



GASUM GROUP
FINANCIAL STATEMENTS
BULLETIN

JANUARY 1 TO DECEMBER 31, 2018

GAS USE INCREASED – POSITIVE OUTLOOK FOR GAS MARKET

KEY FINANCIAL INDICATORS JANUARY 1 TO DECEMBER 31, 2018

- Revenue €1,177.4 million, up 27% year on year (2017: €925.0 million)
- Sales of Natural Gas business €874.9 million (€678.7 million)
- Sales of LNG business €252.0 million (€195.2 million)
- Sales of Biogas business €48.7 million (€47.9 million)
- Operating profit, €124.2 million (€114.2 million)

KEY FINANCIAL INDICATORS

€ thousand

	2018	2017	Change
Revenue	1,177,448	924,987	27.3%
Operating profit	124,169	114,170	8.8%
Operating profit (%)	10.5%	12.3%	
Equity ratio %	43.7%	41.6%	
Return on equity (%)	13.3%	13.7%	
Return on investment (%)	9.2%	9.1%	
Balance sheet total	1,526,550	1,421,201	7.4%
Net interest-bearing debt	562,715	585,872	-4.0%
Gearing ratio %	84.7%	99.2%	
Net debt/EBITDA	2.9	3.2	
Personnel at year-end	434	409	6.1%



GASUM GROUP CEO JOHANNA LAMMINEN COMMENTS ON 2018:

"Gasum had a successful year in 2018 because of determined strategy implementation, operational efficiency and also improved safety.

Our Group's financial performance improved in line with our expectations. Our revenue increased to €1,177.4 million in 2018, up 27% year on year (2017: €925.0 million). Our operating profit was €124.2 million, up 8.8% year on year (€114.2 million).

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. Gas also offers industrial operators an excellent alternative in their efforts to achieve their emission targets.

In the coming years, we will invest strongly in the development of the Nordic gas market and infrastructure, helping the Nordic countries to reach the emission targets set. Demand for clean gas solutions is increasing strongly and the total sales volumes of gas are projected to grow, which will also ensure positive development in the company's revenue and profitability.

Offering clean alternatives in transport is a strategic focus for Gasum. Last year we announced our plan to construct a network of 50 filling stations in Finland, Sweden and Norway to serve heavy-duty vehicles. The investment will multiply the size of the Nordic heavy-duty vehicle filling station network, enabling considerable transport emission cuts.

We took another important step to develop the Nordic gas market by acquiring the energy market services business of Enegia. The acquisition improves our opportunities to provide well-functioning energy solutions to an even broader spectrum of customers in the Nordic countries and that way strengthen our position in the energy market.

Thirdly, we increased our shareholding in our subsidiary Skangas from 70% to 100% in October 2018. This was part of the Gasum strategy with the development of the Nordic gas market and LNG infrastructure at its core. This also enables us to operate under a single strong brand throughout the Nordics.

In 2018 we made preparations for the opening up of the Finnish gas market effective from the beginning of 2020. We will continue this work and anticipate another strong year for Gasum in 2019."

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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

Natural gas accounts for more than 20% of the total energy consumption in Europe. Demand for gas is projected to grow by an estimated 30% over the next 20 years.

Oil price increases and continued uncertainty about price development have increased interest in the use of gas. Electricity prices have been high in the Nordic countries due to low water reservoirs in Norway and Sweden following a dry summer. This has also boosted gas demand among those customers who use electricity and gas side by side. There are several projects relating to gas production, storage and transport underway in the Group's operating environment. These projects increase competition while at the same time build confidence in the availability and market-based pricing of gas.

Effective from the start of 2019, changes have taken place in Finnish energy taxation. The halving of the carbon dioxide tax in combined heat and power (CHP) production has been abandoned and replaced with a lower energy content tax of €7.63 per megawatt hour for fuels used in CHP. This increases coal taxation in CHP by around €3 per megawatt hour and that of natural gas by around €0.70 per megawatt hour.

Liquefied natural gas (LNG) and liquefied biogas (LBG) both offer a competitive option to achieve the targets published by the European Commission in 2018 according to which carbon dioxide emissions from heavy-duty vehicles must be 15% lower by 2025 and 30% lower by 2030 compared with the 2019 level.

