

Lassila & Tikanoja plc
Stock exchange release
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Lassila & Tikanoja plc: Interim Report 1 January – 30 September 2019

Unless otherwise mentioned, the figures in brackets refer to the corresponding period in the previous year.

- **Net sales for the third quarter were EUR 190.5 million (196.3), operating profit was EUR 18.5 million (19.6) and earnings per share EUR 0.36 (0.37).**
- **Net sales for January–September were EUR 585.4 million (595.7), operating profit was EUR 36.1 million (35.9) and earnings per share EUR 0.74 (0.66).**
- **The decline in net sales was mainly due to the divestment of L&T Korjausrakentaminen Oy.**
- **Lassila & Tikanoja’s full-year net sales in 2019 are expected to be on par with 2018 and operating profit is expected to be below 2018 level. The outlook does not take into account the impact of the divestment of L&T Korjausrakentaminen Oy.**

The sale of the entire share capital of L&T Korjausrakentaminen Oy to Recover Nordic Group was finalised on 30 April 2019. The sale is estimated to have a positive impact of approximately EUR 4.5 million on the Group’s operating profit in 2019. L&T Korjausrakentaminen Oy’s net sales in 2018 amounted to EUR 35.0 million and its operating profit was EUR 0.7 million.

PRESIDENT AND CEO EERO HAUTANIEMI:

“Lassila & Tikanoja’s business developed positively in January–September excluding Facility Services Finland. Operating profit increased year-on-year in Environmental Services, Industrial Services and Facility Services Sweden.

In Facility Services Finland, operating profit was weighed down by costs related to the implementation of a new operating model in technical services business. Cleaning business developed favourably due to new customer accounts in the third quarter.

In Environmental Services, strong demand in retail and industrial segments as well as in renewable energy sources compensated for the impact of municipalisation on net sales. The measures taken to improve the efficiency of production also had a positive impact on operating profit. In Industrial Services, strong demand at industrial sites increased net sales and operating profit year-on-year.

Cash flow from operating activities remained strong. During the remainder of the year, we will focus on establishing the new operating model in Facility Services Finland and improving the division’s profitability.”

GROUP NET SALES AND FINANCIAL PERFORMANCE

July–September

Lassila & Tikanoja’s net sales for the third quarter amounted to EUR 190.5 million (196.3). Operating profit was EUR 18.5 million (19.6), representing 9.7% (10.0) of net sales. Earnings per share were EUR 0.36 (0.37).

Net sales and operating profit improved year-on-year in Environmental Services and Industrial Services. The operating profit of Facility Services Sweden also improved slightly compared to the corresponding period last year. The net sales and operating profit of Facility Services Finland declined significantly year-on-year.

January–September

Net sales in January–September totalled EUR 585.4 million (595.7). Operating profit amounted to EUR 36.1 million (35.9), representing 6.2% (6.0) of net sales. The divestment of L&T Korjausrakentaminen Oy had an effect of EUR 5.1 million on operating profit. Excluding the effect of the divestment of L&T Korjausrakentaminen Oy, the Group's operating profit in January–September would have amounted to EUR 31.0 million. Earnings per share were EUR 0.74 (0.66). Lower financial expenses and taxes compared to the corresponding period last year contributed to the year-on-year improvement in earnings per share.

A capital gain of EUR 6.7 million was recognised in the second quarter on the divestment of L&T Korjausrakentaminen Oy. Taking the other effects of the divestment into account, the transaction is estimated to have an effect of EUR 4.5 million on the full financial year 2019.

Operating profit decreased significantly year-on-year in Facility Services Finland. Operating profit increased year-on-year in Environmental Services, Industrial Services and Facility Services Sweden.

Financial summary

	7–9/2019	7–9/2018	Change %	1–9/2019	1–9/2018	Change %	1–12/2018
Net sales, EUR million	190.5	196.3	-3.0	585.4	595.7	-1.7	802.2
Operating profit, EUR million	18.5	19.6	-5.3	36.1	35.9	0.5	47.6
Operating margin, %	9.7	10.0		6.2	6.0		5.9
EBITDA, EUR million	32.1	30.1	6.8	77.0	67.7	13.8	90.1
EBITDA, %	16.9	15.3		13.2	11.4		11.2
Profit before tax, EUR million	17.6	18.2	-3.1	33.8	32.1	5.4	42.7
Earnings per share, EUR	0.36	0.37	-2.9	0.74	0.66	12.1	0.89
Cash flow from operating activities/share, EUR	0.41	0.49	-15.7	1.50	1.38	8.1	2.35
EVA, EUR million	12.1	13.8	-12.4	17.3	18.0	-4.0	24.0

NET SALES AND OPERATING PROFIT BY DIVISION

Environmental Services

July–September

The division's net sales for the third quarter were EUR 75.0 million (74.7). Operating profit grew by 4.6% year-on-year and amounted to EUR 11.2 million (10.7).

Net sales and operating profit increased year-on-year. Measures taken to improve the efficiency of production had a positive impact on operating profit. Demand for new circular economy services and renewable energy sources was at a good level.

January–September

The Environmental Services division's net sales for January–September amounted to EUR 231.5 million (229.1). Operating profit grew by 5.5% to EUR 24.6 million (23.3).

Strong demand in the retail and industrial segments as well as renewable energy sources compensated for the impact of municipalisation on net sales. Operating profit increased due to the improved efficiency of operations. Labour and subcontracting costs as well as fuel costs were higher than in the comparison period.

Industrial Services

July–September

The division's net sales for the third quarter totalled EUR 27.7 million (25.9). Operating profit was EUR 4.4 million (3.7).

Demand was at a good level and the third quarter was strong particularly with respect to industrial sites and the project business.

January–September

The Industrial Services division's net sales for January–September were EUR 72.8 million (71.3). Operating profit was EUR 8.0 million (7.4).

The slowing down of the construction sector was compensated by new customer accounts in industrial sites and the project business.

Facility Services Finland**July–September**

The division's net sales amounted to EUR 59.0 million (65.9). The decline in net sales was mainly due to the divestment of L&T Korjausrakentaminen Oy. Operating profit was EUR 2.8 million (4.4).

Operating profit declined year-on-year due to the smaller contract portfolio in the property maintenance business and the costs related to the implementation of a new operating model in the technical services business. The cleaning business developed favourably thanks to new customer accounts.

