GASUM GROUP FINANCIAL RESULT

Q1 2019

USE OF GAS IN TRANSPORT CONTINUED TO GROW

KEY FINANCIAL INDICATORS JANUARY 1 TO MARCH 31, 2019

- Group revenue increased by 2% and totaled €396.6 million (2018: €390.5 million).
- Operating profit totaled €61.1 million, down 16% year on year (€72.8 million).
- Balance sheet total increased to €1,628.2 million (€1,526.6 million) following the introduction of the new IFRS 16 standard.
- The Group's financial position remained strong in the reporting period, with the equity ratio being 42.5% (December 31, 2018: 43.7%).

KEY FIGURES

€ million	1–3/2019	1–3/2018	Change	2018
Revenue	396.6	390.5	1.5%	1,177.4
Operating profit	61.1	72.8	-16.1%	124.2
Operating profit (%)	15.4%	18.6%		10.5%
Equity ratio (%)	42.5%	41.2%		43.7%
Return on equity (%) *	11.7%	14.6%		13.3%
Return on investment (%) *	8.3%	10.1%		9.2%
Balance sheet total	1,628.2	1,565.5	4.0%	1,526.6
Net interest-bearing debt	609.6	580.8	5.0%	562.7
Gearing ratio (%)	88.4%	90.0%		84.7%
Net debt/EBITDA * **	3.0	3.1		2.9
Personnel at the end of period	341	413	-17.4%	434

* Annualized

** Current period restated without the IFRS 16 effects

Reference period information does not include IFRS 16 effects

GASUM GROUP CEO JOHANNA LAMMINEN COMMENTS ON THE FIRST QUARTER OF 2019:

”Our financial performance was in line with our expectations during Q1. Our revenue increased to €396.6 million in the period under review, up 2% year on year (2018: €390.5 million). Our operating profit was €61.1 million, down from the €72.8 million posted for the corresponding period a year earlier. The result was affected by the sales volumes of an exceptionally cold spell in the reference period.

In Q1, we continued our purposeful steps forward in our strategy implementation. The demand for clean gas solutions is growing strongly, and total gas sales volumes are projected to increase. As a low-emission fuel, the role of gas will increase in the future, above all in maritime transport and heavy-duty road transport as action to curb climate change calls for a transition to cleaner solutions. In the years ahead, we will be investing in the development of the Nordic gas market and infrastructure.

Effective from January 2019, we reformed our organization structure to support our Nordic strategy implementation. Our new businesses were on a positive trajectory during Q1. Our energy market services provided under our Portfolio Management and Trading business support our energy-sector partners in the changing market, and demand for market services such as those relating to electricity trading is growing.

Our preparations have continued ahead of the opening up of the Finnish gas market at the start of 2020, which is when the transmission business will be unbundled into a separate company. Work related to the opening up of the gas market will continue strongly throughout the year.

During the period under review, Gasum’s bunkering vessel Coralius performed its 100th ship-to-ship bunkering of liquefied natural gas (LNG).

We also announced the expansion of an important road transport partnership with IKEA Finland in Q1. This year will see us open gas filling stations serving lighter vehicles in conjunction with the IKEA stores in Raisio, Kuopio and Tampere, Finland. Gas as a fuel is also attracting interest among public transport and particularly heavy-duty transport operators. The City of Lappeenranta will introduce low-emission gas buses and several transport companies have taken gas-fueled heavy-duty vehicles and biogas-fueled delivery vehicles into service. The increasing use of gas-fueled vehicles promotes significant emission cuts in transport.

The size of the Nordic heavy-duty vehicle filling station network will become many times bigger in the next few years. Switching to gas in heavy-duty transport will enable major transport emission cuts.”

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GASUM IN BRIEF

The energy company Gasum is a Nordic gas sector and energy market expert. Together with its partners, Gasum is building a bridge towards a carbon-neutral society on land and at sea. Gasum imports natural gas to Finland and promotes the circular economy by processing waste and producing biogas and recycled nutrients in Finland and Sweden. The company offers energy for heat and power production, industry as well as road and maritime transport. Gasum is the leading supplier of biogas in the Nordic countries. The company has a gas filling station network that also serves heavy-duty vehicles. Gasum is also the leading liquefied natural gas (LNG) player in the Nordic market. The company continues to strengthen the position and infrastructure of LNG and supplies LNG to maritime transport, industry and heavy-duty vehicles in Finland, Sweden and Norway. Gasum offers the most comprehensive expert services and solutions in the energy market.

www.gasum.com

OPERATING ENVIRONMENT

Last year, natural gas accounted for more than 20% of Europe's total energy consumption and around 6% of Finland's energy production. Demand for energy-efficient gas is projected to grow by an estimated 30% over the next 20 years. Last year saw the first increase in natural gas consumption in Finland since 2010.