In road transport, the number of gas-fueled vehicles increased in Finland in 2018. During 2018, a total of more than 1,200 first registrations of gas cars were made, in addition to which more than 1,400 used gas cars were imported. The number of gas-fueled vehicles was approximately 2,400 in the end of the year 2017, the increase was almost 80%. 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 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 the reference year of 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.

The circular economy targets set by the EU provide increasing steering towards ways of processing sludge and biowaste where the benefits obtained from side streams are fully utilized. According to these targets, 65% of municipal waste must be recycled by 2030. The current rate in Finland averages 30–35%.

GASUM'S STRATEGY IS TO EXPAND THE GAS MARKET

During the year under review, Gasum advanced its strategy which is to expand gas market on land and at sea in Nordics. Renewal is a key element of Gasum's strategy. Gasum's mission is 'Cleaner energy' and our vision is 'Leading the Nordic gas ecosystem'. The following components of the Gasum strategy are the cornerstones of the company's operations: promoting sustainability, adding customer value, building a smart gas ecosystem, and developing Gasum together.

The strategically important transactions involving the acquisition of the Enegia energy market services business and the increasing ownership in the Gasum subsidiary Skangas AS (renamed Gasum AS) from 70% to 100% took place in 2018. Both acquisitions were part of the Gasum strategy, a core element of which is to develop the Nordic gas market and LNG infrastructure. The acquisition of the energy market services business also enables service expansion in the energy wholesale market.

Gasum is committed to the development of a low-emission road fuel gas market in the Nordic countries. Gasum is expanding the gas filling station network to respond to the rapidly increasing demand for gas as a road fuel. During the financial year, Gasum announced an investment programme to construct around 50 LNG filling stations for heavy-duty vehicles in Finland, Sweden and Norway by the beginning of the 2020s. In addition, liquefied biogas provides an alternative also for industrial operators and maritime transport to achieve emissions targets, and Gasum entered into several new agreements in these sectors during the reporting period.

Safety and security are at the core of Gasum's strategy and corporate responsibility, and there is a continuous focus on related issues. The rate of injuries has developed in a positive direction at Gasum and is now at its lowest in 10 years.

BUSINESS DEVELOPMENT IN 2018

The Gasum Group's revenue for 2018 totaled €1,177.4 million, up 27% year on year (2017: €925.0 million). The revenue growth was particularly strong in the Natural Gas and LNG business units. The Group's operating profit was €124.2 million (€114.2 million), up 9% year on year and with all business units of the Group performing better than planned. The operating profit margin was slightly below the previous year's level at 11% (12%). This was partly owing to the non-recurring write-off of €11.1 million for the Porvoo LNG liquefaction plant.

Natural Gas business

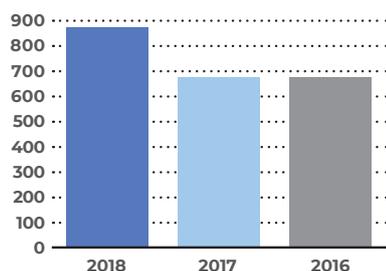
The previous downward trend in natural gas volumes has been reversed and in 2018 sales volumes rose to a level clearly above those seen a year earlier, totaling 24.7 TWh and up 11% year on year (2017: 22.3 TWh). Gas consumption was greater than a year earlier in combined heat and power (CHP) production in particular. This was partly attributable to both a cold first part of the year and the rise in electricity market price due to a dry summer. The supply certainty of natural gas remained at an excellent level in 2018.

The revenue of the Natural Gas business unit in 2018 was up 29% year on year, totaling €874.9 million (€678.7 million). The considerable revenue growth was attributable to increased gas consumption, the price development of

Development of revenue by business unit

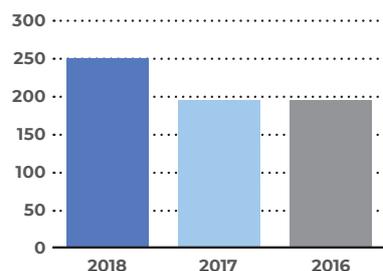
NATURAL GAS

€ million



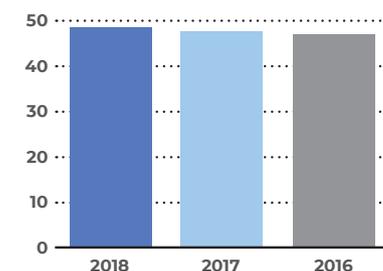
LNG

€ million



BIOGAS

€ million



natural gas and the acquisition of the Enegia energy market services business that took place in August.