January–September

The net sales of Facility Services Finland were EUR 189.8 million (203.2) in January–September. The decline in net sales was mainly due to the divestment of L&T Korjausrakentaminen Oy. Operating profit was EUR -2.7 million (5.2).

The operating profit being substantially lower than in the comparison period was mainly due to costs related to the implementation of a new operating model in the technical services business and the contract portfolio of the property maintenance business being lower than in the corresponding period last year.

Facility Services Sweden**July–September**

The division's net sales for the third quarter were EUR 30.5 million (31.6). Operating profit was EUR 1.4 million (1.3).

The demand for technical services remained strong in the municipal and hospital sectors as well as in the commercial segment, but the competition has become more intense. The measures taken to improve the efficiency of production had a positive impact on operating profit.

January–September

The net sales of Facility Services Sweden totalled EUR 96.0 million (97.4) in January–September. Operating profit was EUR 2.9 million (2.6). In Swedish crownes the net sales grew by 1.5%.

The demand for technical services increased in Sweden, but sales growth was slowed by problems related to the availability of labour. The profitability of the cleaning business improved towards the end of the period.

FINANCING

Cash flow from operating activities amounted to EUR 57.5 million (53.2) in the first three quarters of the year. A total of EUR 1.5 million (4.8) in working capital was committed.

Interest-bearing liabilities on the balance sheet were increased by approximately EUR 53.8 million by the entry into force of IFRS 16 at the beginning of 2019. This had a negative effect on the gearing ratio and equity ratio. The Group issued a separate release on the effects of the transition on 25 April 2019.

At the end of the period, interest-bearing liabilities amounted to EUR 175.2 million (149.7). Net interest-bearing liabilities totalled EUR 155.4 million (119.1). This represents an increase of EUR 57.6 million from the start of the year and EUR 36.3 million from the comparison period. In August 2019, the company made an early repayment of a loan of EUR 25 million that was originally set to mature in 2020. The long-term loans do not include commercial papers or the liabilities reported in accordance with IFRS 16. The average interest rate on long-term loans (with interest rate hedging) was 1.3% (1.2%).

Net financial expenses in January–September amounted to EUR 2.3 million (3.4). The entry into force of IFRS 16 increased financial expenses, while exchange rate fluctuations reduced them. Net financial expenses were 0.4% (0.6%) of net sales.

The equity ratio was 36.3% (38.5%) and the gearing rate was 76.8% (58.5%). Liquid assets at the end of the period amounted to EUR 19.7 million (30.6). The equity ratio was negatively affected by the entry into force of IFRS 16 at the beginning of 2019.

The EUR 100 million commercial paper programme was entirely unused at the end of the period. The commercial paper programme was also unused in the corresponding period last year. A committed limit totalling EUR 30.0 million was not in use, as was the case in the comparison period.

DISTRIBUTION OF ASSETS

The Annual General Meeting held on 14 March 2019 resolved that a dividend of EUR 0.92 per share be paid on the basis of the balance sheet that was adopted for the financial year 2018. The dividend, totalling EUR 35.3 million, was paid to shareholders on 25 March 2019.

CAPITAL EXPENDITURE

Gross capital expenditure totalled EUR 33.2 million (21.6), consisting primarily of machine and equipment purchases as well as investments in information systems and buildings.

PERSONNEL

In the third quarter, the average number of employees converted into full-time equivalents was 7,365 (7,465). At the end of the period, Lassila & Tikanoja had 8,414 (8,467) full-time and part-time employees. Of these, 6,662 (6,863) worked in Finland and 1,752 (1,604) in other countries.

SHARES AND SHARE CAPITAL

Traded volume and price

The volume of trading on Nasdaq Helsinki in January–September, excluding the shares held by the company in Lassila & Tikanoja plc, was 4,049,899 shares, which is 10.5% (8.9) of the average number of outstanding shares. The value of trading was EUR 58.9 million (59.5). The highest share price was EUR 16.40 and the lowest EUR 12.92. The closing price was EUR 13.56. At the end of the review period, the market capitalisation excluding the shares held by the company was EUR 520.4 million (622.2).

Own shares

The Board of Directors of Lassila & Tikanoja plc resolved on 10 September 2019 to start repurchasing the company's own shares. According to the Board's resolution, the repurchasing may continue until the end of the year. A total of 37,527 shares were repurchased between 10 September and the end of the period under review.

At the end of the period, the company held 421,482 of its own shares, representing 1.1% of all shares and votes.

Share capital and number of shares

The company's registered share capital amounts to EUR 19,399,437 and the number of outstanding shares was 38,377,392 at the end of the period. The average number of shares excluding the shares held by the company was 38,411,905.

Shareholders

At the end of the period, the company had 15,085 (12,786) shareholders. Nominee-registered holdings accounted for 18.3% (19.8) of the total number of shares.

Authorisation for the Board of Directors

The Annual General Meeting held on 14 March 2019 authorised Lassila & Tikanoja plc's Board of Directors to make decisions on the repurchase of the company's own shares using the company's unrestricted equity. In addition, the Annual General Meeting authorised the Board of Directors to decide on a share issue and the issuance of special rights entitling their holders to shares.

The Board of Directors is authorised to purchase a maximum of 2,000,000 company shares (5.2% of the total number of shares). The repurchase authorisation is effective for 18 months.

The Board of Directors is authorised to decide on the issuance of new shares or shares which may be held by the company through a share issue and/or issuance of option rights or other special rights conferring entitlement to shares, referred to in Chapter 10, Section 1 of the Finnish Companies Act, so that under the authorisation, a maximum of 2,000,000 shares (5.2% of the total number of shares) may be issued and/or conveyed. The share issue authorisation is effective for 18 months.

BOARD OF DIRECTORS

The members of Lassila & Tikanoja plc's Board of Directors are Heikki Bergholm, Teemu Kangas-Kärki, Laura Lares, Sakari Lassila, Miikka Maijala and Laura Tarkka. At its constitutive meeting after the Annual General Meeting, the Board of Directors elected Heikki Bergholm as Chairman of the Board and Sakari Lassila as Vice Chairman.

Sakari Lassila was elected as the Chairman of the Audit Committee and Teemu Kangas-Kärki and Laura Tarkka as members. Heikki Bergholm was elected as the Chairman of the Personnel Committee and Laura Lares and Miikka Maijala as members.

