Financial Review

2010

RAMIRENT

LET'S SOLVE IT

CONTENTS

Report of the Board of Directors 3

Consolidated financial statements – IFRS 8

Consolidated statement of comprehensive income – IFRS 8

Consolidated balance sheet – IFRS... 9

Consolidated statement of changes in equity – IFRS 10

Consolidated cash flow statement – IFRS..................................10

Notes to the consolidated financial statements – IFRS...... 11

Parent company financial statements – FAS (Finnish Accounting Standards) 48

Parent company income statement...48

Parent company balance sheet...48

Parent company cash flow statement..49

Notes to the parent company financial statements..............49

Date and signing of the Report of the Board of Directors and the Financial Statements 58

Auditor's report.. 59

REPORT OF THE BOARD OF DIRECTORS

Operations

Ramirent is an international Group focused on construction machinery and equipment rentals, operating in the Nordic, Central and Eastern European markets. The Group is headquartered in Vantaa and had 378 (344) permanent outlets in 13 countries on 31 December 2010.

Market review

Market activity continued to improve within construction and in various industrial sectors towards year-end. Geographically, demand for rental equipment increased in the second half of the year in all Ramirent countries because of increased market activity.

Net sales

Ramirent Group 2010 net sales increased 5.7% to EUR 531.3 (2009: 502.5; 2008: 702.6) million due to the recovery in the construction market activity that started after mid-year. At comparable exchange rates, the Group's net sales decreased 0.2% for the full year. Net sales increased in Finland and Sweden but decreased in the other segments in comparable exchange rates compared to the previous year.

Net sales development by segment was as follows:

(EUR million)	1-12/10	% of total 2010	1-12/09	% of total 2009	Change 10/09
Finland	136.9	25.8%	134.3	26.7%	1.9%
Sweden	145.2	27.3%	127.9	25.4%	13.6%
Norway	114.4	21.5%	109.2	21.7%	4.8%
Denmark	35.6	6.7%	42.9	8.5%	-17.0%
Europe East	42.7	8.0%	51.3	10.2%	-16.8%
Europe Central	66.6	12.5%	65.0	12.9%	2.4%
Net items not allocated to operating segments	-10.2		-28.1		
Total	**531.3**		**502.5**		**5.7%**

Financial results

Operating profit before depreciation (EBITDA) was EUR 127.4 (129.9) million with a margin of 24.0% (25.8%). Profits were burdened by low price and low utilisation levels especially during the first half of the year. Credit losses and net change in the allowance for bad debt totalled EUR -3.3 (-3.8) million. Depreciations amounted to EUR 97.7 (101.1) million.

The Group's operating profit (EBIT) was EUR 29.7 (2009: 28.8; 2008: 79.7) million, representing 5.6% (5.7%) of net sales.

EBIT and EBIT-margin by segment were as follows:

(EUR million)	1-12/10	EBIT-margin	1-12/09	EBIT-margin
Finland	13.7	10.0%	12.1	9.0%
Sweden	23.3	16.1%	20.9	16.4%
Norway	2.3	2.0%	9.1	8.4%
Denmark	-2.2	-6.2%	-4.3	-10.1%
Europe East	-3.5	-8.3%	-10.6	-20.7%
Europe Central	0.8	1.2%	2.8	4.3%
Net items not allocated to operating segments	-4.7		-1.3	
Total	**29.7**	**5.6%**	**28.8**	**5.7%**

Net financial items were EUR -8.9 (-16.1) million, including EUR 3.2 (-2.7) million positive net effect of exchange rate changes. The Group's result before taxes was EUR 20.9 (12.7) million. Income taxes amounted to EUR -6.2 (-8.0) million.

Net result for the review period was EUR 14.6 (4.7) million. Earnings per share were EUR 0.13 (2009: 0.04; 2008: 0.31). The return on invested capital was 8.6% (2009: 8.5%; 2008: 17.5%), and the corresponding return on equity was 4.7% (2009: 1.6%; 2008 10.8%). The equity per share was EUR 2.93 (2009: 2.81; 2008: 2.59).

Capital expenditure, cash flow and financial position

The Group's gross capital expenditure on non-current assets totalled EUR 62.0 (17.5) million, of which EUR 52.7 (15.0) million was attributable to investments in rental machinery and equipment and the rest was related mainly to goodwill and other intangible assets from acquisitions.

Disposals of tangible non-current assets at sales value were EUR 16.9 (20.9) million, of which EUR 16.4 (20.1) million was attributable to rental machinery and equipment.

The Group's twelve-month cash flow from operating activities amounted to EUR 104.2 (107.7) million, whereof change in net working capital amounted to EUR -0.4 (6.2) million. Cash flow from investing activities amounted to EUR -56.2 (-20.0) million, due to increased investments in rental machinery and equipment as well as acquisitions. Cash flow from operating and investing activities totalled EUR 48.0 (87.6) million. In April, following the Annual General Meeting, EUR 16.3 million was paid in dividends for 2009. Own shares were repurchased to the amount of EUR 2.9 million.