Gasum acquired the energy market services business of the Finnish energy industry expert Enegia in August 2018. Enegia Consulting Oy, Enegia Portfolio Services Oy and IntStream Oy became part Gasum's Natural Gas business. The acquisition strengthens Gasum's Nordic strategy by enabling service expansion in the energy wholesale market. Capacity to operate more broadly in the energy market strengthens Gasum's position as an energy company of the future.

Finland's new Natural Gas Market Act entered into force at the start of 2018. The market rules were published in September, and preparations for the open market are progressing as planned. Due to enter into force in 2020, the Gas Transmission Tariffs will be published in early 2020 and a related consultation will be organized by the Energy Authority if the amendment proposed by the Government in December 2018 will be accepted by Parliament in early 2019. If the amendment enters into force before April 30, 2019, the Gas Transmission Tariffs for 2020 will be published by June 30, 2019.

Gasum's transmission business will be unbundled by January 1, 2020 in the manner required by the Natural Gas Market Act. As part of the preparations, Gasum has founded a new subsidiary, Suomen Kaasunsiirtopalvelut Oy, which is tasked with planning transmission network business development processes for the period after the unbundling. At the end of 2018, Baltic Connector Oy, which is building a gas interconnector between Finland and Estonia, was transferred from the State of Finland to the Gasum Group.

LNG business

Sales volumes of the LNG business in 2018 totaled 6.3 TWh, up 4.1% year on year (2017: 6.1 TWh). Interest in using liquefied natural gas (LNG) grew further during the year, especially in maritime transport and industry.

The revenue of the LNG business unit in 2018 totaled €252.0 million, up 29% from the previous year (€195.2 million). Revenue growth was driven by the price development and improved competitiveness of LNG resulting from oil price increases. The introduction of the bunkering vessel Coralius increased the number of ship-to-ship bunkerings in 2018. The vessel was taken into service in late 2017 and has strengthened Gasum's position as the leading small-scale player in the LNG market.

Gasum increased its shareholding in Skangas AS (renamed Gasum AS) from 70% to 100% in October 2018. This was part of the Gasum strategy to develop the Nordic gas market and LNG infrastructure. Gasum will now operate under the same strong band in all Nordic countries.

The supply certainty of LNG supply was 100% in 2018. Supply certainty was strengthened by the introduction of the world's first LNG carrier holding the Ice Class 1A Super, Coral EnergyICE. The vessel enables disruption-free deliveries in all weather conditions.

During the period under review, the business unit also supplied liquefied biogas (LBG) to industry and maritime transport. The advantage of LBG compared with gaseous biogas is that it can be utilized in the same sites and processes and LNG.

Progress has been made in the joint venture in the construction of Manga LNG Ltd's gas import terminal at Røyttä Harbor of the Port of Tornio, Finland, and the terminal is expected to be ready for commercial use in 2019. Gasum partners in the project with Outokumpu, SSAB Europe and EPV Energy.

Biogas business

The Biogas business unit's sales volumes in 2018 totaled 517.7 GWh (2017: 536.6 GWh), which equates to the annual fuel consumption of more than 50,000 cars. Developing the biogas market and increasing the transport use of gas and biogas production capacity are key elements of the Gasum strategy.

The revenue of the Biogas business unit totaled €48.7 million in 2018 (€47.9 million). The growth in revenue was attributable to the increase in the number of gas vehicles in Finland and the growing demand for circular economy solutions and biomass processing services. Gasum sold the biogas distribution sales agreements to Suomen Kaasunenergia Oy during the period under review.

The Biogas business is undergoing a strong development phase. The year 2018 Gasum's Biogas business unit launched an investment programme to construct around 50 gas filling stations for heavy-duty vehicles in Finland, Sweden and Norway by the beginning of the 2020s. In addition, the company continued the construction of new stations serving lighter transport in Finland and opened new filling stations in Espoo, Salo and Vantaa.

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.

