at the acquisition date and it is classified as either liability or equity. Contingent consideration classified as liability is remeasured at its fair value at each balance sheet date and the subsequent changes to fair value are recognised in profit or loss. Contingent consideration classified as equity is not subsequently remeasured. The consideration transferred does not include any transactions accounted for separately from the acquisition, which are treated in conjunction with the acquisition in profit or loss. All acquisition-related costs, with the exception for costs to issue debt or equity securities, are expensed in the periods in which costs are incurred and services rendered.

All intra-group transactions, receivables and liabilities as well as unrealised gains and profit distribution are eliminated in the consolidation. Non-controlling interests are presented as a separate item under equity.

Non-controlling interests

Any non-controlling interest in the acquiree is measured on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Changes in the parent company's ownership interest in a subsidiary are accounted for as equity transactions if the parent company retains control over the subsidiary.

The result for the financial year and items recognised in other comprehensive income are allocated to the equity holders of the parent company and non-controlling interests. Total comprehensive income is allocated to the equity holders of the parent company and non-controlling interests, even if that results in a deficit balance, unless non-controlling interests have an exemption not to meet obligations which exceed non-controlling interests' investment. Equity attributable to the non-controlling interest is

presented separately under equity in the consolidated balance sheet.

Associates

Associates are companies in which the Group has significant influence. Significant influence generally arises when the Group holds 20 to 50 per cent of a company's voting power or the Group otherwise has significant influence but not power to govern the financial and operating policies of an entity. Associates are consolidated using the equity method. When the Group's share of an associate's losses exceeds the carrying amount of the interest, the interest is recognised at zero value in the balance sheet and recognition of further losses is discontinued, except to the extent that the Group has committed to settle the associate's obligations. The interest in an associate includes goodwill arisen on acquisition. Unrealised gains resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate. The Group's share of an associate's result for the financial year is disclosed separately after financial items in the consolidated statement of comprehensive income.

Foreign currency transactions

Items included in the financial statements of each subsidiary in the Group are determined using the currency reflecting the primary economic environment of that subsidiary ("the functional currency"). The consolidated financial statements are prepared in euro which is the functional and presentation currency of the parent company and the presentation currency of the consolidated financial statements.

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

In preparation of consolidated financial statements income and expenses for the income statements and for the statements of comprehensive income of those foreign Group companies, whose functional currency is not euro, are translated into euro by using the average exchange rate for the financial year and the balance sheets are translated at the exchange rate at the balance sheet date. Translation differences arising from such translation are recognised in equity. Retranslating the result and the total comprehensive income for the financial year using different exchange rates for the statement of comprehensive income and for the balance sheet causes a translation difference recognized in Group's equity, the change in this translation difference is recognized under other comprehensive income. Respectively, foreign currency differences arising from the elimination of the costs of foreign subsidiaries, and from the retranslation of post-combination equity components in subsequent periods, are recognised in other comprehensive income. When a foreign operation is sold or is otherwise disposed of, in part or in full, the accumulated foreign currency differences are recognised in the statement of comprehensive income as part of the gain or loss on sale for the disposed part.

The intra-group loan denominated in Russian Rouble has been accounted for as an internal loan. The foreign currency differences arisen from this loan are recognized in financial income and expenses in the consolidated financial statements. Treatment of the loan as an net investment has ended in May 2013.

Property, plant and equipment

Items of property, plant and equipment are carried at historical cost less accumulated depreciation and impairment losses. The cost includes all expenditure directly attributable to the acquisition of the asset. The borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the carrying amount of the asset. Subsequent costs are recognized in the carrying amount of the item only if it is probable that future economic benefits associated with the asset will flow to the Group and its cost can be measured reliably. Other repair and maintenance costs are expensed as incurred.

Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives, which are the following:

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

The cost of the rolling stock is allocated separately to wheels, bogie and other parts of the wagon (=component depreciation).

Land is not depreciated. Recognition of depreciation on an item of property, plant and equipment is discontinued when the item is classified as held for sale.

Useful lives and residual values are reviewed at every balance sheet date. Changes in the future economic benefits to be received from the items of property, plant and equipment are accounted for by adjusting the useful lives and residual values of the items in question. Gains and losses arising from sale and disposal of property, plant and equipment are included in other operating income or in other operating expenses.

Intangible assets

Goodwill

Goodwill arising on business combinations is recognized as the excess of the aggregate of the consideration transferred, the amount of non-controlling interest in the acquiree and the value of any previously held equity interest over the fair value of the acquired net assets.

Goodwill is not amortised but it is tested at least annually for impairment. Goodwill is carried at historical cost less accumulated impairment losses.

Research and development costs

Research costs are expensed in the financial year in which they are incurred. Development costs are capitalised when certain criteria are met. Due to the nature of its operations the company did not have separate research and development costs in its income statement in 2014 and 2013.

Other intangible assets

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

An intangible asset is measured at historical cost less amortisation and any impairment losses. Group's intangible assets include

mainly IT software which is amortised on a straight-line basis over 3 to 5 years.

Impairment of intangible assets and property, plant and equipment

The Group assesses, at every balance sheet date, if there are any indications of impairment of property, plant and equipment or intangible assets. In case such indications exist, the asset's recoverable amount is estimated. If the carrying amount of an asset exceeds its recoverable amount, the impairment loss is recognised in the income statement. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

As to goodwill, the recoverable amount is estimated at least annually irrespective of whether indications of impairment exist. Impairment is assessed at a cash-generating unit level, i.e. at the lowest level for which there are separately identifiable, mainly independent cash flows. In impairment testing of goodwill the recoverable amount is based on value in use, i.e. on the estimated discounted future net cash flows.

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

Financial instruments

Financial assets

The financial assets of Nurminen Logistics are classified to the following categories: financial assets at fair value through profit or loss and loans and receivables. The classification is made based on their purpose of use upon initial recognition. The basis of classification is reassessed at each reporting date. For financial assets not carried at fair value through profit or loss, transaction costs are included in the initial carrying amounts. Purchases and sales of financial instruments are accounted for at settlement date. Fair values of financial instruments are determined by discounting their cash flows.

Financial assets are derecognised when the Group loses the rights to receive the contractual cash flows on the financial asset or it transfers substantially all the risks and rewards of ownership outside the Group.

At the end of the reporting period, the Group estimates whether there is objective evidence on impairment of items other than financial assets measured at fair value through profit or loss. A financial asset is assumed to be impaired if there is objective evidence on impairment and the effect on the estimated future cash flows to be generated by the financial assets can be reliably measured. Objective evidence on impairment may be e.g. a significant deterioration in the counterparty's results or a contract breach by the debtor. An impairment loss is recognised immediately either in other operating expenses or in financial items, depending on the item in question.

Financial assets at fair value through profit or loss

This category includes those derivatives that do not qualify for hedge accounting, and they are classified as held-for-trading instruments. The financial assets in this category are initially measured at fair value and are subsequently re-measured at their fair values. Gains and losses arising from fair value adjustments, both unrealised and realised, are recognised in profit or loss in the period in which they occur.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active markets. Loans and receivables arise when the Group gives out a loan or delivers goods or services directly to a debtor. They are included in Trade and other receivables in the balance sheet, either in current or non-current items, based on their nature.

Loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment losses. Loans and receivables are included in non-current assets, unless their maturity is less than 12 months from the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank accounts as well as highly liquid investments with original maturities of three months or less at the acquisition date.

Financial liabilities

The financial liabilities of Nurminen Logistics are classified to the following categories: financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost (other financial liabilities). The former category includes derivatives entered into by the Group, to which hedge accounting is not applied and that are not financial guarantee contracts. They are classified as held-for-trading instruments. The financial liabilities in this category are initially measured at fair value and are subsequently re-measured at their fair values. Gains and losses arising from derivatives' fair value changes, both unrealised and realised, are recognised in profit or loss in the period in which they occur. Fair values are determined by discounting the instruments' cash flows.

Other financial liabilities, which mainly consist of Group's finance lease liabilities, are measured at fair value upon initial recognition. Transaction costs are included in the original carrying amount. Subsequently other financial liabilities are measured at amortised cost using the effective interest rate method.

A financial liability is classified as current if the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. A financial liability (or part of the liability) is not derecognised until the liability has ceased to exist, that is, when the obligation identified in a contract has been fulfilled or cancelled or is no longer effective.

Revenue recognition principles

Revenue from the sale of services is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably. Revenue from transports by road is recognised at the point when goods are loaded to be transported. Revenues from other business operations are recognised when the transportation crosses the border. Revenue from short-term warehousing services is recognised at the point when goods stored in the Group's premises are forwarded. Revenue from long-term warehousing is accounted for as rental income and it is recognised on a straight-line basis over the period of warehousing.