Interest-bearing liabilities at the end of the year amounted to EUR 177.9 (209.0) million. Net debt amounted to EUR 176.6 (207.2) million, and gearing was at 55.6% (67.8%).

On 31 December 2010, Ramirent had unused committed back-up loan facilities available of EUR 194.7 million.

Total assets amounted to EUR 661.3 (656.0) million at the end of the review period. Group equity totalled EUR 317.6 (305.6) million. The Group's equity ratio was 48.0% (46.6%).

Personnel and organisation

	Employees (Average)			Outlets 31 December		
	2010	2009	2008	2010	2009	2008
Finland	626	630	719	84	81	95
Sweden	534	567	658	73	59	56
Norway	519	576	675	42	39	40
Denmark	149	184	252	20	21	20
Europe East	381	442	668	48	44	50
Europe Central	817	898	1,015	111	100	101
Group administration	18	16	19	-	-	-
Total	**3,043**	**3,313**	**4,006**	**378**	**344**	**362**

Business expansions and acquisitions

Ramirent AB, the Swedish wholly-owned subsidiary of Ramirent Plc, acquired on 11 March 2010 the rental equipment company Hyrmaskiner i Gävle AB, including Hyrmaskiner i Mora AB and Hyrmaskiner i Falun AB, operating in Gävleborg and Dalarna under the brand Tidermans Hyrmaskiner. Hyrmaskiner i Gävle AB rents out machinery and equipment for the construction industry in Gävleborg and Dalarna. The company has 40 employees. Hyrmaskiner i Gävle AB has been consolidated into segment Sweden figures as of 1 March 2010.

Ramirent's Norwegian subsidiary Ramirent AS acquired the entire machinery operations of Norwegian Selvaagbygg on 16 March 2010. At the same time Selvagbygg signed a three year rental agreement with Ramirent AS.

Ramirent's Finnish subsidiary Ramirent Finland Oy acquired on 18 May 2011 the access platform operations of Havator group and signed a five-year rental and cooperation agreement with Havator in Finland, Sweden and Norway. The acquisition does not include truck-mounted access equipment. Acquired operations have been consolidated into segment Finland figures as of 1 May 2010.

Ramirent acquired the machinery and equipment rental business of the Czech construction machinery company NTC Stavební Tecnika spol. s r.o. ("NTC") on 29 June 2010. The NTC operations have been consolidated into segment Europe Central figures as of 1 July 2010. The equipment rental operations consist of seven employees who will continue their employment as old employees at Ramirent. The acquisition expands Ramirent's existing network in Czech Republic with three new outlets in Hradec Králove, Pardubice and Ceska Skalice.

Ramirent's Danish subsidiary, Ramirent AS acquired the light equipment and hoists operations of a Danish construction company E. Pihl & Søn A.S. and signed a five-year rental agreement with E. Pihl & Søn A.S. 14 December 2010. The acquisition will be executed and consolidated into Ramirent's figures as from 1 January 2011.

Development by operating segment

Finland

Ramirent's net sales in Finland increased by 1.9% to EUR 136.9 (134.3) million in 2010. Adjusted for internal sales of equipment net sales increased by 7.4%. The operating result (EBIT) increased to EUR 13.7 (12.1) million, representing a margin of 10.0% (9.0%). According to the Confederation of Finnish Construction Industries RT, the Finnish construction market increased by 2% in 2010. VTT Technical Research Centre of Finland further stated that the Finnish machine and equipment rental market grew by 5% in 2010. The major growth drivers were the significant increase in residential construction as well as in renovation construction. A negative growth factor has been the downturn in the activity of the Finnish shipyard industry which also burdened the EBIT development.

Sweden

Ramirent's net sales in Sweden increased by 13.6% to EUR 145.2 (127.9) million in 2010 or by 2.1% at comparable exchange rates. The operating result (EBIT) increased to EUR 23.3 (20.9) million, representing a margin of 16.1% (16.4%). According to the Swedish Construction Federation (Sveriges Byggindustrier), the construction industry in Sweden grew by approximately 3.0% in 2010. Especially civil engineering, public sector demand and housing boosted Ramirent's growth. The demand for Ramirent's modules was high and the market for light machinery experienced strong growth as well. The growth was driven by Stockholm and the surrounding areas, but central and southern regions of the country also developed positively.

Norway

Ramirent's net sales in Norway increased by 4.8% to EUR 114.4 (109.2) million in 2010 but decreased 3.9% at comparable exchange rates. The operating result (EBIT) decreased to EUR 2.3 (9.1) million, representing a margin of 2.0% (8.4%). The construction industry declined overall by approximately 3%. The construction market started to recover in Norway towards the end of the year. Profitability was still burdened by low price levels, however prices started to improve towards yearend.