In 2018, Gasum invested in increasing the operational efficiency of its biogas plants and in the production of organic nutrient products. The feedstocks base of the biogas plants in Sweden is being expanded from agricultural side streams to biowaste. In Finland Gasum uses an annual total of around 200,000 tonnes of sewage sludge in biogas and fertilizer production. In addition to biowaste, sewage sludge is an important feedstock for biogas and recycled nutrients. In collaboration with partners, Gasum has increased the use of organic nutrient products created in biogas production in new uses.

In 2018, Gasum and Stora Enso signed an agreement on the construction of a biogas plant at Stora Enso's Nymölla Mill in Sweden. With Gasum responsible for construction and operation, the plant will turn the mill's wastewater into renewable energy. The plant is anticipated to produce 220 MWh of liquefied biogas per day. The commissioning of the plant is scheduled for 2020. The Swedish Environmental Protection Agency has granted a subsidy of €12.7 million to the project.

A sub-project relating to the expansion and modernization of Gasum's Topinoja biogas plant in Turku was completed in 2018. Developing a circular energy solution based on the Turku biogas plant is one of the key energy aid projects of the Finnish Government. The entire Turku plant is due for completion for production use during Q3 of 2019.

The Finnish Ministry of Economic Affairs and Employment granted Gasum €7.83 million in 'Bioeconomy and clean solutions' key project support for increased biogas production capacity. Gasum has looked into the opportunity to construct a biogas plant in Lohja, Finland. More detailed design and planning of the biogas plant project commenced in 2018.

The supply certainty of biogas supply has been excellent over the part years and also remained at an excellent level in 2018.

BALANCE SHEET AND FINANCIAL POSITION

The Group's balance sheet total at December 31, 2018 came to €1,526.6 million (December 31, 2017: €1,421.2 million). The biggest individual factor behind the increase was the Coral EnergyICE vessel which is treated as a financial lease liability. The Group's financial position strengthened further thanks to good performance in the 2018 financial year, with the equity ratio being 43.7% (41.6%). The Group's interest-bearing debt at the reporting date totaled €580.6 million (€588.5 million), including borrowings from financial institutions as well as finance lease liabilities.

CAPITAL EXPENDITURE AND ACQUISITIONS

The Gasum Group's capital expenditure on intangible and tangible assets in 2018 totaled €48.0 million (2017: €22.9 million), and most of this was spent on biogas plant expansion investments and the construction of new filling stations. Capital expenditure during the year supports and promotes the implementation of the Gasum strategy in which the development of the biogas market and increasing production capacity are key elements.

Gasum received a total of €20.6 million in investment support during the financial year (2017: €11.7 million), targeted at currently ongoing investments as well as ones being launched in Finland and Sweden.

On August 31, 2018, Gasum Ltd and Enegia Group Oy closed a transaction under which Gasum acquired Enegia's energy market services business comprising the shareholdings of Enegia Consulting Oy, Enegia Portfolio Services Oy and IntStream Oy. Following the acquisition, Enegia Consulting Oy was renamed Gasum Consulting Oy and Enegia Portfolio Services Oy was renamed Gasum Portfolio Services Oy.

In October 2018, Gasum exercised a call option and bought 30% of the shares in Skangas AS (renamed Gasum AS). The transaction raised Gasum's ownership in the company to 100%. Towards the end of the year, Skangas AS and its subsidiaries were renamed to align them with the Gasum brand.

QUALITY, THE ENVIRONMENT, SAFETY AND SECURITY AND RESPONSIBILITY

There were no significant environmental nonconformities in Gasum in 2018, and the level of environmental performance remained high. The company's quality and environmental management systems have been recertified. An external audit took place on the Energy Management System, and the supplier audit process was developed further. In addition, the integrated management system was audited successfully in November.

The Group's injury rate developed positively during 2018 and was at its lowest in 10 years.

There were a total of 6 accidents at work in 2018 (2017: 10 accidents), with 4 of these resulting in at least one day off work.

Safety and security are at the core of Gasum's strategy and responsibility. Several measures took place during the year to improve health and safety at work, and the company introduced new online courses in safety and security. The business functions report on their respective safety and environmental performance on a monthly basis. The year also saw a safety campaign themed on changing the safety culture. Together with the Emergency Services College, Gasum organized an accident preparedness exercise themed on gas transport.