Oil price increases and growing uncertainty about oil price development have further increased interest in the use of gas. The price of electricity has remained at a high level since summer 2018. This price level of electricity has also boosted gas demand among those customers who use electricity and gas side by side.

There are several development projects relating to gas production, storage and transport underway in the Group's operating environment. These projects increase competition while at the same time building confidence in the availability and market-based pricing of gas. In maritime transport, interest in LNG is also increasing all the time and the number of orders for LNG-powered vessels has risen.

Effective at the beginning of 2019, a change in Finnish energy taxation abandoned the halving of the carbon dioxide tax on combined power and heat (CHP) production and replaced it by lowering the energy content tax by €7.63 per megawatt hour for fuels used in CHP production. The change increased coal taxation in CHP by around €3 per megawatt hour and at the same time decreased the taxation of natural gas by around €0.7 per megawatt hour. In addition, in late March an act of law was adopted in Finland under which the use of coal as a fuel in the generation of electricity or heat will be banned in Finland on May 1, 2029. Together with the change in CHP taxation effective from the start of this year, the act banning the use of coal will improve the position of natural gas in Finnish CHP production in the years ahead.

In February, the EU passed new emission targets for heavy-duty vehicles. According to the new binding rules, heavy-duty transport emissions will have to emit 15% less carbon dioxide by 2025 and 30% less by 2030. The targets and their potential tightening will be reviewed in 2023. The targets set strongly support the growth of LNG-fueled heavy-duty transport and its filling station infrastructure within the EU.

In road transport, the number of gas-fueled vehicles is continuing to grow in Finland. In Q1/2019, there were just under 100 first registrations of gas cars and, in addition, 400 used gas cars were imported. The number of gas-fueled vehicles in Finland totals just under 7,000. Finland has set the goal of 50,000 gas-fueled vehicles by 2030 and, at the current growth rate, this can be achieved.

Sweden aims to be fossil-free by 2045. The aim for road transport is to reduce greenhouse gas emissions by 70% from the 2010 level by 2030. Sweden's national freight transport strategy sets targets for continuously improving energy efficiency and breaking dependence on fossil fuels in order to reduce the climate impacts of the transport system. The Swedish Government has allocated almost to SEK 2 billion (around €200 million) under the Climate Leap programme for local initiatives to reduce greenhouse gas emissions National investment support has been granted for biogas production, filling station infrastructure and buying low-emission vehicles.

In Norway, the target is to cut greenhouse gas emissions by at least 40% by 2030 and to become a low-emission society by 2050, with greenhouse gas emissions 80–95% lower than in 1990. To reach these targets, national financial support is offered for initiatives that help to reduce greenhouse gas emissions and to develop new energy and climate technologies.

GASUM'S STRATEGY IS TO EXPAND THE GAS MARKET

In Q1, Gasum continued purposeful steps forward in its strategy implementation. Effective from January 2019, Gasum reformed its organization structure to support its strategy implementation in the Nordic countries. The company's new businesses are Natural Gas and LNG, Portfolio Management and Trading, Biogas, and Traffic.

Gasum sold its subsidiary Gasum Tekniikka Oy to the industrial maintenance partner Viafin Service Oyj during the period under review. The arrangement was part of Gasum's strategy of focusing on the development of the gas market and energy infrastructure in the Nordic countries. The transaction was closed in February 2019.

Gasum is committed to the development of a low-emission road fuel gas market in the Nordic countries. The company is constructing a gas filling station network to respond particularly to the rapidly growing demand in heavy-duty transport in Finland, Sweden and Norway by the early 2020s. Gasum entered into several partnerships in the field of heavy-duty transport during the reporting period.

Increasing the biogas market and biogas production capacity is also a key element of the Gasum strategy. Once completed, the Turku, Lohja and Nymölla biogas plant projects will strengthen growth in the biogas market. By increasing the use of biogas, Gasum supports the transport emission reduction targets and improves access to biogas.

Gasum has expanded its energy wholesale market services and launched Trading operations. The aim of Trading is to generate added value in the energy market for Gasum's businesses and customers.

BUSINESS DEVELOPMENT IN Q1 OF 2019

The Gasum Group's revenue for January 1 to March 31, 2019 totaled €396.6 million, up 2% year on year (2018: €390.5 million). The Group's operating profit was €61.1 million (€72.8 million). Operating profit margin decreased year on year and was 15.4% (18.6%). The decrease in the operating profit margin was affected by the sales volumes of an exceptionally cold period at the beginning of the reference year.