KEY EVENTS DURING THE REVIEW PERIOD

On 26 February, the Group announced that it had clarified its segment structure effective from 1 January 2019. Lassila & Tikanoja's new structure consists of four reporting segments: Environmental Services, Industrial Services, Facility Services Finland and Facility Services Sweden. The Group also announced changes to the Group Executive Board: Tuomas Mäkipeska was appointed as Vice President, Facility Services Finland effective from 26 February 2019. Erik Sundström was appointed as Vice President, Facility Services Sweden and a member of the Group Executive Board. Juha Jaatinen was appointed as acting Group CFO and a member of the Group Executive Board. The Group's General Counsel Sirpa Huopainen was also appointed as a member of the Group Executive Board. On 25 February 2019, it was announced that Tutu Wegelius-Lehtonen, who had previously been in charge of the Facility Services division, had left the company.

On 15 April, the Group announced it has decided to divest its ownership of L&T Korjausrakentaminen Oy. The new owner of the subsidiary, which operates in the field of damage repair and renovation services, is Recover Nordic Group. The agreement was signed on 12 April 2019.

On 25 April, the company published comparison figures according to the new segment structure for the 2018 financial year as well as an opening balance sheet adjusted to reflect the effects of the adoption of IFRS 16.

On 13 May, the company announced that HR Director and member of the Group Executive Board Kirsi Matero had resigned from Lassila & Tikanoja to pursue new challenges outside the company during the autumn. Until a new HR Director takes up the post, Director of Corporate Relations and Responsibility Jorma Mikkonen will be in charge of the duties of HR Director in addition to his regular duties.

On 12 July, the company issued a profit warning and lowered its outlook for 2019. Full-year net sales in 2019 are expected to be on par with 2018 and operating profit is expected to be below 2018 level. The outlook does not take into account the impact of the divestment of L&T Korjausrakentaminen Oy.

On 26 July, Valtteri Palin, M.Sc. (Econ.), was appointed Chief Financial Officer and member of the Group Executive Board of Lassila & Tikanoja plc effective from 1 August 2019. Juha Jaatinen, who served as acting CFO, left the company on 31 July 2019 as planned.

On 10 September, based on the authorisation granted by the Annual General Meeting of 14 March 2019, the Board of Directors of Lassila & Tikanoja plc resolved to start repurchasing the company's own shares. The maximum amount of shares to be repurchased is 600,000 shares, which corresponds to approximately 1.5 per cent of the total number of issued shares. The maximum amount allocated to repurchasing the shares is EUR 9 million.

EVENTS AFTER THE REVIEW PERIOD

On 1 October 2019, the company announced that Master of Laws (trained at the bench) Hilppa Rautpalo has been appointed as the Director of Human Resources and as a member of the Group Executive Board. She will take up her post by 1 January 2020 at the latest.

NEAR-TERM RISKS AND UNCERTAINTIES

Challenges related to the availability of labour may increase production costs and slow down the growth of net sales.

A decline in the volume of the construction industry and a slowing down of investment growth may have an unfavourable effect on the Group's operations and business growth and lead to lower profitability. In addition, market price development for emission rights, secondary raw materials or oil products may have a negative impact on the company's business environment.

Temporary additional costs arising from establishing the operating model related to the new ERP system may weigh down the company's result.

More detailed information on Lassila & Tikanoja's risks and risk management is available in the 2018 Annual Report, and in the Report of the Board of Directors and the consolidated financial statements.

OUTLOOK FOR THE YEAR 2019

Lassila & Tikanoja's full-year net sales in 2019 are expected to be on par with 2018 and operating profit is expected to be below 2018 level. The outlook does not take into account the impact of the divestment of L&T Korjausrakentaminen Oy.

KEY FIGURES

	7-9/2019	7-9/2018	1-9/2019	1-9/2018	1-12/2018
Earnings per share, EUR	0.36	0.37	0.74	0.66	0.89
Diluted earnings per share, EUR	0.36	0.37	0.74	0.66	0.89
Cash flow from operating activities/share, EUR	0.41	0.49	1.50	1.38	2.35
EVA, EUR million*	12.1	13.8	17.3	18.0	24.0
Gross capital expenditure, EUR million	11.5	6.2	33.2	21.6	37.8
Depreciation, amortisation and impairment, EUR million	13.6	10.5	40.9	31.8	42.5
Equity per share, EUR			5.27	5.3	5.53
Return on equity (ROE), %			18.3	16.1	15.9
Invested capital, EUR million			377.5	353.4	364.5
Return on invested capital (ROI), %			13.2	13.0	12.7
Equity ratio, %			36.3	38.5	38.6
Gearing, %			76.8	58.5	46.1
Net interest-bearing liabilities, EUR million			155.4	119.1	97.8
Average number of employees in full-time equivalents			7 365	7 465	7 566
Total number of full-time and part-time employees at end of period			8 414	8 467	8 600
Number of outstanding shares adjusted for issues, 1,000 shares					
average during the period			38 412	38 404	38 405
at end of period			38 377	38 406	38 406
average during the period, diluted			38 426	38 419	38 419

* EVA = operating profit - cost calculated on invested capital (average of four quarters) WACC: 2019 6,55 %, 2018 6,60 %

CONSOLIDATED INCOME STATEMENT

MEUR	7-9/2019	7-9/2018	1-9/2019	1-9/2018	1-12/2018
Net sales	190.5	196.3	585.4	595.7	802.2
Other operating income	0.5	0.9	9.5	4.0	5.2
Change of inventory	2.1	1.4	0.6	-1.4	-2.4
Materials and services	-62.4	-67.9	-200.8	-208.7	-282.0
Employee benefit expenses	-75.9	-76.4	-245.5	-243.4	-324.2
Other operating expenses	-22.6	-24.1	-72.2	-78.5	-108.7
Depreciation and impairment	-13.6	-10.5	-40.9	-31.8	-42.5
Operating profit	18.5	19.6	36.1	35.9	47.6
Financial income and expenses	-0.9	-1.4	-2.3	-3.4	-4.5
Share of the result of associated companies	0.0	0.0	0.0	-0.4	-0.4
Profit before tax	17.6	18.2	33.8	32.1	42.7
Income taxes	-3.6	-3.8	-5.3	-6.7	-8.7
Profit for the period	14.0	14.4	28.5	25.4	34.1
Attributable to:					
Equity holders of the company	13.9	14.4	28.5	25.4	34.1
Non-controlling interest	0.0	0.0	0.0	0.0	0.0
Earnings per share attributable to equity holders of the parent company:					
Earnings per share, EUR	0.36	0.37	0.74	0.66	0.89
Diluted earnings per share, EUR	0.36	0.37	0.74	0.66	0.89