The Zero Accident Forum awarded Gasum occupational safety classification for 2017 at Level II – Approaching the World's Forefront – for efforts made towards continuous improvement of health and safety at work.

Gasum also conducted an extensive stakeholder survey in the Nordic countries relating to corporate responsibility. Responsibility plays an important role in the Gasum strategy. The results of the survey will be utilized in the development of Gasum's corporate responsibility reporting.

RESEARCH AND PRODUCT DEVELOPMENT

During the year, the focus in the Group's research and product development was on the development of the Biogas business in Finland and Sweden. Costs related to Biogas business development totaled €6.4 million in 2018. The circular economy and recycled nutrients in particular are strongly at the core of Gasum's research and product development. Gasum has developed new solutions for digestate processing and potential uses for nutrient residues through product development together with partners. The aim is to process nutrient residues from biogas production to meet the needs of industrial processes, for example.

Gasum supports research and development in the gas sector through the Gasum Gas Fund, with 7 research grants, amounting to a total of €40,800 (in 2017: €81,000), given out in 2018 from the Gasum Gas Fund administered by the Finnish Foundation for Technology Promotion.

PERSONNEL AND ORGANIZATION

At December 31, 2018 the Gasum Group had a total of 434 employees (December 31, 2017: 409). Of these, 61 worked in Sweden in the LNG and Biogas businesses and 54 in Norway in the LNG business. The remaining 319 employees were based in Finland. Gasum also employed more than 30 young talents in a range of different summer job duties.

Renewal is a key element of Gasum's strategy. The company invests in personnel competence development and published safety-related Gasum Academy online training

modules in 2018. Gasum also focuses on employee well-being, good leadership and improved safety and security in cooperation with the personnel.

The company has three business units: Natural Gas, LNG and Biogas. The internal service function, Technical Services, provides maintenance services required by the other business functions and also by other actors in the gas sector.

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 April 13, 2018. The AGM confirmed the number of members of Gasum's Board of Directors as being seven. Stein Dale, Elina Engman, Timo Koponen, Päivi Pesola, Juha Rantanen and Jarmo Väisänen were re-elected to the Board. Elisabet Salander Björklund was elected as a new member to the Board. Juha Rantanen was re-elected as the chairman of the Board of Directors. The Board's work is supported by the Audit Committee and the HR Committee.

RISKS AND RISK MANAGEMENT

Gasum's business operations are exposed to strategic, political, operational and market and financial risks.

Market risks

The main factors influencing Gasum's business performance are energy commodity prices globally and in the Nordic markets. Gasum hedges the open positions of energy products it sells according to its commodity risk policy using widely used instruments and also hedges are made to the foreign currency risks relating to the business transactions. The market price risks in sales of natural gas is mitigated with the back to back relation with the procurement. The pricing of liquefied natural gas (LNG) for end customers follows international gas quotes as well as the sourcing of LNG. In case of more structured sales agreements, the open position is hedged using the external derivative market.

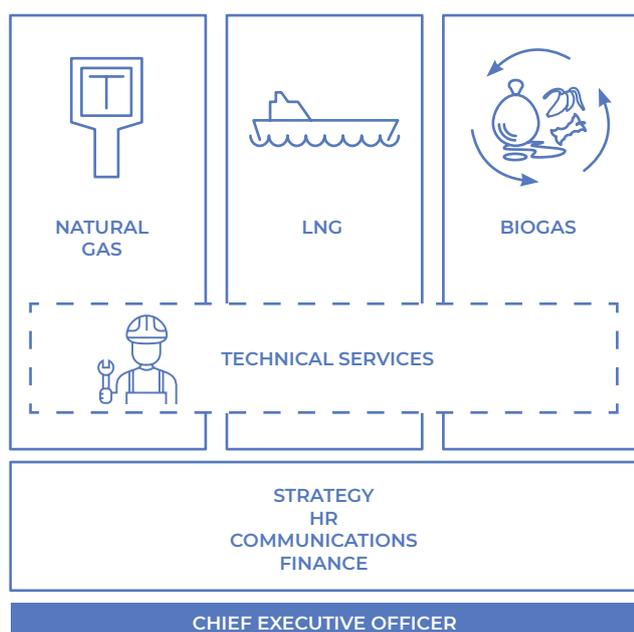
Strategic and political risks

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 concerning its operating environment. In addition, Gasum seeks to comprehensively draw attention to its viewpoints

GASUM GROUP ORGANIZATION:



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.