Natural Gas and LNG

The sales volumes of natural gas and LNG decreased year on year in Q1. Natural gas consumption totaled 8.3 TWh (2018: 9.3) and LNG consumption 1.63 TWh (1.55 TWh). Gas consumption increased year on year at the beginning of the reporting period due to cold weather but decreased towards the end of the period under review owing to lower electricity prices.

The revenue of the Natural Gas and LNG business for the reporting period decreased slightly year on year due to the decrease in total consumption and totaled €361.3 million (€377.8 million). The decrease in revenue was affected by lower natural gas delivery volumes.

During the period under review, Gasum's bunkering vessel Coralius performed its 100th ship-to-ship bunkering of liquefied natural gas (LNG) on February 21. The vessel's main operating areas are the North Sea, the Baltic Sea and the Skagerrak area. Interest in using liquefied natural gas (LNG) is growing further, especially in maritime transport and industry.

The joint venture in the construction of the Manga LNG Ltd's gas import terminal at Röyttä Harbor of the Port of Tornio, Finland, has progressed to the final testing and commissioning preparation phases. The terminal is anticipated to be in commercial use in the first half of 2019. The world's first LNG-fueled icebreaker, Polaris, received liquefied natural gas (LNG) fuel during the period under review from the Pori LNG import terminal and in February for the first time in the Röyttä Harbor in Tornio, Finland.

The supply certainty of natural gas and LNG was at a good level in Q1. Supply certainty in LNG deliveries was strengthened by the introduction of the world's first LNG carrier holding the Ice Class 1A Super the year earlier, Coral EnergICE. The vessel enables disruption-free deliveries in all weather conditions.

Finland's new Natural Gas Market Act entered into force at the start of 2018. Under the new Act, the gas transmission business will be unbundled from Gasum into a separate company (ownership unbundling) by the beginning of 2020. Relating to the transmission business, Gasum owns the Finnish natural gas transmission pipeline network and the gas interconnector pipeline project constructed between Finland and Estonia (Baltic Connector) and is responsible for gas transmission to customers. Until the end of 2019, Gasum will act as the Transmission System Operator (TSO) with system responsibility, and the new Gas TSO with its ownership unbundled from Gasum will begin operations on January 1, 2020.

The company's preparations for the open market progressed as planned during the period under review. The gas transmission tariffs effective in 2020 were published for comments by the market participants on February 15, 2019. Together with the Energy Authority, Gasum organized a consultation relating to the tariffs that ended on March 31. The new transmission tariffs for 2020 will be published by June 30, 2019.

The Finnish, Latvian and Estonian Transmission System Operators (TSOs) Gasum Ltd, AS Conexus Baltic Grid and Elering AS entered into an Inter TSO Compensation (ITC) agreement during Q1. The ITC agreement unifies the entry point tariffs on the external borders of the region from the beginning of 2020 and removes the charges for the use of interconnection points between the countries, such as the Balticconnector. This means gas imported to the region can be transmitted across the Finnish, Estonian and Latvian transmission networks without additional charges.

Portfolio Management and Trading

Trading provides access to the energy market and aims to generate added value in the energy market for Gasum's businesses and customers.

Also operating as part of Portfolio Management and Trading is Energy Market Services, which provides portfolio management and expert services in the energy wholesale market. During the remainder of the year, Energy Market Services will focus, alongside achieving growth in the current business, on designing and selling services for the opening gas market and launching service production.

Biogas and Traffic

Developing the biogas market and increasing biogas production capacity are key elements of the Gasum strategy. Biogas sales volumes in Q1/2019 totaled 105.4 GWh (2018: 132.9 GWh) and revenue during the period under review amounted to €11.1 million (€11.5 million). The decrease in revenue and sales volumes was affected by the transfer of biogas retail sales to Suomen Kaasuenergia.

The joint biogas plant project of Gasum and Stora Enso at Stora Enso's Nymölla paper mill in Sweden progressed as planned during the period under review. Gasum is responsible for the construction and operation of the plant. The plant is anticipated to produce 220 MWh of liquefied biogas per day from wastewater. The commissioning of the plant is scheduled for 2020. The Swedish Environmental Protection Agency has granted an investment subsidy of €12.7 million to the project.

In Finland, the modernization and expansion of the Turku biogas plant progressed as planned during the period under review and will be fully completed for production use during Q3/2019. The Turku biogas plant is in the same category as the Nymölla one in terms of scale and, once completed, will produce 190 MWh of liquefied biogas per day. The development of the circular economy solution based on Gasum's Turku biogas plant is one of the Finnish government's key energy subsidy projects granted €7.97 million under the 'Bioeconomy and clean solutions" key project.