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MEUR	7-9/2019	7-9/2018	1-9/2019	1-9/2018	1-12/2018
Profit for the period	14.0	14.4	28.5	25.4	34.1
Items not to be recognised through profit or loss					
Items arising from re-measurement of defined benefit plans	0.0	0.0	0.0	0.0	0.0
Items not to be recognised through profit or loss, total	0.0	0.0	0.0	0.0	0.0
Items potentially to be recognised through profit or loss					
Hedging reserve, change in fair value	-0.1	0.1	-0.4	0.0	-0.2
Currency translation differences	-0.8	0.9	-2.4	-3.7	-3.4
Currency translation differences, non-controlling interest	0.0	0.0	0.0	0.0	0.0
Items potentially to be recognised through profit or loss, total	-0.9	1.0	-2.8	-3.7	-3.6
Total comprehensive income, after tax	13.1	15.4	25.7	21.7	30.4
Attributable to:					
Equity holders of the company	13.1	15.4	25.6	21.7	30.4
Non-controlling interest	0.0	0.0	0.0	0.0	0.0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MEUR	9/2019	9/2018	1-12/2018
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	151.0	150.1	151.5
Customer contracts arising from acquisitions	16.8	19.7	19.2
Agreements on prohibition of competition	0.0	0.0	0.0
Other intangible assets arising from business acquisitions	0.4	0.5	0.5
Other intangible assets	20.1	22.5	22.4
	188.4	192.8	193.6
Property, plant and equipment			
Land	5.9	5.1	5.1
Buildings and constructions	36.4	36.1	35.5
Machinery and equipment	84.5	107.7	110.9
Right-of-use asset	75.0	-	-
Other tangible assets	0.1	0.1	0.1
Prepayments and construction in progress	4.7	2.9	5.2
	206.6	151.9	156.8
Other non-current assets			
Finance lease receivables	0.0	0.0	0.1
Deferred tax assets	3.6	3.3	3.6
Other receivables	1.5	2.0	1.9
	5.1	5.4	5.6
Total non-current assets	400.0	350.0	356.0
Current assets			
Inventories	21.8	22.1	21.0
Trade receivables	75.2	79.5	88.1
Contract assets	40.9	43.2	31.9
Other receivables	13.7	17.0	12.2
Cash and cash equivalents	19.7	30.6	54.3
Total current assets	171.3	192.4	207.5
Total assets	571.3	542.5	563.5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MEUR	9/2019	9/2018	1-12/2018
EQUITY AND LIABILITIES			
Equity			
Equity attributable to equity holders of the parent company			
Share capital	19.4	19.4	19.4
Other reserves	-12.4	-9.6	-9.5
Invested unrestricted equity reserve	0.6	0.6	0.6
Retained earnings	166.0	167.7	167.7
Profit for the period	28.5	25.4	34.1
	202.2	203.5	212.2
Non-controlling interest	0.2	0.2	0.2
Total equity	202.3	203.6	212.4
Liabilities			
Non-current liabilities			
Deferred tax liabilities	27.8	27.7	29.3
Retirement benefit obligations	1.3	1.3	1.4
Provisions	5.4	4.5	4.6
Borrowings	159.8	141.6	144.8
Other liabilities	0.3	0.3	0.5
	194.7	175.5	180.6
Current liabilities			
Borrowings	15.3	8.1	7.4
Trade and other payables	158.9	154.9	162.4
Provisions	0.1	0.4	0.7
	174.3	163.4	170.5
Total liabilities	369.0	338.8	351.1
Total equity and liabilities	571.3	542.5	563.5

CONSOLIDATED STATEMENT OF CASH FLOW

MEUR	1-9/2019	1-9/2018	1-12/2018
Cash flow from operating activities			
Profit for the period	28.5	25.4	34.1
Adjustments			
Income taxes	5.3	6.7	8.7
Depreciation and impairment	40.9	31.8	42.5
Financial income and expenses	2.3	3.4	4.5
Gain on sale of shares	-6.7	-	-
Other	-0.6	-0.3	0.0
Net cash generated from operating activities before change in working capital	69.7	66.9	89.6
Change in working capital			
Change in trade and other receivables	-3.6	-3.7	1.5
Change in inventories	-0.8	1.8	3.0
Change in trade and other payables	3.0	-2.9	5.4
Change in working capital	-1.5	-4.8	9.9
Interest paid	-3.0	-2.5	-3.4
Interest received	0.1	0.4	0.4
Income taxes	-7.9	-6.9	-6.4
Net cash from operating activities	57.5	53.2	90.1
Cash flow from investing activities			
Acquisition of subsidiaries and businesses, net of cash acquired	-0.4	1.6	1.2
Proceeds from sale of subsidiaries and businesses, net of sold cash	11.5	-	-
Purchases of property, plant and equipment and intangible assets	-27.2	-17.3	-29.0
Proceeds from the sale of property, plant and equipment and intangible assets	0.5	1.2	2.2
Investments in associated companies	0.0	0.0	0.0
Change in other non-current receivables	0.5	0.7	0.8
Net cash used in investing activities	-15.1	-13.8	-24.7
Cash flow from financing activities			
Change in short-term borrowings	-3.0	-20.0	-22.6
Proceeds from long-term borrowings	0.0	49.6	49.6
Repayments of long-term borrowings	-26.7	-48.3	-47.7
Payments of finance lease liabilities	-11.2	-2.6	-2.9
Dividends paid	-35.3	-35.3	-35.3
Acquisition of own shares	-0.5	-	-
Net cash generated from financing activities	-76.7	-56.6	-58.9
Net change in liquid assets	-34.4	-17.2	6.6
Liquid assets at beginning of period	54.3	48.1	48.1
Effect of changes in foreign exchange rates	-0.2	-0.3	-0.3
Liquid assets at end of period	19.7	30.6	54.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MEUR	Share capital	Currency translation differences	Hedging reserve	Invested unrestricted equity reserve	Retained earnings	Equity attributable to holders of the parent company	Non-controlling interest	Total equity
Equity on 1 January 2018	19.4	-5.7	-0.2	0.6	202.8	216.9	0.2	217.1
Total comprehensive income								
Result for the period					25.4	25.4	0.0	25.4
Other comprehensive income items		-3.7	0.0		0.0	-3.7	0.0	-3.7
Total comprehensive income		-3.7	0.0		25.4	21.7	0.0	21.7
Transactions with shareholders								
Share-based benefits				0.0	0.1	0.2		0.2
Dividends paid					-35.3	-35.3		-35.3
Transactions with shareholders, total				0.0	-35.2	-35.1		-35.1
Other changes					0.0	0.0		0.0
Equity on 30 September 2018	19.4	-9.4	-0.2	0.6	193.1	203.5	0.2	203.6
Result for the period					8.7	8.7	0.0	8.7
Other comprehensive income items		0.3	-0.2	0.0	0.0	0.1	0.0	0.0
Total comprehensive income		0.3	-0.2		8.6	8.7	0.0	8.7
Transactions with shareholders								
Equity on 31 December 2018	19.4	-9.1	-0.4	0.6	201.7	212.2	0.2	212.4
Total comprehensive income								
Result for the period					28.5	28.5	0.0	28.5
Other comprehensive income items		-2.4	-0.4		0.0	-2.8	0.0	-2.8
Total comprehensive income		-2.4	-0.4		28.5	25.6	0.0	25.7
Transactions with shareholders								
Share-based benefits				0.0	0.1	0.2		0.2
Dividends paid					-35.3	-35.3		-35.3
Returned dividend					0.0	0.0		0.0
Acquisition of own shares					-0.5	-0.5		-0.5
Transactions with shareholders, total				0.0	-35.7	-35.7		-35.7
Other changes					0.0	0.0		0.0
Equity on 30 September 2019	19.4	-11.5	-0.8	0.6	194.4	202.1	0.2	202.3