Employee benefits

Pension arrangements

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

Share-based payments

Such arrangements in which the Group has granted its employees a right to a future cash payment by granting the employees a right to shares that are redeemable, either at the Group's or an employee's demand, are accounted for as cash-settled share-based payments. The liability arising from such arrangement is remeasured at fair value at each reporting date and at the settlement date and the changes in fair value are recognised in profit or loss in the period in which the changes occur. The benefits granted in this arrangement are measured at fair value at their grant date and expensed on a straight-line basis over the vesting period.

Income taxes

The income tax expense in the statement of comprehensive income comprises the current tax, adjustments to previous periods' taxes as well as changes in deferred taxes. Income taxes are recognised in profit or loss except when they relate to other comprehensive income or equity, while income taxes are recognised within the respective items. Current tax is calculated based on taxable income using tax rates enacted in each country.

Deferred tax assets and deferred tax liabilities are calculated for temporary differences between the amounts of assets and liabilities used for taxation purposes and the carrying amounts for financial reporting purposes under IFRSs. The principal temporary differences arise from financial instruments measured at fair value through profit or loss and depreciation related to component accounting. Deferred taxes are measured at the tax rate that has been enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax liabilities are recognised in the statement of financial position in full.

Leases

Leases, in which the Group is a lessee, are classified as finance leases if the risks and rewards of ownership are substantially transferred. Leases are classified at the inception of the lease. The leased items are recognised at the lower of fair value of the leased asset and the present value of minimum lease payments as an item of property, plant and equipment and as a financial liability. The item of property, plant and equipment is depreciated over the shorter of its useful life and the lease term. Payable lease rentals are divided into interest expense recognised in profit or loss and reduction of the financial liability.

Leases are classified as operating leases if the risks and rewards incidental to ownership have not been substantially transferred. Lease rentals payable under operating leases are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Sale and leaseback

If a sale and leaseback arrangement results in a finance lease, the gain on the sale of the asset leased back is recognised as a liability and amortised over the lease term. If a sale and leaseback arrangement results in an operating lease and the sale is established at fair value, any profit or loss is recognised immediately.

Operating profit

The operating profit is the total of sales and other operating income from which expenses for material and services, employee benefits and other operating expenses as well as depreciation, amortisation and impairment losses on non-current assets are subtracted.

Foreign currency differences arising from working capital items are included in the operating result, whereas foreign currency differences from financial assets and financial liabilities are included in financial income and expenses.

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

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

In business combinations fair values of the items of property, plant and equipment and intangible assets are estimated and the depreciation and amortisation periods for the assets are determined. The determination of fair value of intangible assets is based on estimates about future cash flows to be generated by these assets.

Goodwill is tested for impairment annually. The recoverable amounts of the cash-generating units are determined based on value in use. The preparation of these calculations requires use of estimates. In calculation of value in use estimates are made about future cash flows and discount rate to be used. Estimates are based on budgets and forecasts, which contain some degree of uncertainty.

Due to uncertainty regarding use of confirmed losses the Group has not recorded deferred tax assets in the consolidated balance sheet.

Property, plant and equipment as well as intangible assets are reviewed annually as to whether any indications exist that these assets might be impaired. If indications exist, the asset's recoverable amount is estimated.

Items of property, plant and equipment as well as intangible assets are depreciated and amortised over their estimated useful lives. The useful lives are reviewed regularly.

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

Estimates and underlying assumptions are reviewed continuously. The realisation of estimates and assumptions and the changes in underlying factors are reviewed regularly by using both external and internal sources of information. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only the period in question. If the revision to accounting estimate affects both the period in which the estimate is revised and future periods the revision is recognised respectively in the period in question and in future periods.

Application of new and revised IFRS standards

The IASB has published the following new or revised standards and interpretations that the Group has not yet applied. The Group will adopt these standards as of the effective date of each of the standards, or if the effective date is not the first day of the financial year, as of the beginning of the next financial year following the effective date. These standards are not expected to have a significant impact on the consolidated financial statements.

* = not yet endorsed for use by the European Union as of 31 December 2014.

- Amendment to IAS 1 Presentation of Financial Statements: Disclosure Initiative* (effective for financial years beginning on or after 1 January 2016). The amendments are designed to encourage companies to apply judgement in determining what information to disclose in the financial statements. For example, the amendments clarify the application of the materiality concept and judgement when determining where and in what order information is presented in the financial disclosures.

- Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation* (effective for financial years beginning on or after 1 January 2016): The amendments clarify IAS 16 and IAS 38 that revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in limited circumstances to amortise intangible assets.

- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective for financial years beginning on or after 1 January 2016): The amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

- Amendments to IFRS 11 Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations* (effective for financial years beginning on or after 1 January 2016): The amendments add new guidance to IFRS 11 on how to account for the acquisition of an interest in a joint operation that constitutes a business, i.e. business combination accounting is required to be applied.

- New IFRS 15 Revenue from Contracts with Customers* (effective for financial years beginning on or after 1 January 2017): IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. Under IFRS 15 an entity shall recognise revenue in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

- New IFRS 9 Financial Instruments* (effective for financial years beginning on or after 1 January 2018): IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

- Annual Improvements to IFRSs, 2012-2014 cycle*) (effective for financial years beginning on or after 1 January 2016): The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRSs to be grouped together and issued in one package annually. The amendments cover in four standards.

Other, here not listed revised standards or interpretations are not expected to have an impact on the consolidated financial statements.

2. SEGMENT INFORMATION

Group’s segment information is reported in a manner consistent with the internal reporting. The accounting principles applied are the same as those used to prepare the financial statements. Segment’s performance is measured based on the operating result.

The Group’s segment operates in Finland, Russia and Baltic countries. The net sales for the geographical areas are presented based on the geographical location of the Group. The non-current assets are presented based on the geographical location of the assets.

Nurminen Logistics announced on 8 November 2013 it will merge the Transit Logistics business unit into the Forwarding and Value Added Services business unit. As of 1 January 2014, Nurminen Logistics reports on three business units: Railway Logistics, Special Transports and Projects and Forwarding and Value Added Services.

The 2013 comparative information is shown by the new business units.

Operating segments

1 000 EUR	Railway Logistics	Special Transports and Projects	Forwarding and Value Added Services	Eliminations	Total
2014					
External net sales	17 868	7 411	27 495		52 774
Internal net sales	67	383	283	-734	0
Total net sales	17 935	7 794	27 778	-734	52 774
Operating result	2 686	163	-1 521		1 328
2013					
External net sales	29 413	8 521	25 910	0	63 844
Internal net sales	-8	353	185	-530	0
Total net sales	29 405	8 874	26 095	-530	63 844
Operating result	5 276	-142	-4 918	0	216

Information on geographical areas

1 000 EUR	Finland	Russia	Baltic countries	Total
2014				
Net sales	40 109	10 326	2 338	52 774
Non-current assets	21 032	12 323	39	33 394
2013				
Net sales	49 295	12 796	1 754	63 844
Non-current assets	22 015	19 698	121	41 834

Information on major customers

Revenue from a single customer didn’t exceed 10 % of Group’s net sales in 2014
Revenue from a single customer didn’t exceed 10 % of Group’s net sales in 2013

3. OTHER OPERATING INCOME

1 000 EUR	2014	2013
Gains from sale of property, plant and equipment	352	1 786
Rent income	0	7
Other items	113	41
Total	465	1 834

4. OTHER OPERATING EXPENSES

1 000 EUR	2014	2013
Losses on sales and disposals of property, plant and equipment	332	103
Expenses relating to premises	7 794	8 207
Administrative expenses	4 514	5 971
Other cost items	1 173	3 848
Total	13 813	18 129

Administrative expenses includes non-recurring expenses EUR 0 thousand in 2014 (EUR 302 thousand in 2013)

Auditor fees

1 000 EUR	2014	2013
Audit fees	73	67
Other services	3	45
Total	76	112

5. EMPLOYEE BENEFIT EXPENSES

1 000 EUR	2014	2013
Wages and salaries	9 073	11 861
Pension expenses, defined contribution plans	1 594	2 070
Other social security costs	399	585
Share-based payments	80	90
Total	11 146	14 606

Employee benefits includes non-recurring expenses EUR 155 thousand in 2014 (EUR 1 064 thousand in 2013)

Information on the management remuneration is presented in note 27. Related party transactions.

Information on the share-based payments is presented in note 21. Share-based payments.