The Lohja biogas plant project was taken forward as planned, with progress made in design and procurement. To be constructed in conjunction with the Lohja Munkkaa waste management center, the Gasum plant will process an annual total of around 60,000 tonnes of biowaste. The plant is expected to produce more than 40 GWh of biogas and 50,000 tonnes of organic fertilizers per year. The commissioning of the plant is scheduled for 2020. The Finnish Ministry of Economic Affairs and Employment has granted Gasum €7.83 million in 'Bioeconomy and clean solutions' key project support for increased biogas production capacity.

The Traffic business develops the filling station network and sells compressed and liquefied natural gas and biogas for road transport. The revenue of the Traffic business grew 108% year on year during the period under review and totaled €2.0 million (2018: €1.0 million). The revenue growth was driven by increased demand for cleaner transport solutions for heavy-duty road transport and the continuous expansion of the filling station network.

The development of the road fuel gas market is a key element of the Gasum strategy, and the business is in a strong development phase. Gasum aims to build a network of 50 gas filling stations for heavy-duty vehicles in Finland, Sweden and Norway by the beginning of the 2020s.

In the period under review, Gasum and Caverion entered into a partnership agreement relating to the monitoring and maintenance of Gasum's filling stations for heavy-duty and light gas vehicles. The collaboration will start initially in Finland and Sweden and will be expanded to Norway later this year. The technical servicing and maintenance of gas filling stations in Southern Finland are mainly provided by Viafin GAS Oy.

During the period under review, Gasum announced the expansion of an important road transport partnership with IKEA Finland. This year will see the opening of gas filling stations serving lighter vehicles in conjunction with the IKEA stores in Raisio, Kuopio and Tampere, Finland. Gas is also attracting interest among public transport and particularly heavy-duty transport operators. The City of Lappeenranta will introduce low-emission gas buses and several transport companies have taken gas-fueled heavy-duty vehicles and biogas-fueled delivery vehicles into service. The increasing use of gas-fueled vehicles promotes significant emission cuts in transport.

EU as well as national targets provide strong steering towards rapid reductions in transport emissions. The Swedish Environmental Protection Agency and the EU have granted Gasum investment support totaling €19.2 million for the construction of gas filling stations in the years ahead. Of the stations receiving financial support, 24 are located around Sweden at key transport nodes as regards logistics operations, mainly serving heavy-duty transport, and 14 in Finland within the area covered by the international TEN-T Core Network, serving passenger, delivery well as heavy-duty transport.

BALANCE SHEET AND FINANCIAL POSITION

The Group's balance sheet total at March 31, 2019 came to €1,628.2 million (December 31, 2018: €1,526.6 million). The increase was affected by the IFRS 16 Leases standard effective from the start of the year on the basis of which at March 31, 2019 there were new leases recognized under non-current assets at €53.3 million and lease liabilities at €53.4 million. The Group's interest-bearing debt at the reporting date totaled €646.4 million (December 31, 2018: €562.7 million), including borrowings from financial institutions and finance lease liabilities. The increase in interest-bearing debt is due to the introduction of the new IFRS 16 standard, and the comparative amounts for the reference year have not been restated. The Group's financial position remained strong in the reporting period, with the equity ratio being 42.5% (December 31, 2018: 43.7%).

CAPITAL EXPENDITURE AND ACQUISITIONS

The Gasum Group's capital expenditure on intangible and tangible assets in Q1/2019 totaled €14.9 million (Q1/2018: €6.3 million) and was to do with biogas plant expansion investments and the construction of new filling stations as well as the interconnector pipeline between Finland and Estonia. Capital expenditure supports and promotes the implementation of the Gasum strategy the key elements of which are developing the biogas market, increasing production capacity and expanding the filling station network.

On January 17, 2019 Gasum Ltd signed an agreement under which it sold the shares of its subsidiary Gasum Tekniikka Oy to the industrial maintenance specialist Viafin Service Oyj. The transaction was closed at the end of February, so the figures of the company are presented as part of the Gasum Group for the first two months.

QUALITY, THE ENVIRONMENT, SAFETY AND SECURITY AND RESPONSIBILITY

The Gasum Group's integrated management system (IMS) covers occupational health, safety and security, sustainability, environmental, energy and quality management.

There were no accidents or serious environmental disturbances during the first quarter. Safety is at the core of the Gasum Group strategy.

Gasum published its Corporate Responsibility Report for 2018 and updated its Corporate Responsibility Program and targets for 2019 during the period under review.