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. In spring 2018, Gasum entered into an enhanced customer relationship with the Finnish 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. Gasum distributes gas through the pipeline network or by using containers. 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 compliance 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 reserve fuel arrangements in place.

EVENTS AFTER THE REPORTING PERIOD

On January 17, Gasum Ltd signed an agreement under which it will sell the shares of its subsidiary Gasum Tekniikka Oy to the industrial maintenance specialist Viafin Service Oyj. The transaction is anticipated to be closed by mid-February. Gasum Tekniikka Oy will continue service provision to current and new customers.

Effective from January 2019, Gasum reformed its organization structure to support better its strategy implementation in the Nordic countries. The company's business units are Natural Gas and LNG, Portfolio Management and Trading, Biogas, and Traffic.

The Natural Gas and LNG business unit sells natural gas and liquefied natural gas (LNG) and produces LNG for industry, energy production and maritime transport. The business unit is headed by Vice President Kimmo Rahkamo (MSc (Eng.))

The Portfolio Management and Trading business unit is responsible for the company's natural gas, LNG, biogas, electricity and other commodity sourcing and for price and volume risk management relating to supply and sales agreements. The business unit also provides portfolio manage-

ment and expert services. The business unit is headed by Senior Vice President Jouni Haikarainen (MSc (Eng.))

The Biogas business unit is responsible for promoting the circular economy, increasing biogas production capacity and selling recycled nutrients and biogas. For the time being the business unit reports to CEO Johanna Lamminen.

The Traffic business unit develops the filling station network and sells compressed and liquefied natural gas and biogas for road transport. The business unit is headed by Vice President Jukka Metsälä (MSc (Eng.))

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. Gasum's new businesses (LNG and Biogas) have already gained a good position in the market and will grow significantly in the future. The prolonged downward trend in natural gas volumes has been reversed and possible tax changes may have an impact on growth in gas demand within the area covered by the natural gas pipeline network, too. 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.

GASUM GROUP

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Consolidated statement of income - unaudited

€ thousand

	1.1.-31.12.2018	1.1.-31.12.2017
Revenue	1,177,448	924,987
Other operating income	12,931	23,348
Materials and services	-909,114	-678,530
Personnel expenses	-40,117	-38,452
Depreciations and amortization	-69,819	-68,059
Other operating expenses	-47,303	-48,985
Share at result from investments accounted for using the equity method	143	-139
Operating profit	124,169	114,170
Finance income	4,551	13,897
Finance expenses	-28,165	-28,183
Finance items - net	-23,614	-14,286
Profit before taxes	100,554	99,884
Current income tax expense (income)	-31,399	-32,110
Change in deferred taxes	14,094	13,426
Profit for the period	83,250	81,199
Profit for the period attributable to:		
Owners of the parent	87,605	86,199
Non-controlling interest	-4,355	-5,000

Consolidated statement of comprehensive income - unaudited

€ thousand

	1.1.-31.12.2018	1.1.-31.12.2017
Profit for the period	83,250	81,199
Other items in comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefits	385	-89
Taxes related to items that will not be reclassified	-77	18
Total	308	-71
Items that may be reclassified subsequently to profit or loss		
Translation differences	-1,042	-6,188
Cash flow hedges	-2,684	0
Taxes related to items that may be reclassified	537	0
Total	-3,189	-6,188
Total comprehensive income for the period	80,369	74,940
Total comprehensive income for the period attributable to:		
Owners of the parent	84,724	79,941
Non-controlling interest	-4,355	-5,000

Consolidated balance sheet - unaudited

€ thousand

	31.12.2018	31.12.2017
ASSETS		
Non-current assets		
Intangible assets	226,271	216,790
Tangible assets	1,013,036	949,783
Equity-accounted investments	10,530	10,510
Other investments at fair value through the statement of income	56	50
Derivative financial instruments	1,123	1,502
Other non-current assets	307	411
Total non-current assets	1,251,322	1,179,045
Current assets		
Inventories	24,186	98,654
Derivative financial instruments	6,403	816
Trade and other receivables	223,152	139,878
Current tax assets	289	146
Assets held for sale	3,348	0
Cash and cash equivalents	17,850	2,662
Total current assets	275,228	242,156
Total assets	1,526,550	1,421,201