Personnel of the Group during the year in average

	2014	2013
Railway Logistics	49	101
Special Transports and Projects	23	23
Forwarding and Value Added Services	153	132
Administration	16	21
Total	241	277

6. DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

Depreciation and amortisation by asset category:

1 000 EUR	2014	2013
Intangible assets		
Intangible rights	11	19
Other intangible assets	197	299
Total	208	318
Property, plant and equipment		
Buildings	612	607
Machinery and equipment	1 495	2 573
Other tangible assets	36	40
Total	2 142	3 220

The Group has not recognised impairment losses in the financial year 2014 or 2013.

7. FINANCIAL INCOME AND EXPENSES

1 000 EUR	2014	2013
Financial income		
Interest income	1	1
Exchange rate gains	82	53
Total financial income	83	55
Financial expenses		
Interest expenses	1 308	1 524
Exchange rate losses	1 556	1 246
Other financial expenses	433	675
Total financial expenses	3 298	3 444

Items above the operating profit include exchange rate differences totalling EUR +2 652 thousand in 2014 (EUR +671 thousand in 2013). Other financial expenses include a non-recurring debt arrangement cost of EUR 332 thousand in 2013

8. INCOME TAX EXPENSE

The income tax expense in the statement of comprehensive income consists of the following:

1 000 EUR	2014	2013
Current tax expense	359	885
Adjustment for prior periods' taxes	0	66
Deferred taxes, net	37	-52
Total	396	899

1 000 EUR	2014	2013
Profit before income tax	-1 945	-3 048
Income tax calculated using the Finnish corporate tax rate	-389	-747
Effect of tax rates used in foreign subsidiaries	-21	-112
Tax exempt income	0	0
Share of profit equity-accounted investees	-11	31
Non-deductible expenses	-10	-14
Usage of prior unrecognised tax assets on losses	0	-2
Unrecognised deferred tax assets on losses	1 020	1 764
Effect of change in Finnish corporate tax rate	0	307
Adjustment for prior periods' taxes	0	66
Other differences	-192	-393
Total adjustments	785	1 646
Verot tuloslaskelmassa	396	899

9. EARNINGS PER SHARE

	2014	2013
Result attributable to the equity holders of the parent company (1 000 EUR)	-2 793	-4 149
Weighted average number of shares, undiluted	13 030 762	13 002 492
Earnings per share, undiluted, euro	-0,21	-0,32
Result attributable to the equity holders of the parent company (1 000 EUR)	-2 793	-4 149
Effect of share bonus scheme, number of shares	0	0
Weighted average number of shares, diluted	13 030 762	13 002 492
Earnings per share, diluted, euro	-0,21	-0,32

10. INTERESTS IN OTHER ENTITIES

Group has following 3 subsidiaries with material non-controlling interests.

Name	Business Segment	Country of incorporation	Group ownership (%)	Group share of voting rights (%)
Nurminen Maritime Latvia SIA	Forwarding and Value Added Services	Latvia	51,0 %	51,0 %
UAB Nurminen Maritime	Forwarding and Value Added Services	Lietuv	51,0 %	51,0 %
Nurminen Maritime Eesti AS	Forwarding and Value Added Services	Eesti	51,0 %	51,0 %

The following is summarised financial information for the subsidiaries with material non-controlling interests. The information is before inter-company eliminations with other companies in the Group.

	Nurminen Maritime Latvia SIA		UAB Nurminen Maritime		Nurminen Maritime Eesti AS	
1 000 EUR	2014	2013	2014	2013	2014	2013
Summary of comprehensive income statements						
Net sales	1 017	1 047	6 713	5 138	698	1 266
Profit before taxes	386	471	765	427	-53	85
Income tax	-53	-56	-120	-65	0	-125
Other comprehensive income	0	0	0	0	0	0
Total comprehensive income	332	414	644	362	-53	-40
Total comprehensive income attributable to NCI	163	203	316	178	-26	-20
Summary of balance sheets						
Current assets	1 000	1 000	1 241	1 019	134	236
Non-current assets	25	38	52	68	9	12
Current liabilities	505	432	578	638	68	120
Non-current liabilities	10	13	15	32	0	0
Net assets	511	593	699	417	74	127
Net assets attributable to NCI	250	290	343	204	36	62
Summary of cash flows						
Cash flow from operating activities	-117	744	573	233	-86	209
Cash flow from investing activities	57	691	-3	-4	-3	-4
Cash flow from financing activities	0	-2 335	-378	-726	3	-594
Net increase in cash and cash equivalents	-60	-900	192	-497	-86	-389
Dividends paid to NCI during the year	0	1 144	178	356	0	230

11. PROPERTY, PLANT AND EQUIPMENT

1 000 EUR	Land and water areas	Buildings	Machinery and equipment	Other tangible assets	Pre-payments and assets under construction	Total
2014						
Cost at 1 January	147	17 744	32 657	671	9	51 228
Additions			339	40		379
Disposals		-34	-670		-9	-714
Effect of movements in exchange rates		-339	-10 019			-10 358
Cost at 31 December	147	17 371	22 306	711	0	40 534
Accumulated depreciation and impairment losses at 1 January	0	-2 989	-16 138	-608	0	-19 735
Depreciation for the year		-610	-1 131	-36		-1 777
Accumulated depreciation on disposals		27	151			178
Effect of movements in exchange rates		25	4 125			4 150
Accumulated depreciation and impairment losses at 31 December	0	-3 547	-12 993	-644	0	-17 184
Carrying amount at 1 January 2014	147	14 754	16 519	63	9	31 491
Carrying amount at 31 December 2014	147	13 824	9 314	66	0	23 351
2013						
Cost at 1 January	147	17 831	38 572	659	382	57 591
Additions		29	352	12		393
Disposals			-2 709		-335	-3 044
Effect of movements in exchange rates		-115	-3 559		-38	-3 712
Cost at 31 December	147	17 744	32 657	671	9	51 228
Accumulated depreciation and impairment losses at 1 January	0	-2 393	-15 891	-569	0	-18 853
Depreciation for the year		-607	-2 573	-40		-3 220
Accumulated depreciation on disposals			1 006			1 006
Effect of movements in exchange rates		11	1 320	1		1 332
Accumulated depreciation and impairment losses at 31 December	0	-2 989	-16 138	-608	0	-19 735
Carrying amount at 1 January 2013	147	15 438	22 681	90	382	38 738
Carrying amount at 31 December 2013	147	14 754	16 519	63	9	31 491

Assets acquired under finance leases

In 2009 Nurminen Logistics sold its properties in Kotka, Luumäki, Vainikkala, Niirala and Jyväskylä to Ilmarinen Mutual Pension Insurance Company. The selling price was approximately EUR 15 million. Nurminen Logistics continues its operations as a leaseholder in the above mentioned properties on a ten-year lease. Nurminen Logistics Plc has committed to repurchase the properties from Ilmarinen after the lease term.

1 000 EUR	Machinery and equipment	Buildings	Total
2014			
Cost at 1 January	1 780	15 424	17 205
Additions	74		74
Disposals			0
Cost at 31 December	1 855	15 424	17 280
Accumulated depreciation and impairment losses at 1 January	-1 522	-2 134	-3 656
Depreciation for the year	-148	-513	-661
Accumulated depreciation on disposals			0
Accumulated depreciation and impairment losses at 31 December	-1 670	-2 647	-4 317
Carrying amount at 31 December	185	12 778	12 963
2013			
Cost at 1 January	1 865	15 424	17 289
Additions	100		100
Disposals	-184		-184
Cost at 31 December	1 780	15 424	17 205
Accumulated depreciation and impairment losses at 1 January	-1 445	-1 621	-3 065
Depreciation for the year	-261	-513	-774
Accumulated depreciation on disposals	184		184
Accumulated depreciation and impairment losses at 31 December	-1 522	-2 134	-3 656
Carrying amount at 31 December	259	13 291	13 549

12. INTANGIBLE ASSETS

1 000 EUR	Goodwill	Intangible rights	Other intangible assets	Total
2014				
Cost at 1 January	9 516	839	3 187	13 542
Additions		6	26	32
Cost at 31 December	9 516	846	3 212	13 574
Accumulated amortisation and impairment losses at 1 January	0	-805	-2 691	-3 496
Amortisation for the year		-11	-197	-208
Accumulated amortisation and impairment losses at 31 December	0	-816	-2 888	-3 704
Carrying amount at 1 January 2014	9 516	35	496	10 046
Carrying amount at 31 December 2014	9 516	29	324	9 870
2013				
Cost at 1 January	9 516	835	3 165	13 516
Additions		14	22	36
Transfer from property, plant and equipment		-10		0
Cost at 31 December	9 516	839	3 187	13 542
Accumulated amortisation and impairment losses at 1 January	0	-795	-2 392	-3 187
Amortisation for the year		-19	-299	-318
Accumulated amortisation and impairment losses at 31 December		9		9
Kertyneet poistot ja arvonalentumiset 31.12.	0	-805	-2 691	-3 496
Carrying amount at 1 January 2013	9 516	40	773	10 329
Carrying amount at 31 December 2013	9 516	35	496	10 046

Information on goodwill impairment testing is provided in note 14. Impairment of assets.