ACCOUNTING POLICIES

This interim report is in compliance with the IAS 34 (Interim Financial Reporting) standard.

The interim report has been prepared with application of the IFRS standards and interpretations in effect on 31 December 2018 and the new and amended provisions that entered into force on 1 January 2019.

More detailed information on accounting policies is presented in the consolidated financial statements of Lassila & Tikanoja plc dated 31 December 2018.

The Alternative Performance Measures reported by the company are EVA, cash flow from operating activities per share and EBITDA.

The company reports EBITDA starting from 1 January 2019. EBITDA reflects the profitability of business operations excluding such investments required for growth or maintaining operations that have no cash flow effect. The company no longer reports adjusted operating profit because it does not differ significantly from operating profit.

The calculation formulas for the performance measures are presented at the end of the interim report.

The information presented in the interim report has not been audited.

Changes in segment reporting

On 26 February 2019, Lassila & Tikanoja plc announced a change in segment reporting effective from 1 January 2019. Lassila & Tikanoja's new structure consists of four reporting segments: Environmental Services, Industrial Services, Facility Services Finland and Facility Services Sweden. With this change, Lassila & Tikanoja aims to improve the utilisation of the mutual synergies of the business based on material streams as well as the synergies of the business linked to real estate and country-specific growth opportunities.

In Finland, Technical System Services will be included in the current Facility Services segment. For Sweden, the Technical Services business and cleaning business will be merged into a new reporting segment. Renewable Energy Sources will be merged with the Environmental Services segment. Comparison figures for 2018 were published in a separate release on 25 April 2019.

Adoption of new and amended standards: IFRS 16 Leases

IFRS 16 Leases is effective for annual periods beginning on or after 1 January 2019. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The new standard supersedes the IAS 17 standard and related interpretations. L&T adopted the standard using the modified retrospective method of adoption, in which the cumulative effect of initially applying the standard is recognised at the date of initial application of 1 January 2019 and comparative information is not restated. Lessor accounting remains substantially unchanged compared to the guidance under IAS 17 Leases.

On 25 April 2019, L&T published a stock exchange release on the impact of adoption of IFRS 16 at the date of initial application, including a description of the recognition exemptions and the accounting policies and principles applied. This stock exchange release includes the most relevant accounting principles and impacts of IFRS 16 adoption on L&T's reporting.

The impact of the adoption of IFRS 16 on L&T's balance sheet on 1 January 2019 is EUR 53.8 million increasing the amount of right-of-use assets and lease liabilities. From the beginning of 2019, L&T will recognise a depreciation charge in the income statement instead of a lease expense, which will affect operating profit, and an interest expense related to the lease liability, which will increase the amount of finance costs. Due to the change, the operating profit of L&T will be improved.

The adoption of IFRS 16 will also impact the presentation of cash flows. Lease expenditure for leases previously classified as operating leases has been presented in cash flow from operating activities but, after the implementation of IFRS 16, only the interest expense related to the lease liability will be presented in cash flow from operating activities. The rest of the lease payment, i.e. the principal part of the repayment of the lease liability, is presented in cash flow from financing activities. The comparative information has not been restated for cash flow statement either.

In accordance with the modified retrospective method of adoption, the comparison figures for 2018 have not been restated. The accounting policies pertaining to the comparison figures are in line with the accounting principles of IAS 17 Leases. These accounting policies are presented in L&T's 2018 financial statements.

SEGMENT INFORMATION

NET SALES

MEUR	7-9/2019			7-9/2018			Total net sales, change %
	External	Inter-division	Total	External	Inter-division	Total	
Environmental Services	74.5	0.5	75.0	74.4	0.3	74.7	0.4
Industrial Services	27.1	0.6	27.7	25.0	0.9	25.9	6.9
Facility Services Finland	58.3	0.7	59.0	65.3	0.6	65.9	-10.5
Facility Services Sweden	30.5	-0.1	30.5	31.6	0.0	31.6	-3.7
Eliminations		-1.7	-1.7		-1.8	-1.8	
Total	190.5		190.5	196.3		196.3	-3.0

MEUR	1-9/2019			1-9/2018			Total net sales, change %
	External	Inter-division	Total	External	Inter-division	Total	
Environmental Services	230.4	1.1	231.5	228.0	1.2	229.1	1.0
Industrial Services	71.4	1.4	72.8	69.2	2.1	71.3	2.2
Facility Services Finland	187.6	2.1	189.8	201.3	1.9	203.2	-6.6
Facility Services Sweden	96.0	0.0	96.0	97.4	0.0	97.4	-1.4
Eliminations		-4.7	-4.7		-5.2	-5.2	
Total	585.4		585.4	595.7		595.7	-1.7