Gasum achieved 1% energy-efficiency savings in its own operations and conducted supplier audits during the period under review. The company also introduced the use of the chemical safety data sheet (SDS) service Ecobio Manager in the Nordic countries.

RESEARCH AND PRODUCT DEVELOPMENT

In Q1/2019, focus in the Group's research and product development was on the development of the Biogas business in Finland and Sweden. The circular economy and recycled nutrients in particular are strongly at the core of Gasum's research and product development. The company has continued product development relating to new digestate processing solutions and potential uses of nutrient residues in collaboration with its partners. The aim is to process nutrient residues from biogas production to meet the needs of industrial processes, for example.

PERSONNEL AND ORGANIZATION

At March 31, 2019 the Gasum Group had a total of 341 employees (December 31, 2018: 434). Of these, 66 worked in Sweden and 54 in Norway. The remaining 221 employees were based in Finland. The decrease in the number of Group employees is due to Gasum selling the shares of Gasum Tekniikka Oy to Viafin Service Oyj and the personnel of the company sold having been transferred in the transaction.

Renewal and good leadership are at the core of the Gasum strategy. The period under review saw us continue the anchoring of the leadership principles published in autumn 2018 into our HR processes and everyday practices. Gasum focuses on employee wellbeing, good leadership and improved safety and security in cooperation with the personnel.

We provided new leadership coaching modules through the Gasum Academy to support the implementation of our renewed organization effective from the start of 2019.

OWNERSHIP STRUCTURE AND GOVERNANCE

Gasum is fully (100%) owned by the State of Finland. Of the shares, 73.5% are held by the state-owned Gasonia Oy and 26.5% directly by the State of Finland. There were no changes in shareholding during the period under review.

Gasum Ltd's Annual General Meeting was held in Helsinki on March 18, 2019. The AGM confirmed the number of members of Gasum's Board of Directors as being seven. The current members Juha Rantanen, Stein Dale, Elina Engman, Päivi Pesola, Elisabet Salander Björklund and Jarmo Väisänen were re-elected. Torbjörn Holmström was elected as a new member of the Board. Juha Rantanen was re-elected as the chairman of the Board of Directors. The Board's work is supported by the Audit and Risk Committee and the HR Committee.

RISKS AND RISK MANAGEMENT

Gasum's business operations are exposed to strategic, political, operational and market and financial risks. The Group's risk management development is described in the Group's Enterprise Risk Management Policy and Code of Conduct. Gasum's risk management aims to enable the achievement of Gasum's financial targets by optimizing Gasum's commodities portfolio and added value generated through the management of price development. At the same time risks and fluctuation in financial performance are limited to an acceptable level. Gasum's portfolio consists of various energy commodities and indices used in pricing.

Strategic and political risks

One of the elements of the Gasum strategy is expanding the Nordic gas market. Gasum aims to grow strongly in the coming years. Expanding the gas ecosystem involves investments in the gas infrastructure and partnerships in the Nordic countries. Strategic risks relate to changes in the operating environment, technology, customers and markets and to competition for talent and competence. Strategic risks are managed as part of the Group's strategic planning framework in risk assessment and management according to Gasum's strategy annual clock.

The political risk relating to the various Gasum businesses mainly relates to changes in EU and national regulation and, in particular, taxation. Gasum prepares for these risks by monitoring and actively participating in debate taking place in its operating environment. In addition, Gasum seeks to comprehensively draw attention to its viewpoints at the various levels of decision-making as regards the impacts of proposed amendments to regulation or taxation on developments in the operating environment playing a key role for us.

Market and volume risks

The factor influencing Gasum's business performance is energy commodity price globally and in the Nordic markets. Gasum hedges the open net risks of energy products according to its risk policy by using widely used instruments and also hedges against portfolio-related currency risks. The pricing of liquefied natural gas (LNG) for end customers follows international gas quotes as well as the sourcing of LNG.

In addition to commodity prices, Gasum's revenue is affected by sales volumes. Short-term factors affecting sales volumes include commodity prices, economic trends, temperature and logistics. Volume risk management guidelines are covered by the commodity risk policy.

Financial and regulatory risks

Financial risks can be divided into foreign currency and interest rate risks, credit risks, taxation and regulatory risks. Gasum uses standardized hedging instruments to protect against foreign currency as well as interest rate risks. Gasum has an enhanced customer relationship with the Tax Office for Major Corporations, which supports the company's tax strategy and intent to be a responsible taxpayer. The company aims to participate continuously in the development of tax legislation and policies and to be involved in the development of a fair, clear and consistent tax system.