13. CARRYING AMOUNTS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

1 000 EUR	Note	Loans and receivables	Liabilities measured at amortised cost	Carrying amounts in the balance sheet
2014				
Non-current financial assets				
Other receivables	16	35		35
Current financial assets				
Trade and other receivables	18	6 824		6 824
Cash and cash equivalents	19	1 530		1 530
Non-current financial liabilities				
Interest-bearing liabilities	22		13 200	13 200
Current financial liabilities				
Interest-bearing liabilities	22		8 592	8 592
Trade payables	23		5 993	5 993
2013				
Non-current financial assets				
Other receivables	16	35		35
Current financial assets				
Trade and other receivables	18	6 663		6 663
Cash and cash equivalents	19	3 553		3 553
Non-current financial liabilities				
Interest-bearing liabilities	22		14 849	14 849
Current financial liabilities				
Interest-bearing liabilities	22		8 902	8 902
Trade payables	23		5 491	5 491

The carrying amounts of these financial assets and financial liabilities are in essentially equivalent to their fair values and are classified to tier 2 on the fair value hierarchy.

14. IMPAIRMENT OF ASSETS

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

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

Goodwill is allocated for cash generating units (CGUs) for impairment testing. The CGUs are the three business units Nurminen Logistics Plc Group reports starting from 1.1.2014: Railway Logistics, Special Transports and Projects, and Forwarding and Value Added Services. The Forwarding and Value Added Services and Transit Logistics were merged into one segment at 1.1.2014. These business units represent the lowest level at which the goodwill is monitored for internal management purposes. Goodwill is allocated to business units based on their fair values.

Goodwill by CGUs

1 000 EUR	Railway Logistics	Special Transports and Projects	Forwarding and Value Added Services	Total
	6 283	2 842	391	9 516

Indications of possible impairment of assets are reviewed regularly, based on indicators from the Group's internal and external information sources. Such indicators may be, for example, unexpected discrepancies in key assumptions used in the calculations discovered in Group reporting. In addition, indicators may also be changes in competition or other conditions prevailing in the market or new authority regulations affecting different industries or matters concerning service concession. During the years 2014 and 2013 there have not been any indicators that would have led to impairment testing of assets.

The impairment testing calculations are based on, by management approved budgets for 2015 and estimates concerning the future cash flows, covering a five-year period. The estimated cash flows beyond the five-year period (terminal value) are determined by using long-term growth estimates.

The most important assumptions in the calculations are sales growth expectations, cost development, discount rate, and terminal value. The increase of sales is expected to be generated from Russia and its neighbouring areas. The market demand in Finland is expected to develop moderately. The Group's medium-term assumptions are uniform with external professionals' estimates. The company's long-term goal is to grow at a faster rate than the market. The volume growth is boosted by the rolling stock and special transport equipment acquired by the Group as well as by the investments in the local terminals in central areas.

The cash flow is estimated to develop according to the Group's medium-term growth and profitability expectations in the next five years. The terminal value is based on a cash flow growth of 2 % in all CGUs. The assumptions are based on the positive development in Russia and its neighbouring areas which are essential for the Group as well as carried out efficiency improving operations.

The discount rate is defined separately for every CGU. It is based on their pre-tax weighted average cost of capital. The discount rates before taxes for the CGUs are the following: Forwarding and Value Added Services 9.1 %, Railway Logistics 13.3 % and Special Transports and Projects 9.0 %. In determining the discount rate the market risks and capital intensiveness relating to these businesses have been taken into account. The cost of equity that affects to the discount rate is in line with the Group's long term objectives of return on equity. The discount rates for the CGUs were the following in 2013:Forwarding and Value Added Services 9.1 %, Railway Logistics 13.2 % and Special Transports and Projects 9.0 %.

In impairment testing the essential assumptions have been tested. The management considers that there are no grounds for an impairment loss. In Forwarding and Value Added Services an increase of 4.3 percentage points in the discount rate would not lead to recognition of an impairment loss when it comes to the calculations for the year 2014. If the terminal value growth was 2 percentage points lower (being 0 %), the increase in the discount rate could be 3.0 % percentage points respectively. The cash flow could be 41 % lower in every year covered in calculations.

In Railway Logistics an increase of 4.0 percentage points in the discount rate would not lead to recognition of an impairment loss when it comes to the calculations for the year 2014. If the terminal value growth was 2 percentage points lower (being 0 %), the increase in the discount rate could be 2,8 % percentage points respectively. The cash flow could be 71 % lower in every year covered in calculations. In Special Transports and Projects even bigger even bigger changes are possible without recognition of an impairment loss.

15. EQUITY-ACCOUNTED INVESTEEES

1 000 EUR	2013	2013
At 1 January	295	389
Share of profit / loss for the year	-58	126
Dividends	-65	-220
Translation differences / other changes	1	1
At 31 December	173	295

The equity-accounted investees (listed below) are not material for Group

	Domicile	Ownership (%)
Pelkolan Terminaali Oy	Lappeenranta	20,0
Team Lines Latvia SIA	Riga	23,0
Team Lines Estonia Oü	Tallinn	20,3

16. NON-CURRENT RECEIVABLES

1 000 EUR	2014	2013
Other receivables	35	35
Total	35	35

17. DEFERRED TAX ASSETS AND LIABILITIES

The Finnish corporate tax rate is 20,0 % starting from 1 January 2014 and prior to that 24,5 %.

1 000 EUR	1 Jan 2014	Recognised in the income statement	Exchange rate differences	31 Dec 2014
Movements in deferred taxes during year 2014:				
Deferred tax assets:				
Component depreciation and sales profit of spare parts	926	39	-357	608
Total	926	39	-357	608
Deferred tax liabilities:				
Cumulative depreciation and amortisation difference	1	32		33
Timing differences and temporary differences / reversal of deductible goodwill amortisation	271	6		302
Other items	79	38		124
Total	350	76	0	426

1 000 EUR	1 Jan 2013	Recognised in the income statement	Exchange rate differences	31 Dec 2013
Movements in deferred taxes during year 2013:				
Deferred tax assets:				
Component depreciation				
Total	1 068	-24	-118	926
	1 068	-24	-118	926
Deferred tax liabilities:				
Cumulative depreciation and amortisation difference	1	0		1
Timing differences and temporary differences / reversal of deductible goodwill amortisation	324	-54		271
Other items	105	-19	-7	79
Total	431	-73	-7	350

1 000 EUR	2014	2013
Deferred taxes		
Losses of Group companies from previous financial years	17 925	13 945
Confirmed losses expires in 2020-2022		
Deferred tax assets on losses from previous financial years	3 585	2 789

In addition the Group has approximately EUR 2 174 thousand of unrecognised deferred tax assets, relating to deductible goodwill from internal reorganisations. Deferred tax assets have not been recognised in the Consolidated Statement of Financial Position, based on management's judgement.

18. TRADE AND OTHER RECEIVABLES

1 000 EUR	2014	2013
Trade receivables	5 355	5 905
Prepaid expenses and accrued income	2 825	3 358
VAT receivables	859	1 024
Other receivables	609	759
Total	9 648	11 045
Trade and other receivables in currencies		
Euro	8 631	7 873
US Dollar	455	514
Russian Rouble	562	2 658
	9 648	11 045

The most significant item under prepaid expenses and accrued income, EUR 1 397 thousand in 2014 (EUR 1 584 thousand in 2013), consists of services rendered at the balance sheet date but yet not invoiced from the customers.

The Group has recognised credit losses amounting to EUR 21 thousand in 2013 (EUR 126 thousand in 2012).

The carrying amounts of current receivables best represent the maximum exposure to credit risk, excluding fair value of any collaterals, in the case other party to an agreement fail to discharge an obligation concerning financial instruments. Trade and other receivables do not contain any significant concentrations of credit risk. The carrying amounts of trade and other current receivables are in essentially equivalent to their fair values.