MEUR	1-12/2018		
	External	Inter-division	Total
Environmental Services	307.5	1.9	309.4
Industrial Services	93.7	2.9	96.5
Facility Services Finland	267.0	2.6	269.6
Facility Services Sweden	134.0	0.0	134.0
Eliminations		-7.3	-7.3
Total	802.2		802.2

OPERATING PROFIT

MEUR	7-9/2019	%	7-9/2018	%	1-9/2019	%	1-9/2018	%	1-12/2018	%
Environmental Services	11.2	14.9	10.7	14.3	24.6	10.6	23.3	10.2	31.6	10.2
Industrial Services	4.4	15.9	3.7	14.4	8.0	11.0	7.4	10.4	10.0	10.4
Facility Services Finland	2.8	4.7	4.4	6.7	-2.7	-1.4	5.2	2.6	5.2	1.9
Facility Services Sweden	1.4	4.5	1.3	4.0	2.9	3.0	2.6	2.7	4.2	3.1
Group administration and other	-1.2		-0.6		3.3		-2.6		-3.5	
Total	18.5	9.7	19.6	10.0	36.1	6.2	35.9	6.0	47.6	5.9

EBITDA

MEUR	7-9/2019	%	7-9/2018	%	1-9/2019	%	1-9/2018	%	1-12/2018	%
Environmental Services	17.6	23.4	15.8	21.1	43.4	18.7	38.6	16.7	52.1	16.8
Industrial Services	6.6	23.9	5.6	21.5	14.8	20.3	12.9	17.7	17.5	18.2
Facility Services Finland	6.1	10.4	7.4	11.2	7.6	4.0	14.2	7.5	17.2	6.4
Facility Services Sweden	2.7	8.9	1.9	6.0	7.1	7.4	4.5	4.7	6.8	5.1
Group administration and other	-0.9		-0.6		4.1		-2.6		-3.5	
Total	32.1	16.9	30.1	15.3	77.0	13.2	67.7	11.6	90.1	11.2

OTHER SEGMENT INFORMATION

MEUR	9/2019	9/2018	1-12/2018
Assets			
Environmental Services	265.3	237.3	237.6
Industrial Services	91.7	76.0	72.8
Facility Services Finland	87.9	96.0	94.3
Facility Services Sweden	90.9	92.7	96.4
Group administration and other	7.8	0.5	0.6
Unallocated assets	27.7	40.0	61.8
L&T total	571.3	542.5	563.5
Liabilities			
Environmental Services	68.9	65.4	67.6
Industrial Services	34.0	28.6	29.9
Facility Services Finland	42.8	46.8	48.5
Facility Services Sweden	13.3	16.0	17.7
Group administration and other	5.8	3.9	4.7
Unallocated liabilities	204.2	178.1	182.8
L&T total	369.0	338.8	351.1

MEUR	7-9/2019	7-9/2018	1-9/2019	1-9/2018	1-12/2018
Capital expenditure					
Environmental Services	8.0	3.5	20.1	12.5	20.7
Industrial Services	2.6	1.5	10.1	4.6	8.4
Facility Services Finland	0.7	1.1	2.3	3.8	7.6
Facility Services Sweden	0.2	0.1	0.6	0.7	1.1
Group administration and other	0.1	0.0	0.1	0.0	0.0
L&T total	11.5	6.2	33.2	21.6	37.8
Depreciation and amortisation					
Environmental Services	6.4	5.1	18.8	15.3	20.4
Industrial Services	2.2	1.8	6.8	5.5	7.5
Facility Services Finland	3.3	3.0	10.3	9.0	12.0
Facility Services Sweden	1.4	0.6	4.3	1.9	2.6
Group administration and other	0.3	0.0	0.8	0.0	0.0
L&T total	13.6	10.5	40.9	31.8	42.5

INCOME STATEMENT BY QUARTER

MEUR	7-9/2019	4-6/2019	1-3/2019	10-12/2018	7-9/2018
Net sales					
Environmental Services	75,0	76,8	79,6	80,3	74,7
Industrial Services	27,7	26,2	19,0	25,2	25,9
Facility Services Finland	59,0	61,3	69,5	66,4	65,9
Facility Services Sweden	30,5	33,4	32,1	36,6	31,6
Inter-division net sales	-1,7	-1,6	-1,4	-2,1	-1,8
Total	190,5	196,2	198,8	206,5	196,3
Operating profit					
Environmental Services	11,2	8,8	4,6	8,3	10,7
Industrial Services	4,4	3,3	0,3	2,6	3,7
Facility Services Finland	2,8	-2,0	-3,5	0,0	4,4
Facility Services Sweden	1,4	0,8	0,7	1,6	1,3
Group administration and other	-1,2	5,9	-1,4	-0,9	-0,6
Total	18,5	16,8	0,7	11,7	19,6
EBITDA					
Environmental Services	17,6	15,0	10,8	13,4	15,8
Industrial Services	6,6	5,6	2,6	4,6	5,6
Facility Services Finland	6,1	1,4	0,1	3,0	7,4
Facility Services Sweden	2,7	2,2	2,2	2,2	1,9
Group administration and other	-0,9	6,2	-1,2	-0,9	-0,6
Total	32,1	30,5	14,4	22,4	30,1
Operating margin					
Environmental Services	14,9	11,4	5,8	10,4	14,3
Industrial Services	15,9	12,7	1,8	10,4	14,4
Facility Services Finland	4,7	-3,2	-5,1	0,0	6,7
Facility Services Sweden	4,5	2,4	2,1	4,3	4,0
Total	9,7	8,6	0,4	5,7	10,0
EBITDA margin					
Environmental Services	23,4	19,6	13,5	16,7	21,1
Industrial Services	23,9	21,5	13,5	18,3	21,5
Facility Services Finland	10,4	2,2	0,2	4,5	11,2
Facility Services Sweden	8,9	6,7	6,7	6,1	6,0
Total	16,9	15,5	7,2	10,8	15,3
Financial income and expenses, net	-0,9	-1,0	-0,4	-1,0	-1,4
Share of the result of associated companies	0,0	0,0	0,0	0,0	0,0
Profit before tax	17,6	15,8	0,4	10,6	18,2