Operational risks

Due to the nature of Gasum's business, Gasum is exposed to operational risks. As the company's logistics operations take place both on land and at sea, this exposes the company to the operational risk of disruption to customers' energy supply. The company monitors its operations, production and logistics on a daily basis, ensuring compliancy with environmental permits. Employees work in the field, so health and safety at work is a top priority in mitigating operational risks. Gasum is prepared for disruptions in the supply of natural gas by having arrangements including reserve fuel arrangements in place.

FUTURE OUTLOOK

As a low-emission fuel, the role of gas will increase, particularly in maritime transport and heavy-duty road transport. Gas also offers industrial operators an excellent alternative in their efforts to achieve their emission targets.

Gasum's investments in the Nordic gas ecosystem facilitate growth. Investments in Gasum's new businesses facilitate significant future growth. Capacity to operate more broadly in the energy market strengthens Gasum's position as an energy company of the future.

The total sales volumes of gas are anticipated to grow, which will also ensure the positive development of the company's revenue and profitability. The prolonged downward trend in natural gas volumes has been reversed, but possible tax changes may have an impact on gas demand within the area covered by the natural gas pipeline network, too.

Gasum's transmission operations and other businesses will undergo ownership unbundling as from the beginning of 2020. Following that, the transmission business will operate in a separate company. Gasum will continue the purposeful development of its businesses in line with its strategy.

GASUM GROUP

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CONSOLIDATED STATEMENT OF INCOME

€ million	Note	1–3/2019	1–3/2018	1–12/2018
Revenue		**396.6**	**390.5**	**1 177.4**
Other operating income		6.8	5.6	12.9
Materials and services		-305.3	-289.6	-909.1
Personnel expenses		-10.0	-10.0	-40.1
Depreciations and amortization	3	-16.3	-14.1	-69.8
Other operating expenses		-11.6	-10.0	-47.3
Share of result from investments accounted for using the equity method		0.9	0.4	0.1
Operating profit		**61.1**	**72.8**	**124.2**
Finance items - net		-1.0	-4.7	-23.6
Profit before taxes		**60.0**	**68.2**	**100.6**
Taxes		-11.4	-14.6	-17.3
Profit for the period		**48.6**	**53.5**	**83.2**
Profit for the period attributable to:				
Owners of the parent		48.6	53.5	87.6
Non-controlling interest		0.0	0.0	-4.4

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ million	1–3/2019	1–3/2018	1–12/2018
Profit for the period	**48.6**	**53.5**	**83.2**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefits	0.0	0.0	0.4
Taxes related to items that will not be reclassified	0.0	0.0	-0.1
Items that may be reclassified subsequently to profit or loss			
Translation differences	2.1	0.8	-1.0
Cash flow hedges	8.8	0.0	-2.7
Taxes related to items that may be reclassified	-1.8	0.0	0.5
Total comprehensive income for the period	**57.7**	**54.4**	**80.4**
Total comprehensive income for the period attributable to:			
Owners of the parent	57.7	54.3	84.7
Non-controlling interest	0.0	0.0	-4.4

CONSOLIDATED BALANCE SHEET

€ million	Note	31.3.2019	31.3.2018	31.12.2018
ASSETS				
Non-current assets				
Intangible assets	3	224.6	215.4	226.3
Tangible assets	3	1,062.8	1,011.8	1,013.0
Equity-accounted investments		11.4	10.9	10.5
Other investments at fair value through the statement of income		0.1	0.0	0.1
Derivative financial instruments	5	0.5	0.8	1.1
Other non-current assets		0.3	0.4	0.3
Total non-current assets		**1,299.6**	**1,239.4**	**1,251.3**
Current assets				
Inventories		24.3	97.9	24.2
Derivative financial instruments	5	9.9	0.9	6.4
Trade and other receivables	4	253.9	202.5	223.2
Current tax assets		0.2	0.2	0.3
Assets held for sale		3.4	0.0	3.3
Cash and cash equivalents		36.8	24.6	17.8
Total current assets		**328.5**	**326.1**	**275.2**
Total assets		**1,628.2**	**1,565.5**	**1,526.6**