19. CASH AND CASH EQUIVALENTS

1 000 EUR	2014	2013
Cash and bank balances	1 530	3 553
Cash and cash equivalents in the balance sheet	1 530	3 553

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

20. EQUITY DISCLOSURES

The Board members of the parent company review the capital structure and gearing of the Group on regular basis. No target has been set for the gearing, but the Board of the parent company may take measures, if development of the gearing is unfavourable. Gearing calculated from the consolidated statement of financial position of the Group was 189,9 % in the end of 2014 and 96,7 % in the end of 2013.

	Number of shares	Share capital, thousands of euro	Share premium reserve, thousands of euro	Legal reserve, thousands of euro	Reserve for invested unrestricted equity, thousands of euro
31 December 2011	12 904 728	4 215	86	2 378	18 158
Share-based payments	108 009				
Repayments of equity					-1 031
31 December 2012	13 012 737	4 215	86	2 378	17 127
Directed issue	45 005				63
Repayments of equity					
31 December 2013	13 057 742	4 215	86	2 378	17 190

The company's shares have no nominal value.

The maximum share capital of the company is EUR 4 215 thousand

Reserves included in equity

Share premium reserve: The share premium reserve comprises both share issue gains arisen in the years 1997-2006, less transaction costs, as well as gains from sales of own shares.

Legal reserve: The share issue gains accrued from those share issues carried out before the entry into force of the Finnish Limited Liability Companies Act, i.e. prior to 1 September 2006, have been recognised in the legal reserve.

Reserve for invested unrestricted equity: The reserve for invested unrestricted equity comprises the share issue gains arisen from the directed share issue subscribed as at 1 January 2008.

21. SHARE-BASED PAYMENTS

The Board of Directors of Nurminen Logistics Plc has on 13 January 2014 decided, by virtue of an authorization granted by the Annual General Meeting of Nurminen Logistics Plc held on 15 April 2013, to issue stock options to the key employees of the Company and its subsidiaries. The stock options shall be issued gratuitously to the key employees of the Group. The purpose of the stock options is to encourage the key employees to work on a long-term basis to increase shareholder value and to commit the key employees to the employer.

The Board of Directors has set the target for the options to be positive net result of the Group. The maximum total number of stock options issued is 1,500,000, and they entitle their owners to subscribe for a maximum total of 1,500,000 new shares in the Company or existing shares held by the Company. The Share subscription price of the stock options 2014 is EUR 1.60 per share. Shares subscribed for and fully paid shall be registered on the book-entry account of the subscriber.

The Share subscription period shall be

- for stock option 2014A 1 April 2015—31 March 2018
- for stock option 2014B 1 April 2016—31 March 2018
- for stock option 2014C 1 April 2017—31 March 2018.

The Share subscription period for stock options 2014A shall begin only if the Group’s net result for the financial year 2014 is positive. The Share subscription period for stock options 2014B shall begin only if the Group’s net results for the financial year 2014 and for the financial year 2015 are positive. The Share subscription period for stock options 2014C shall begin only if the Group’s net results for the financial year 2014 and for the financial year 2015 as well as for the financial year 2016 are positive. In case employment contract of a key person shall terminate during option period, such person shall, without delay, forfeit to the Company or its designate, without compensation, such stock options that the Board of Directors has distributed to him or her at its discretion.

There was no expenses from stock options in 2014.

In 2014 there was a total of 45,005 new shares subscribed in the personnel share issue totalling EUR 63 447,05.

22. FINANCIAL LIABILITIES

1 000 EUR	2014	2013
Non-current		
Loans from financial institutions	1 500	2 400
Finance lease liabilities	11 700	12 449
Total	13 200	14 849
Current		
Loans from financial institutions	7 769	8 032
Finance lease liabilities	822	870
Total	8 592	8 902
Interest-bearing liabilities in currencies		
Euro	21 792	23 751
Finance lease liabilities		
Total amount of minimum lease payments		
Less than one year	1 841	1 889
Between one and five years	14 665	7 075
More than five years	0	9 357
Total	16 506	18 321
Future finance expenses	-3 983	-5 002
Present value of minimum lease payments	12 523	13 319
Present value of minimum lease payments are due according to following		
Less than one year	882	870
Between one and five years	11 640	3 652
More than five years	0	8 797
Total	12 523	13 319

23. TRADE PAYABLES AND OTHER LIABILITIES

1 000 EUR	2014	2013
Current		
Trade payables	5 993	5 491
Other liabilities	543	711
Accrued expenses and deferred income	5 394	5 644
Total trade payables and other liabilities	11 930	11 846
Trade payables and other liabilities in currencies		
Euro	11 557	10 964
US Dollar	271	429
Russian Rouble	102	453
	11 930	11 846
Non-current		
Other liabilities	350	561
Total non-current liabilities	350	561

24. FINANCIAL RISK MANAGEMENT

The objective of the Group's risk management is to minimise the adverse effects by the changes in financial markets on the Group's result and equity. The policy for managing financial risks is based on the main principles of finance approved by the Board of Directors. The finance department is responsible for the daily risk management within the limits set by the Board of Directors.

Currency risk

Currency risk arises from foreign currency imports and exports, from the financing of foreign subsidiaries and from translation of subsidiaries' equity in foreign currency.

The Group manages the currency risk inherent in cash flows by keeping foreign currency income and expense cash flows in the same currency, and by matching them simultaneously to the extent possible. If matching is not possible, a part of an open position may be hedged.

Foreign currency transaction risk position can be hedged if the counter value of currency exceeds EUR 500 000. Positions greater than EUR 2 million are hedged 50-110 %. Foreign currency risk of the net translation exposure can be hedged 25-75 %. Instruments used in hedging include forward contracts and plain vanilla options. Exotic options are forbidden. The hedge ratio is considered based on the current economic trends and the predicted currency prospects as well as the functionality of each currency's hedge market. In extraordinary hedging market circumstances the company may deviate from guidelines above.

Currency amounts in bank accounts should be kept as small as possible without disturbing payment transactions. The amount of cash and cash equivalents denominated in foreign currencies may not exceed one per cent of the total of the balance sheet.

Interest rate risk

Interest rate risks to the Group derive mainly through interest-bearing debts. The purpose of the interest rate risk management is to diminish the effect of market interest rate movements on cash flows from financing. Hedging instruments may include forward rate agreements and interest rate futures, interest rate swaps and interest collar agreements.

Liquidity risk

The purpose of liquidity risk management is to ensure sufficient financing in all situations. Funds required for about two weeks' payment transactions will be reserved as a buffer for liquidity of payment transactions. The Group aims to guarantee the availability and flexibility of financing through credit limits and by using a number of financial institutions and financing methods in raising finance. Liquidity remained at a satisfactory level during the review period, but tightened towards the end of the year. The covenants of the Group's loans from financial institutions, namely the ratio of net debt to operating margin and the equity ratio, were breached as of the financial statement date of 31 December 2014. The Group has received a commitment from its creditors confirming that the breach of the covenants will not have any consequences on the Group. Financing negotiations related to the company's continuing business operations will be held in the first quarter. The company's management expects the negotiations to lead to a positive outcome. The company has an credit limit agreement, from which approximately EUR 0,6 million was not in use at 31 December 2014 (EUR 1,7 million in 2013).

Nurminen Logistics has preliminary agreed with its financing banks on a 12-month financial arrangement that will be finalised during the next few weeks. The Group has also launched other actions to improve its financial position.

Credit risk

The objective of credit risk management is to minimise losses which arise from other party neglecting their obligations. The Group manages the counterparty risk based on the customer credit rating and engages in active debt collection, when necessary.

The Group has not applied hedge accounting during 2014 and 2013.