DISAGGREGATION OF REVENUE

	Revenue recognised over time			Revenue recognised at a point in time	Rent	Total net sales
	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	
7-9/2019, MEUR						
Environmental Services	55.3			19.1	0.6	75.0
Industrial Services	12.9	12.0	1.8	1.0		27.7
Facility Services Finland	39.4	18.1	1.4			59.0
Facility Services Sweden	13.9	15.4	1.1			30.5
Total	121.5	45.5	4.4	20.1	0.6	192.1
Interdivision						-1.7
External net sales						190.5

	Revenue recognised over time			Revenue recognised at a point in time	Rent	Total net sales
	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	
7-9/2018, MEUR						
Environmental Services	53.2			21.1	0.4	74.7
Industrial Services	13.2	10.4	1.0	1.3		25.9
Facility Services Finland	40.3	15.5	10.0			65.9
Facility Services Sweden	14.4	15.7	1.6			31.6
Total	121.1	41.6	12.6	22.4	0.4	198.1
Interdivision						-1.8
External net sales						196.3

	Revenue recognised over time			Revenue recognised at a point in time	Rent	Total net sales
	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	
1-9/2019, MEUR						
Environmental Services	158.6			71.1	1.8	231.5
Industrial Services	34.7	31.2	3.8	3.1		72.8
Facility Services Finland	121.7	50.5	17.6			189.8
Facility Services Sweden	43.1	49.3	3.6			96.0
Total	358.0	131.1	24.9	74.2	1.8	590.1
Interdivision						-4.7
External net sales						585.4

	Revenue recognised over time			Revenue recognised at a point in time	Rent	Total net sales
	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	
1-9/2018, MEUR						
Environmental Services	153.7			74.1	1.3	229.1
Industrial Services	33.8	30.8	3.2	3.5		71.3
Facility Services Finland	127.9	46.4	28.9			203.2
Facility Services Sweden	43.8	49.9	3.7			97.4
Total	359.1	127.1	35.8	77.6	1.3	601.0
Interdivision						-5.2
External net sales						595.7

	Revenue recognised over time			Revenue recognised at a point in time	Rent	Total net sales
	Long-term service agreements	Separately ordered services	Project business	Sales of equipment and materials	Lease income	
1-12/2018, MEUR						
Environmental Services	209.0			98.5	2.0	309.4
Industrial Services	44.5	41.5	5.4	5.1		96.5
Facility Services Finland	168.6	61.5	39.5			269.6
Facility Services Sweden	58.7	69.2	6.1			134.0
Total	480.8	172.2	51.0	103.6	2.0	809.5
Interdivision						-7.3
External net sales						802.2

DIVESTED BUSINESSES

On 30 April 2019, L&T sold the entire share capital of L&T Korjausrakentaminen Oy to Recover Nordic Group.

The debt-free price was EUR 13.9 million and the Group recognised a capital gain of EUR 6.7 million on the sale. The gain on the sale is presented under other operating income.

The net sales of L&T Korjausrakentaminen Oy, which was part of Facility Services, amounted to EUR 35.0 million in 2018 and its operating profit was EUR 0.7 million.

MEUR	1-9/2019
Tangible and intangible fixed assets	1.4
Trade and other receivables	7.7
Cash and cash equivalents	1.7
Trade and other payables	-6.0
Net assets	4.8
Effect on cash flow	
Consideration received in cash	13.9
Selling expenses	-0.7
Cash and cash equivalents of the divested company	-1.7
Cash flow from investing activities	11.5

BUSINESS ACQUISITIONS**L&T FM AB**

The acquisition of L&T FM AB was completed on 31 August 2017.

In the first quarter of 2018, a transaction price refund of EUR 2.2 million was received, which affects cash flow from investing activities by EUR 1.6 million. This is shown in the item "Acquisition of subsidiaries and businesses, net of cash acquired", netted with the acquisition of the 2018 business. In addition, the value of the acquired balance sheet items was adjusted by SEK 34.5 million in the third quarter of 2018. The adjustments are presented as an increase in property, plant and equipment. The IFRS calculation of the acquisition price presented in the financial statements of 31 December 2018 is final.

OTHER BUSINESS ACQUISITIONS, COMBINED**Fair value, total**

MEUR	1-9/2019	1-9/2018	1-12/2018
Intangible assets	0.4	-	0.2
Property, plant and equipment	0.2	-	0.1
Investments	0.0	-	-
Receivables	0.1	-	-
Cash and cash equivalents	0.4	-	-
Total assets	1.0	-	0.2
Other liabilities	0.1	-	-
Deferred tax liabilities	0.1	-	-
Total liabilities	0.2	-	-
Net assets acquired	0.9	-	0.2
Total consideration	1.0	-	0.4
Goodwill	0.1	-	0.2
Effect on cash flow			
Consideration paid in cash	-1.0	-	-0.4
Unpaid	0.3	-	0.1
Cash and cash equivalents of the acquired company	0.4	-	-
Cash flow from investing activities	-0.4	-	-0.3

CHANGES IN INTANGIBLE ASSETS

MEUR	1-9/2019	1-9/2018	1-12/2018
Carrying amount at beginning of period	193.6	196.3	196.3
Business acquisitions	0.5	1.8	3.1
Other capital expenditure	2.5	3.8	5.3
Disposals	0.0	-	0.0
Depreciation, amortisation and impairment	-7.0	-6.3	-8.6
Transfers between items	0.0	0.0	0.1
Exchange differences	-1.2	-2.8	-2.5
Carrying amount at end of period	188.4	192.8	193.6

The business acquisitions item under changes in intangible assets for the comparison year is due to an adjustment to the L&T FM AB acquisition price calculation and the acquisition of the business operations of Kymen Talopalvelu Oy.

CHANGES IN PROPERTY, PLANT AND EQUIPMENT

MEUR	1-9/2019	1-9/2018	1-12/2018
Carrying amount at beginning of period	156.8	160.5	160.5
Right-of-use asset IFRS 16	53.8	-	-
Business acquisitions	0.2	-	0.1
Other capital expenditure	30.0	17.8	32.2
Disposals	-0.5	-0.6	-1.5
Depreciation, amortisation and impairment	-33.9	-25.4	-33.9
Transfers between items	0.0	0.0	-0.1
Exchange differences	0.2	-0.4	-0.6
Carrying amount at end of period	206.6	151.9	156.8

In transition to IFRS 16, operating and other lease liabilities are included in net interest-bearing liabilities on the balance sheet, increasing them by EUR 53.8 million. Off-balance sheet operating lease liabilities amounted to EUR 39.8 million in the comparison period and EUR 39.0 million at the end of 2018.