CONSOLIDATED BALANCE SHEET

€ million	Note	31.3.2019	31.3.2018	31.12.2018
EQUITY AND LIABILITIES				
Share capital		178.3	178.3	178.3
Paid-up unrestricted equity fund		26.3	0.0	26.3
Fair value reserves		4.9	0.0	-2.1
Retained earnings		434.5	378.9	379.7
Profit (loss) for the period		48.6	53.5	87.6
Translation differences		-3.3	-3.5	-5.4
Total equity attributable to owners of the parent		**689.2**	**607.2**	**664.3**
Non-controlling interest		0.0	38.1	0.2
Total equity		**689.3**	**645.2**	**664.5**
Liabilities				
Non-current liabilities				
Loans	6	428.2	409.7	415.1
Other non-current liabilities		191.6	176.9	143.5
Derivative financial instruments	5	4.1	3.6	5.5
Deferred tax liabilities		67.0	78.1	63.9
Provisions		10.1	10.0	10.0
Post-employment benefits		5.5	7.4	6.7
Total non-current liabilities		**706.5**	**685.8**	**644.8**
Current liabilities				
Loans	6	19.8	19.8	19.8
Derivative financial instruments	5	6.0	3.2	9.7
Trade and other current liabilities	7	203.1	201.2	175.5
Current tax liabilities		3.5	10.3	12.3
Total current liabilities		**232.4**	**234.5**	**217.3**
Total liabilities		**938.9**	**920.3**	**862.1**
Total equity and liabilities		**1,628.2**	**1,565.5**	**1,526.6**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ million	Share capital	Paid-up unrestricted equity reserve	Fair value reserve	Retained earnings	Translation differences	Total	Non-controlling interest	Total equity
	Attributable to owners of the parent							
Equity at January 1, 2019	178.3	26.3	-2.1	467.3	-5.4	664.3	0.2	664.5
Profit for the period				48.6		48.6	0.0	48.6
Other comprehensive income								
Translation differences					2.1	2.1		2.1
Cash flow hedges			7.1			7.1		7.1
Total comprehensive income for the period			**7.1**	**48.6**	**2.1**	**57.7**	**0.0**	**57.7**
Transaction with the owners								
Profit distribution				-32.9		-32.9		-32.9
Other changes				0.1		0.1	-0.2	0.0
Equity at March 31, 2019	**178.3**	**26.3**	**4.9**	**483.1**	**-3.3**	**689.2**	**0.0**	**689.3**

€ million	Share capital	Paid-up unrestricted equity reserve	Fair value reserve	Retained earnings	Translation differences	Total	Non-controlling interest	Total equity
	Attributable to owners of the parent							
Equity at January 1, 2018	178.3	0.0	0.0	378.9	-4.4	552.8	38.0	590.9
Profit for the period				53.5		53.5	0.0	53.5
Other comprehensive income								
Translation differences					0.8	0.8		0.8
Total comprehensive income for the period				**53.5**	**0.8**	**54.3**	**0.0**	**54.4**
Equity at March 31, 2018	**178.3**	**0.0**	**0.0**	**432.4**	**-3.5**	**607.2**	**38.1**	**645.2**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

€ million	1–3/2019	1–3/2018	1–12/2018
Cash flows from operating activities			
Profit before taxes	60.0	68.2	100.6
Adjustments			
Depreciation and amortization	16.3	14.1	69.8
Finance items - net	1.0	4.7	23.6
Unrealized gains/losses from financial instruments	-0.6	-1.1	-2.4
Other non-cash items	-4.4	1.3	2.1
Change in working capital	7.0	13.1	34.0
Cash inflow from operating activities before financial items and taxes	**79.3**	**100.2**	**227.7**
Cash flow from financial items and taxes	-24.2	-25.5	-53.0
Net cash flows from operating activities	**55.1**	**74.7**	**174.6**
Net cash flows from investing activities	**-13.7**	**-1.7**	**-30.6**
Cash flows from financing activities			
Proceeds from borrowings	13.3	0.0	0.0
Repayments of borrowings	-0.3	-50.4	-91.9
Increase/decrease of finance lease liabilities	-2.5	-0.8	-4.1
Dividends paid	-32.9	0.0	-32.9
Net cash flows from financing activities	**-22.4**	**-51.2**	**-128.9**
Net decrease (-)/increase (+) in cash and cash equivalents	**19.0**	**21.9**	**15.2**
Cash and cash equivalents at the beginning of the period (Dec 31)	17.8	2.7	2.7
Cash and cash equivalents at the end of the period	36.8	24.6	17.8

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

This interim report has been prepared in accordance with the IAS 34 Interim Financial Reporting standard. Excluding the below changes to accounting policies, the accounting policies and accounting methodology used for the Group's previous annual financial statements are applied to the interim financial statements. The information published in the interim report is unaudited. The following new standards were taken into use on January 1, 2019:

- IFRS 16 Leases. The standard applies to the classification of leases and has expanded the requirements set for lessees as well as lessors regarding the classification of leases. It has resulted in almost all leases being recognized on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The only exceptions are short-term and low-value leases.