INTEREST RATE RISK

Sensitivity analysis for interest rate risk

In calculating the sensitivity to changes in the interest rate level the following assumptions have been used:

- the change in the interest rate level has been assumed to be +/- 100 bps

Sensitivity analysis for variable interest rate loans

		Income statement 100 bp		Equity 100 bp	
1 000 EUR	31 Dec	increase	decrease	increase	decrease
2014					
Total amount of variable interest rate loans	6 205				
Variable interest rate instruments		-22	22	-	-
Total effect		-22	22	-	-
2013					
Total amount of variable interest rate loans	6 936				
Variable interest rate instruments		-86	86	-	-
Total effect		-86	86	-	-

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

CURRENCY RISK

In calculating the sensitivity to changes in the exchange rate the following assumptions have been used:

- the change in the exchange rate has been assumed to be +/- 10%
- other variables remain constant

		Income statement 10 %		Equity 10 %	
1 000 EUR	Russian Rouble	increase	decrease	increase	decrease
2014					
Total currency items					
Income statement	469 856 050				
Equity	902 472 400				
Total effect		-1 025	838	-1 386	1 134
2013					
Total currency items					
Income statement	203 284 703				
Equity	984 308 523				
Total effect		-534	437	-2 413	1 974

Exchange rates used	Exchange rate for the period		Balance sheet exchange rate	
	2014	2013	2014	2013
Russian Rouble	50,95	42,32	72,34	45,32

LIQUIDITY RISK

The contractual cash flows of loan instalments and interests at 31 December 2014 were the following :

1 000 EUR	1 month	1–3 months	3 months –1 year	1–5 years	5 years –>
Loans from financial institutions	0	6 455	650	1 500	
Finance lease liabilities	88	127	668	11 640	
Trade payables	5 094	899			
Interest	95	188	759	3 061	
Total	5 278	7 670	2 077	16 201	0

The contractual cash flows of loan instalments and interests at 31 December 2013 were the following :

1 000 EUR	1 month	1–3 months	3 months –1 year	1–5 years	5 years –>
Loans from financial institutions	803	6 379	850	2 400	
Finance lease liabilities	70	142	658	3 652	8 797
Trade payables	4 667	824			
Interest	109	212	932	3 480	560
Total	5 649	7 556	2 440	9 532	9 357

CREDIT RISK

1 000 EUR	2014	2013
Maximum exposure to credit risk	5 965	11 045

Aging of trade receivables

1 000 EUR	Not past due	Past due less than 30 days	Past due 30–120 days	Past due over 120 days	Total
2014	4 195	948	110	102	5 355
2013	4 505	1 270	92	37	5 905

Nurminen Logistics has no significant concentrations of credit risk.

25. OPERATING LEASES

The Group as lessee

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

1 000 EUR	2014	2013
Less than one year	7 498	8 223
Between one and five years	25 143	25 924
More than five years	27 489	33 047
Total	60 131	67 194

The most significant leases concerning business properties are the terminal and office premises in Vuosaari (at the address Satamakaari 24), the terminal premises in Hamina (at the address Gerhardin väylä 3) and the terminal premises in Kotka (at the address Hovinsaarentie 25 and Tuulentie 70). Otherwise Nurminen Logistics leases as a lessee mainly IT equipment, office automation equipment, vehicles and cargo handling machines used in terminals.

26. CONTINGENCIES AND COMMITMENTS

1 000 EUR	2014	2013
Liabilities for which business mortgages have been given and subsidiary shares pledged		
Loans from financial institutions	10 800	13 706
Mortgages given	11 000	11 000
Book value of pledged subsidiary shares	51 229	46 516

Pledged subsidiary shares include the book value of the shares of OOO Nurminen Logistics for the investment loan of 0,5 million (2,5 million in 2012) euros that has been entirely repaid in the beginning of 2014.

Other commitments		
Customs duties and other guarantees	11 976	15 568

27. RELATED PARTY TRANSACTIONS

Nurminen Logistics' related parties include the members of the Board of Directors and those of the Management Team as well as companies under their control. Related parties are also those shareholders that have direct or indirect control or significant influence in the Group. The business transferred to new John Nurminen in the demerger of John Nurminen Ltd is also considered to be related party.

Related party transactions with companies under control of Board members

1 000 EUR	2014	2013
Sales	7	4
Purchases	170	330
Interest expenses	0	8
Current liabilities	130	145

Management remuneration

EUR	2014	2013
CEO, the members of the Board and the Management Team		
Salaries and other short-term employee benefits	1 076 279	1 509 185
Statutory pension payments	169 869	184 439
Post-service contract benefits	78 000	220 015
Share-based payments	64 000	90 000
Total	1 388 148	2 003 639
Salaries and wages		
CEO		
Topi Saarenhovi (until 18 November 2013)		664 506
Statutory pension payments 57 362 in 2013		
Olli Pohjanvirta (from 19 November 2013)	242 482	28 571
Statutory pension payments 41 586 in 2014 (4 900 in 2013)		
Members of the Board		
Juha Nurminen	23 200	31 000
Olli Pohjanvirta (until 18 November 2013)		89 000
Eero Hautaniemi (until 23 April 2012)		700
Jukka Nurminen	27 200	34 000
Tero Kivisaari	71 200	38 000
Jan Lönnblad (until 8 April 2014)	1 600	29 000
Alexey Grom (from 15 April 2013)	23 200	27 500
Tommi Matomäki (from 8 April 2014)	23 200	
Total	412 082	942 277

Employee benefits paid to the CEO during 2013 include costs of EUR 220 015 related to dismissal of the service contract. Members of the Board and CEO own 73,39 % of company shares on 31 December 2014.

28. SUBSIDIARIES AND ASSOCIATES

The companies belonging to Nurminen Logistics are the following:

	Domicile	Ownership (%)	Share of the voting power (%)
Subsidiaries			
RW Logistics Oy	Finland	100,0 %	100,0 %
Nurminen Logistics Services Oy	Finland	100,0 %	100,0 %
Nurminen Logistics Heavy Oy	Finland	100,0 %	100,0 %
Nurminen Logistics Finland Oy	Finland	100,0 %	100,0 %
Nurminen Maritime Latvia SIA	Latvia	51,0 %	51,0 %
UAB Nurminen Maritime	Lithuania	51,0 %	51,0 %
Nurminen Maritime Eesti AS	Estonia	51,0 %	51,0 %
Nurminen Logistics LLC	Ukraine	100,0 %	100,0 %
OOO Nurminen Logistics	Russia	100,0 %	100,0 %
Zao Terminal Rubesh	Russia	100,0 %	100,0 %
Associates			
Pelkolan Terminaali Oy	Finland	20,0 %	20,0 %
Team Lines Latvia SIA	Latvia	23,0 %	23,0 %
Team Lines Estonia Oü	Estonia	20,3 %	20,3 %

29. EVENTS AFTER THE BALANCE SHEET DATE

There are no substantial events affecting the financial statement after the balance sheet date.

Parent Company's Income Statement

EUR	Note	2014	2013
NET SALES	1	2 771 610,62	4 917 231,25
Other operating income	2	36 804,22	14 068,60
Materials and services	3	-7 590,99	1 647,48
Employee benefit expenses	4	-1 417 893,07	-2 622 001,06
Depreciation, amortisation and impairment losses	5	-144 577,63	-160 995,84
Other operating expenses	6	-1 829 952,31	-2 432 642,52
OPERATING RESULT		-591 599,16	-282 692,09
Financial income and expenses	7	1 425 940,82	1 215 699,60
RESULT BEFORE APPROPRIATIONS AND TAXES		834 341,66	933 007,51
Change in accumulated depreciation and amortisation difference	8	1 035,60	1 276,66
RESULT FOR THE YEAR		835 377,26	934 284,17

Parent company's balance sheet

EUR	Note	2014	2013
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1	252 273,68	386 666,19
Property, plant and equipment	1	25 698,64	35 883,76
Investments	2	46 961 258,79	47 256 171,16
TOTAL NON-CURRENT ASSETS		47 239 231,11	47 678 721,11
CURRENT ASSETS			
Non-current receivables	3	2 598 390,56	2 374 060,01
Current receivables	3	4 882 537,39	723 976,38
Cash and cash equivalents		53 836,98	15 417,14
TOTAL CURRENT ASSETS		7 534 764,93	3 113 453,53
Total assets		54 773 996,04	50 792 174,64
Equity and liabilities			
EQUITY			
Share capital	4	4 214 521,00	4 214 521,00
Share premium reserve	4	86 479,00	86 479,00
Other reserves			
Legal reserve	4	2 373 537,86	2 373 537,86
Reserve for invested unrestricted equity	4	17 190 249,27	17 126 802,22
Retained earnings	4	14 904 255,44	13 969 971,27
Profit / loss for the financial year	4	835 377,26	934 284,17
TOTAL EQUITY		39 604 419,83	38 705 595,52
Appropriations			
Accumulated depreciation and amortisation difference		776,68	1 812,28
LIABILITIES			
Non-current liabilities	6	1 504 515,27	2 404 515,27
Current liabilities	7	13 664 284,26	9 680 251,57
TOTAL LIABILITIES		15 168 799,53	12 084 766,84
Total equity and liabilities		54 773 996,04	50 792 174,64