Consolidated balance sheet - unaudited

€ thousand

	31.12.2018	31.12.2017
EQUITY AND LIABILITIES		
Share capital	178,279	178,279
Paid-up unrestricted equity reserve	26,280	0
Fair value reserve	-2,147	0
Retained earnings	379,659	292,727
Profit for the period	87,605	86,199
Translation differences	-5,400	-4,358
Total equity attributable to owners of the parent	664,275	552,848
Non-controlling interest	206	38,023
Total equity	664,481	590,871
Liabilities		
Non-current liabilities		
Loans	415,111	409,641
Other non-current liabilities	143,493	127,208
Derivative financial instruments	5,487	5,382
Deferred tax liabilities	63,936	76,922
Provisions	10,049	9,959
Post-employment benefits	6,742	7,369
Total non-current liabilities	644,817	636,482
Current liabilities		
Loans	19,808	29,724
Derivative financial instruments	9,677	2,826
Trade and other payables	175,514	143,854
Current income tax liabilities	12,253	17,444
Total current liabilities	217,252	193,848
Total liabilities	862,069	830,330
Total equity and liabilities	1,526,550	1,421,201

Consolidated statement of cash flows - unaudited

€ thousand

	1.1.-31.12.2018	1.1.-31.12.2017
Cash flows from operating activities		
Profit before taxes	100,554	99,884
Adjustments		
Depreciation and amortization	69,819	68,059
Finance items - net	23,614	14,286
Unrealized gains/losses on financial instruments	-2,378	3,895
Other non-cash items	2,087	-14,198
Change in working capital	33,979	46,015
Cash inflow from operating activities before financial items and taxes	227,675	217,941
Interest paid and other finance costs	-17,113	-12,499
Received financial income	876	981
Income taxes paid	-36,788	-28,919
Cash flow from financial items and taxes	-53,026	-40,437
Net cash flows from operating activities	174,649	177,504
Cash flows from investing activities		
Investments in tangible assets	-46,090	-21,788
Investments in intangible assets	-1,898	-1,071
Investment grants received	20,605	11,718
Proceeds from sale of tangible assets	392	223
Business acquisitions and disposals net	-3,568	4,807
Increase/decrease of non-current receivables	0	130
Net cash flows from investing activities	-30,559	-5,981
Cash flows from financing activities		
Proceeds from non-current borrowings	0	1,945
Repayments of non-current borrowings*	-38,735	-124,070
Proceeds from current borrowings	0	21,327
Repayments of current borrowings	-53,158	-40,497
Increase/decrease of finance lease liabilities	-4,107	-991
Dividends paid	-32,902	-50,000
Net cash flows from financing activities	-128,903	-192,286
Net decrease/increase in cash and cash equivalents	15,188	-20,763
Cash and cash equivalents at the beginning of the period (Dec 31)	2,662	23,425
Cash and cash equivalents at the end of the period	17,850	2,662

*Contains the exercise of 30% call option of the Gasum subsidiary Skangas AS (renamed Gasum AS) (in 2017 the exercise of the 15,6% call option).

Formulas for key financial indicators

Equity ratio (%) =	100 x	$\frac{\text{Total equity}}{\text{Balance sheet total} - \text{advances received}}$
Return on equity (%) =	100 x	$\frac{\text{Profit for the period}}{\text{Total equity (average for the period)}}$
Return on investment (%) =	100 x	$\frac{\text{Profit for the period} + \text{Finance costs}}{\text{Total equity} + \text{Interest-bearing debt (average for the period)}}$
Net interest-bearing debt =		Interest-bearing debt - Cash and cash equivalents
Gearing ratio (%) =	100 x	$\frac{\text{Interest-bearing debt} - \text{Cash and cash equivalents}}{\text{Total equity}}$
Net debt/EBITDA =	100 x	$\frac{\text{Interest-bearing debt} - \text{Cash and cash equivalents}}{\text{EBITDA}}$

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