  The standard has been applied from January 1, 2019. The Group applies the simplified transition approach and has not restated comparative amounts for the year prior to first adoption. The transition has affected the balance sheet and items in the income statement, although the most important leases have already been classified as on balance sheet under IAS 17. Following the introduction, fixed assets on the balance sheet at March 31, 2019 have increased by €53.3 million and lease liabilities by €53.4 million. The introduction of the standard has also affected items in the income statement. As the treatment of leases transfers the effect on profit and loss from lease costs to financial items and depreciation, the Gasum Group's EBITDA improved in Q1 by €1.2 million due to the impact of the standard. In the cash flow statement, the change in leasing liabilities is presented as financing cash flows.

2. TREASURY SHARES

The Group does not hold any treasury shares of the parent.

3. CHANGE IN INTANGIBLE AND TANGIBLE ASSETS

€ million	31.3.2019	31.3.2018	31.12.2018
Net book value at the beginning of the period	**1,239.3**	**1,166.6**	**1,166.6**
Depreciation and amortization	-16.3	-14.1	-69.8
Additions	14.9	73.7	121.1
IFRS16 leasing contracts	53.3	0.0	0.0
Investment subventions	-9.3	0.0	-2.4
Business acquisitions	0.0	0.0	33.1
Business disposals	-0.7	0.0	0.0
Reclassifications	0.0	0.0	-4.3
Disposals (incl. accumulated depreciation)	0.0	-0.2	-1.4
Effect of movements in exchange rates	6.1	1.3	-3.5
Net book value at the end of the period	**1,287.4**	**1,227.2**	**1,239.3**

4. TRADE AND OTHER RECEIVABLES

€ million	31.3.2019	31.3.2018	31.12.2018
Trade receivables	184.0	188.9	171.5
Accrued income	52.4	6.0	7.2
Other receivables	14.5	7.6	42.2
Receivables from associated companies	2.9	0.0	2.3
Total	**253.9**	**202.5**	**223.2**

5. DERIVATIVE FINANCIAL INSTRUMENTS

€ million	31.3.2019		31.12.2018	
	Assets	Liabilities	Assets	Liabilities
Interest rate derivatives	0.0	3.3	0.0	3.0
Commodity derivatives	9.4	4.6	6.4	8.6
Currency derivatives	1.0	2.2	1.1	3.5
Total	**10.4**	**10.0**	**7.5**	**15.2**
Less non-current portion:				
Interest rate derivatives	0.0	3.1	0.0	2.8
Commodity derivatives	0.0	0.0	0.4	1.0
Currency derivatives	0.5	0.9	0.8	1.6
Non-current portion	**0.5**	**4.1**	**1.1**	**5.5**
Current portion	**9.9**	**6.0**	**6.4**	**9.7**

6. LOANS

€ million	31.3.2019	31.3.2018	31.12.2018
Non-current			
Loans from financial institutions	428.2	409.7	415.1
Total	**428.2**	**409.7**	**415.1**
Current			
Loans from financial institutions	19.8	19.8	19.8
Total	**19.8**	**19.8**	**19.8**
Total loans	**448.0**	**429.5**	**434.9**

7. TRADE PAYABLES AND OTHER CURRENT LIABILITIES

€ million	31.3.2019	31.3.2018	31.12.2018
Trade payables	95.5	133.9	69.6
Other liabilities	60.7	39.1	56.6
Accrued expenses	38.0	25.7	44.9
Bank overdraft facility	0.3	0.0	0.0
Finance lease liabilities	8.6	2.5	4.4
Total	**203.1**	**201.2**	**175.5**

FORMULAS FOR KEY FINANCIAL INDICATORS

$$\text{Equity ratio (\%)} = 100 \times \frac{\text{Total equity}}{\text{Balance sheet total – advances received}}$$

$$\text{Return on equity (\%)} = 100 \times \frac{\text{Profit for the period (12m rolling)}}{\text{Total equity (average for the period)}}$$

$$\text{Return on investment (\%)} = 100 \times \frac{\text{Profit for the period + Finance costs (12m rolling)}}{\text{Total equity + Interest-bearing debt (average for the period)}}$$

$$\text{Net interest-bearing debt} = \text{Interest-bearing debt - Cash and cash equivalents}$$

$$\text{Gearing ratio (\%)} = 100 \times \frac{\text{Interest-bearing debt - Cash and cash equivalents}}{\text{Total equity}}$$

$$\text{Net debt/EBITDA} = 100 \times \frac{\text{Interest-bearing debt - Cash and cash equivalents}}{\text{EBITDA (12m rolling)}}$$

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