Parent company's cash flow statement

EUR	2014	2013
Cash flow from operating activities		
PROFIT / LOSS FOR THE YEAR	835 377,26	934 284,17
Adjustments:		
Depreciation, amortisation and impairment losses	144 577,63	160 995,84
Unrealised foreign exchange gains (-) and losses (+)	57 669,45	19 149,95
Financial income (-) and expenses (+)	-1 483 610,27	-1 234 849,55
Other adjustments	-1 035,60	-1 276,66
Cash flow before changes in working capital	-447 021,53	-121 696,25
Changes in working capital:		
Current non-interest bearing receivables, increase (-) / decrease (+)	-4 215 511,23	24 337 119,84
Current liabilities, non-interest bearing, increase (+) / decrease (-)	6 450 446,29	-10 714 559,35
Net cash from operating activities before financial items and taxes	1 787 913,53	13 500 864,24
Interest paid	-337 763,99	-396 889,88
Dividends received	1 952 456,49	1 841 779,32
Interest received	113 540,58	132 454,33
Other financial items	-312 582,49	-136 949,42
Net cash from operating activities	3 203 564,12	14 941 258,59
Cash flow from investing activities		
Investments in property, plant and equipment and intangible assets	0,00	-35 943,30
Investments in subsidiaries	12 912,37	-6 853 407,16
Loans granted	0,00	-516 565,20
Repayments of loan receivables	0,00	701 004,91
Net cash used in investing activities	12 912,37	-6 704 910,75
Cash flow from financing activities		
Share issue	63 447,05	0,00
Proceeds from current liabilities	1 017 465,79	1 030 494,16
Repayments of current liabilities	-1 500 000,00	-4 820 326,82
Increase (+) / decrease (-) of current liabilities	-1 858 969,49	1 858 969,49
Proceeds from non-current liabilities	0,00	1 650 439,71
Repayments of non-current liabilities	-900 000,00	-7 115 535,23
Dividends paid / repayments of equity	0,00	-1 031 071,84
Net cash used in financing activities	-3 178 056,65	-8 427 030,53
Change in cash and cash equivalents	38 419,84	-190 682,69
Cash and cash equivalents at the beginning of the year	15 366,35	206 049,04
Change in cash and cash equivalents	38 470,63	-190 682,69
Cash and cash equivalents at year-end	53 836,98	15 366,35

Notes to the Parent Company's Financial Statements

Accounting principles for the parent company's financial statements

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

Measurement of property, plant and equipment and intangible assets

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

They are depreciated / amortised over their estimated useful lives, which are the following:

- Intangible assets 3–5 vuotta
- Goodwill 5–10 vuotta
- Other capitalised long-term expenditure 5–10 vuotta
- Machinery and equipment 3–10 vuotta

Measurement of receivables

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

Pensions

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

Foreign currency items

Foreign currency receivables and liabilities are translated into euro at the closing rate at the balance sheet date. The exchange rate differences arising from forward contracts entered into for hedging purposes have been adjusted against the exchange rate differences arisen from the corresponding hedged items.

Leases

Lease payments are accounted for as rental costs. Lease payments due in the future years under the agreements are presented under contingencies and commitments.

Notes to the income statement

1 000 EUR	2014	2013
1. Net sales		
Sale of services	2 772	4 917
TOTAL	2 772	4 917
2. Other operating income		
Rent income	0	7
Other items	37	7
TOTAL	37	14
3. Materials and services		
External services	-8	2
TOTAL	-8	2
4. Disclosures for personnel and members of company organs		
Employee benefit expenses		
Wages and salaries	-1 277	-2 290
Pension expenses and pension contributions	-102	-245
Other social security costs	-40	-87
TOTAL	-1 418	-2 622
5. Depreciation, amortisation and impairment losses		
Planned depreciation and amortisation:		
Intangible rights	-7	-14
Goodwill	-137	-145
Other capitalised long-term expenditure	-1	-1
Machinery and equipment	0	0
TOTAL	-145	-161
6. Other operating expenses		
Rental costs	-369	-377
Other operating expenses	-1 461	-2 056
TOTAL	-1 830	-2 433
Auditors' fees		
Audit fees	-48	-46
Other fees paid to auditors	-2	-45
TOTAL	-50	-91
7. Financial income and expenses		
Dividend income		
Dividend income from Group companies	1 952	1 801
Dividend income from associates	0	41
TOTAL	1 952	1 842
Interest and other financial income		
Interest income from Group companies	56	57
Interest and other financial income from others	12	42
TOTAL	68	99
Interest and other financial expenses		
Interest expenses to Group companies	-3	-148
Interest and other financial expenses to others	-592	-577
TOTAL	-595	-725
Total financial income and expenses	1 426	1 216
8. Change in accumulated depreciation and amortisation difference		
Decrease in accumulated depreciation and amortisation difference	1	1
TOTAL	1	1

Notes to the balance sheet

1 000 EUR	2014	2013
1. Property, plant and equipment and intangible assets		
Intangible rights:		
Cost at 1 Jan	148	134
Additions	0	14
Disposals	0	0
Cost at 31 Dec	148	148
Accumulated planned amortisation at 1 Jan	126	112
Amortisation for the year	7	14
Accumulated amortisation on disposals	0	0
Accumulated planned amortisation at 31 Dec	133	126
Carrying amount at 31 Dec	15	22
Other capitalised long-term expenditure		
Cost at 1 Jan	745	723
Additions	9	22
Disposals	0	0
Cost at 31 Dec	754	745
Accumulated planned amortisation at 1 Jan	380	235
Amortisation for the year	137	145
Accumulated amortisation on disposals	0	0
Accumulated planned amortisation at 31 Dec	517	380
Carrying amount at 31 Dec	237	365
Land area		
Cost at 1 Jan	17	17
Disposals	0	0
Carrying amount at 31 Dec	17	17

Notes to the balance sheet

1 000 EUR	2014	2013
Machinery and equipment		
Cost at 1 Jan	6	6
Additions	0	0
Disposals	0	0
Cost at 31 Dec	6	6
Accumulated planned depreciation at 1 Jan	5	4
Depreciation for the year	1	1
Accumulated depreciation on disposals	0	0
Accumulated planned depreciation at 31 Dec	6	5
Carrying amount at 31 Dec	1	2
Other tangible assets		
Cost at 1 Jan	18	18
Additions	0	0
Disposals	9	0
Cost at 31 Dec	9	18
Accumulated planned depreciation at 1 Jan	1	1
Depreciation for the year	0	0
Accumulated depreciation on disposals	0	0
Accumulated planned depreciation at 31 Dec	1	1
Carrying amount at 31 Dec	8	17
2. Investments		
Holdings in Group companies	35 024	35 037
Investments in reserve for invested unrestricted equity of Group companies	11 700	11 700
Holdings in associates	204	204
Other shares and holdings	33	33
Capital loan receivable	282	282
TOTAL	47 243	47 256

	Domicile	Ownership %
Subsidiaries		
RW Logistics Oy	Helsinki	100
Nurminen Logistics Services Oy	Helsinki	100
Nurminen Logistics Heavy Oy	Helsinki	100
Nurminen Logistics Finland Oy	Helsinki	100
Nurminen Maritime Latvia SIA	Riga	51
Nurminen Maritime Estonia AS	Tallinn	51
Nurminen Maritime UAB	Klaipeda	51
OOO Nurminen Logistics	St. Petersburg	100
Nurminen Logistics LLC	Kiev	100
Associates		
Pelkolan Terminaali Oy	Imatra	20

1 000 EUR	2014	2013
3. Receivables		
NON-CURRENT		
Loan receivables from Group companies	2 315	2 372
Loan receivables from others	2	2
TOTAL	2 316	2 374
CURRENT		
Current receivables from Group companies		
Trade receivables	4 336	402
Interest receivables	52	57
Dividend receivables	0	0
Other receivables	108	13
TOTAL	4 496	472
Trade receivables	20	24
Other receivables	170	51
Prepayments and accrued income		
Unfinished invoicing	0	0
Other items	196	177
TOTAL	387	252
TOTAL CURRENT RECEIVABLES	4 883	724
4. Equity		
Share capital total	4 215	4 215
Share premium reserve	86	86
Legal reserve	2 374	2 374
Restricted equity	6 675	6 675
Reserve for invested unrestricted equity at 1 Jan	17 127	18 158
Return of equity	0	-1 031
Acquisition of own shares	63	0
Reserve for invested unrestricted equity at 31 Dec	17 190	17 127
Retained earnings	14 904	13 970
Profit / loss for the year	835	934
Unrestricted equity	32 930	32 031
EQUITY TOTAL	39 604	38 705
Distributable funds		
Reserve for invested unrestricted equity	17 190	17 127
Retained earnings	14 904	13 970
Profit / loss for the year	835	934
TOTAL	32 930	32 031
<i>The company owns 20 275 of its own shares.</i>		
5. Deferred taxes		
Deferred tax assets on losses	1 966	1 167
Deferred taxes have not been recorded in the parent company's separate financial statements.		
6. Non-current liabilities		
Non-current liabilities to Group companies		
Interest-bearing liabilities		
Loans from financial institutions	1 500	2 400
Non-interest bearing liabilities		
Other liabilities	5	5
TOTAL	1 505	2 405
TOTAL NON-CURRENT LIABILITIES	1 505	2 405