The carrying amount of property, plant and equipment at the end of the reporting period includes IFRS 16 items totalling EUR 75.0 million and depreciation in the amount of EUR 12.2 million.

CAPITAL COMMITMENTS

MEUR	9/2019	9/2018	12/2018
Intangible assets	2.2	0.2	0.2
Property, plant and equipment	12.4	18.6	8.9
Total	14.6	18.8	9.1

ALTERNATIVE PERFORMANCE MEASURES**MATCHING THE EVA RESULT TO OPERATING PROFIT**

MEUR	1-9/2019	1-9/2018	1-12/2018
Operating profit	36.1	35.9	47.6
Invested capital (rolling 12-month quarterly average)	383.2	362.5	357.7
Cost calculated on invested capital	-18.8	-17.9	-23.6
EVA	17.3	18.0	24.0

FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

MEUR 30 September 2019	Amortised costs	Derivatives under hedge accounting	Carrying amounts by balance sheet item	Fair value hierarchy level
Non-current financial assets				
Finance lease receivables	-		-	2
Other receivables	1.4		1.4	
Current financial assets				
Trade and other receivables	116.6		116.6	
Finance lease receivables	0.1		0.1	
Derivative receivables		0.0	0.0	
Cash and cash equivalents	19.7		19.7	
Total financial assets	137.8	0.0	137.8	
Non-current financial liabilities				
Borrowings	99.6		99.6	2
Finance lease payables	60.3		60.3	
Current financial liabilities				
Borrowings	0.0		0.0	
Finance lease payables	15.3		15.3	
Trade and other payables	75.0		75.0	
Derivative liabilities		1.0	1.0	2
Total financial liabilities	250.1	1.0	251.2	

The fair values of balance sheet items do not differ significantly from the carrying values of balance sheet items.

MEUR 30 September 2019	Amortised costs	Derivatives under hedge accounting	Carrying amounts by balance sheet item	Fair value hierarchy level
Non-current financial assets				
Finance lease receivables	0.0		0.0	2
Other receivables	1.5		1.5	
Current financial assets				
Trade and other receivables	123.3		123.3	
Finance lease receivables	0.4		0.4	
Derivative receivables		0.1	0.1	
Cash and cash equivalents	30.6		30.6	
Total financial assets	155.7	0.1	155.9	
Non-current financial liabilities				
Borrowings	124.4		124.4	2
Finance lease payables	17.2		17.2	
Current financial liabilities				
Borrowings	2.2		2.2	
Finance lease payables	3.0		3.0	
Trade and other payables	80.2		80.2	
Derivative liabilities		0.2	0.2	2
Total financial liabilities	226.9	0.2	227.2	

The fair values of balance sheet items do not differ significantly from the carrying values of balance sheet items.

CONTINGENT LIABILITIES

MEUR	9/2019	9/2018	1-12/2018
Securities for own commitments			
Mortgages on rights of tenancy	0.1	0.1	0.1
Other securities	0.1	0.1	0.1
Bank guarantees required for environmental permits	12.7	10.7	10.2

Other securities are security deposits.

Liabilities associated with derivative agreements**Interest rate swaps**

MEUR	9/2019	9/2018	1-12/2018
Nominal values of interest rate swaps			
Maturity not later than one year	-	1.8	0.9
Maturity later than one year and not later than five years	-	-	-
Maturity later than five years	30.0	30.0	30.0
Total	30.0	31.8	30.9
Fair value	-1.1	-0.3	-0.6

The interest rate swaps are used for the hedging of cash flow related to floating rate loans, and hedge accounting under IFRS 9 has been applied to them. The hedges have been effective, and the changes in their fair values are shown on the consolidated statement of comprehensive income for the period. The fair values of the swap contracts are based on the market data on the balance sheet date.

Commodity derivatives

MEUR	9/2019	9/2018	1-12/2018
Nominal values of diesel swaps			
Maturity not later than one year	1.5	1.5	1.6
Maturity later than one year and not later than five years	-	-	-
Total	1.5	1.5	1.6
Fair value	0.0	0.1	0.0

Commodity derivative contracts were signed for the hedging of future diesel oil purchases. IFRS 9 compliant hedge accounting is applied to these contracts, and the effective change in fair value is recognised in the hedging reserve within equity. The fair values of commodity derivatives are based on market prices on the balance sheet date.

CALCULATION OF KEY FIGURES

Earnings per share:
profit attributable to equity holders of the parent company / adjusted average
basic number of shares

Diluted earnings per share:
profit attributable to equity holders of the parent company / adjusted average
diluted number of shares

Cash flow from operating activities/share:
cash flow from operating activities as in the statement of cash flow / adjusted average
basic number of shares

EVA:
operating profit - cost calculated on invested capital (average of four quarters)
WACC 2019: 6.55% and 2018: 6.60%

EBITDA: operating profit + depreciation + impairment

Equity per share:
profit attributable to equity holders of the parent company / adjusted basic
number of shares at end of period

Return on equity, % (ROE):
(profit for the period / equity (average)) x 100

Invested capital: equity + interest-bearing financial liabilities

Return on invested capital, % (ROI):
(pre-tax profit/loss + financial expenses) / Equity + interest-bearing financial liabilities (average of the
beginning of the period and the end of the period) x 100

Equity ratio, %:
equity / (total equity and liabilities - advances received) x 100

Gearing, %:
net interest-bearing liabilities / equity x 100

Net interest-bearing liabilities:
interest-bearing liabilities - liquid assets

Helsinki, 24 October 2019

LASSILA & TIKANOJA PLC
Board of Directors

Eero Hautaniemi
President and CEO

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Lassila & Tikanoja is a service company that is putting the circular economy into practice. Together with our customers, we keep materials and properties in productive use for as long as possible and we enhance the use of raw materials and energy. We help our customers maintain the value of their properties and materials while protecting the environment. We achieve this by delivering responsible and sustainable service solutions that make the daily lives of our customers easier. We operate in Finland, Sweden, and Russia. L&T employs 8,600 people. Net sales in 2018 amounted to EUR 802.2 million. L&T is listed on Nasdaq Helsinki.

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