1 000 EUR	2014	2013
7. Current liabilities		
Current liabilities to Group companies		
Trade payables	0	140
Other liabilities	4 362	1 859
Accrued expenses and deferred income	586	0
TOTAL	4 948	1 999
Interest-bearing liabilities		
Loans from financial institutions	5 662	6 144
Non-interest bearing liabilities		
Trade payables	2 411	317
Other liabilities	75	195
Accrued expenses and deferred income		
Employee benefit expense accruals	398	850
Operational accruals	0	0
Other items	170	174
TOTAL	8 716	7 681
TOTAL CURRENT LIABILITIES	13 664	9 680

Other notes

1 000 EUR	2014	2013
Liabilities for which business mortgages have been given and subsidiary shares pledged		
Loans from financial institutions	10 800	13 200
Mortgages given	11 000	11 000
Book value of pledged subsidiary shares	37 033	11 711
Collaterals given on behalf of Group companies		
Other quarantees	0	506
Book value of pledged subsidiary shares	34 816	34 805
Other commitments		
Customs duties and other guarantees	11 976	15 062
Rental obligations		
Payable in next year	4 092	4 246
Payable after that	65 525	71 588
<i>Rental obligations of the parent company, include obligations considered as finance lease liabilities in the consolidated financial statements.</i>		
Amounts payable under leases		
Payable in next year	83	133
Payable after that	71	129

Notes regarding personnel and company organs

	2014	2013
The number of personnel		
Personnel, average	16	21
Personnel, at year-end	17	19
Management remuneration (1 000 EUR)		
The Board of Directors and CEO	-428	-852

Auditor's Report

To the Annual General Meeting of Nurminen Logistics Plc

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Nurminen Logistics Plc for the year ended 31 December, 2014. The financial statements comprise the consolidated statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company or the Managing Director are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements

and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

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

Opinion on the consolidated financial statements

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

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

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

Helsinki, 28 February 2015

KPMG OY AB

LASSE HOLOPAINEN
Authorized Public Accountant

Signing of the Financial Statements and the Board's Report on Operations

Helsinki 19 February 2015

Tero Kivisaari
Chairman of the Board

Juha Nurminen

Tommi Matomäki

Jukka Nurminen

Alexey Grom

Olli Pohjanvirta
President and CEO

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

Helsinki 28 February 2015

KPMG Oy Ab

Lasse Holopainen
Authorized Public Accountant

Group's Key Figures

Key figures for business

	2012	2013	2014
Net sales, EUR 1 000	78 396	63 844	52 774
Increase in net sales, %	12,5 %	-18,6 %	-17,3 %
Operating result (EBIT), EUR 1 000	5 421	216	1 328
% of net sales	6,9 %	0,3 %	2,5 %
Result before taxes, EUR 1 000	4 044	-3 048	-1 945
% of net sales	5,2 %	-4,8 %	-3,7 %
Result for the financial year, EUR 1 000	2 684	-3 947	-2 341
% of net sales	3,4 %	-6,2 %	-4,4 %
Return on equity (ROE), %	9,3 %	-15,6 %	-14,8 %
Return on investment (ROI), %	9,9 %	0,9 %	3,3 %
Equity ratio %	42,7 %	36,4 %	23,6 %
Gearing %	81,2 %	96,7 %	189,8 %
Gross investments, EUR 1 000	1 145	429	506
% of net sales	1,5 %	0,7 %	1,0 %
Balance sheet total, EUR 1 000	69 772	57 486	45 299
Average number of employees	342	277	241
Wages and salaries paid, EUR 1 000	12 801	11 861	9 073
Share key figures			
Earnings per share (EPS), EUR, undiluted	0,05	-0,32	-0,21
Earnings per share (EPS), EUR, diluted	0,05	-0,32	-0,21
Equity per share, EUR	2,12	1,56	0,75
Dividend per share (adjusted), EUR	0,00	0,00	0,00
Dividend per share (nominal), EUR	0,00	0,00	0,00
Dividend to earnings ratio, %	0 %	0 %	0 %
Effective dividend yield, %	0,0 %	0,0 %	0,0 %
Repayment of equity per share, EUR	0,07	0,08	0,00
Price per earnings (P/E)	38	-5	-5
Number of shares adjusted for share issue, weighted average	12 890 898	13 002 492	13 027 012
Number of shares adjusted for share issue, at end of financial year	12 890 898	13 002 492	13 057 742
Share price development			
Share price development			
• Highest price	2,34	2,20	1,73
• Lowest price	1,78	1,52	0,98
• Average price	1,95	1,90	1,40
• Share price at balance sheet date	1,88	1,60	0,99
Market capitalisation, MEUR	24,3	20,8	12,9
Number of shares traded	259 727	190 092	309 273
Shares traded, % of total number of shares	2,0 %	1,5 %	2,4 %
Number of shareholders	525	567	586

Calculation of Key Figures

Return on equity, % =	$\frac{\text{Result for the year}}{\text{Equity (average of beginning and end of financial year)}} \times 100$
Capital employed =	Balance sheet total – non-interest bearing liabilities
Return on capital employed, % =	$\frac{\text{Result for the year before taxes + interest and other financial expenses}}{\text{Capital employed (average of beginning and end of financial year)}} \times 100$
Equity ratio, % =	$\frac{\text{Equity}}{\text{Balance sheet total – advances received}} \times 100$
Gearing, % =	$\frac{\text{Interest-bearing liabilities – cash and cash equivalents}}{\text{Equity}} \times 100$
Earnings per share (EPS) =	$\frac{\text{Result attributable to equity holders of the parent company}}{\text{Weighted average number of ordinary shares outstanding}}$
Equity per share =	$\frac{\text{Equity attributable to equity holders of the parent company}}{\text{Undiluted number of shares outstanding at the end of the financial year}}$
Dividend per earnings, % =	$\frac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$
Effective dividend yield, % =	$\frac{\text{Dividend per share}}{\text{Adjusted share price at the end of the financial year}} \times 100$
Price per earnings (P/E) =	$\frac{\text{Share price at the end of the financial year}}{\text{Earnings per share}}$

Distribution of Ownership

Number of shares	Number of shareholders	% of shareholders	Number of shares	% of total shares and votes
1–100	218	37,20	12 423	0,10
101–1000	252	43,00	112 838	0,86
1 001–10 000	82	13,99	233 624	1,79
10 001–100 000	20	3,41	730 754	5,60
100 001–1 000 000	12	2,05	4 584 836	35,11
yli 1 000 000	2	0,34	7 383 267	56,54
Total	586	100,00	13 057 742	100,00
Registered in the name of nominee	4		338	0,00

Largest shareholders

	Number of shares	% of total shares and votes
Nurminen Juha	5 533 879	42,38
JN Uljas Oy	1 849 388	14,16
Nurminen Jukka Matias	908 007	6,95
Nurminen Mikko Johannes	870 108	6,66
Lassila Satu Maaria	686 866	5,26
VGK Invest Oy	648 000	4,96
Tuuli Markku Juhani	327 950	2,51
Saxberg Rolf M	184 098	1,41
ETL Invest Oy	181 818	1,39
Bachmann Jari	172 360	1,32
Forsström Kirta Kristina	172 260	1,32
ETL Holding Oy	158 000	1,21
Pohjanvirta Olli Mikael	143 334	1,10
Bachmann Sanni Piritta	132 035	1,01
Nordic Forwarding Services Finland Oy	91 394	0,70
Vuorinen Hannu M	84 409	0,65
Lainema Matti	75 262	0,58
Relander Harald	60 000	0,46
Kulp Kaj Kristian	51 959	0,40
Sallila Antti Pekka Santeri	41 446	0,32
Other 547 shareholders	685 169	5,25
Total	13 057 742	100,00

Shareholders by type

	Number of shares	% of total shares
Private companies	3 039 117	23,27
Financial institutions	1 600	0,02
Households	10 010 760	76,67
Foreign	4 926	0,04
Non-profit organizations	1 001	0,01
Registered in the name of nominee	338	0,00
Total	13 057 742	100,00



Nurminen Logistics ▶▶▶

Head Office
Satamakaari 24, FI-00980 Helsinki, Finland
Tel. +358 10 545 00
www.nurminenlogistics.com