Denmark

Ramirent's net sales in Denmark decreased due to continued weak market conditions by 17.0% to EUR 35.6 (42.9) million in 2010. The operating result (EBIT) amounted to -2.2 (-4.3) million representing a margin of -6.2% (-10.1%). According to Dansk Byggeri, the Danish construction market declined by approximately 10% during 2010. The high level of price competition decreased and market conditions improved slightly towards the end of the year. E. Pihl & Søn A.S. (Pihl), one of Denmark's leading contractors signed a five-year rental agreement with Ramirent and outsourced its light equipment and hoist operations to Ramirent effective as of 2011. For Ramirent Denmark the agreement with Pihl corresponds to estimated annual sales of EUR 2-3 million.

Europe East (Russia, The Baltic States and Ukraine)

Ramirent's net sales in Europe East decreased by 16.8% to EUR 42.7 (51.3) million in 2010 or by 20.2% at comparable exchange rates. Adjusted for internal sales of equipment, net sales increased by 9.2 %. The operating result (EBIT) amounted to EUR -3.5 (-10.6) million, representing a margin of -8.3% (-20.7%). According to Euroconstruct (December 2010), the construction market in Russia was flat, and the Baltic states experienced a decline in construction volume of 12 to 19%. The demand for rental equipment increased in Europe East mainly due to the revival of infrastructural construction. In the Baltic States the return to growth can be explained by increasing energy-related investments, renovation construction as well as growing infrastructure construction.

Europe Central (Poland, Hungary, Czech Republic and Slovakia)

Ramirent's net sales in Europe Central increased by 2.4% to EUR 66.6 (65.0) million in 2010 or decreased by 4.3% at comparable exchange rates. The operating result (EBIT) amounted to 0.8 (2.8) million, representing a margin of 1.2% (4.3%). According to Euroconstruct (December 2010), the construction market in Poland was the only market in Europe Central with positive growth of 4.0%. Both Czech Republic and Slovakia experienced a market drop of approximately 10%, while the market in Hungary declined by 3.8%. At the end of the year there was a recovery in the construction industry in Poland and Hungary. Profitability was burdened by lower price levels and business volumes especially in Czech Republic and Slovakia.

Appointments in the Group Management Team 2010

Dino Leistenschneider (39) M.Sc. (Eng.) was appointed to a new position as Director, Group Sourcing of Ramirent Plc and a member of the Ramirent Group Management Team as of 1 September 2010.

Changes in the Board of Directors

Torgny Eriksson 1947–2010

Ramirent Plc deeply regrets the passing away of Ramirent Board member Torgny Eriksson in October 2010. The Board thereafter consists of the following five members: Mr. Peter Hofvenstam (chairman), Mrs. Susanna Renlund (vice-chairman), Mr. Kaj-Gustaf Bergh, Mr. Johan Ek and Mr. Erkki Norvio.

Shares

Trading in the share

Ramirent Plc's market capitalization at the end of 2010 was EUR 1,071 (743) million. Trading closed at EUR 9.85 (6.84). The highest quotation for the period was EUR 10.10 (8.23), and the lowest EUR 6.17 (2.35). The average trading price was EUR 7.85 (5.01).

The value of share turnover during the review period was EUR 385.6 (321.8) million, equivalent to 48,832,010 (64,220,362) traded Ramirent shares, i.e., 44.9% (59.1%) of Ramirent's total number of shares.

Share capital and number of shares

At the end of the review period, Ramirent Plc's share capital was EUR 25.0 million, and the total number of Ramirent shares was 108,697,328.

Own shares

At the end of 2010, Ramirent Plc held 393,192 own shares.

Decisions at the AGM 2010

Ramirent Plc's Annual General Meeting, which was held on 29 March, 2010, adopted the 2009 financial statements and discharged the members of the Board of Directors and the President and CEO from liability.

The Annual General Meeting resolved that a dividend of EUR 0.15 per share be paid for fiscal year 2009. Further, the Annual General Meeting decided to grant the Board the authority to decide no later than 31 December 2010, on the payment of an additional dividend to the dividend decided in the Annual General Meeting of no more than EUR 0.10 per share. This authorisation was not used.

The Annual General Meeting resolved that the number of members of the Board of Directors be confirmed to be six (6) and re-elected the current Board members Kaj-Gustaf Bergh, Torgny Eriksson, Peter Hofvenstam, Erkki Norvio and Susanna Renlund and elected Johan Ek as new Board member. Board member Torgny Eriksson passed away in October 2010.

The Annual General Meeting resolved that the remunerations of the members of the Board of Directors be unchanged from 2009 levels. KPMG Oy Ab, a firm of Authorised Public Accountants, was re-elected auditor, with Pauli Salminen, CPA as principally responsible auditor.

The Annual General Meeting approved the amendment of Section 10 of the Articles of Association and authorised the Board of Directors to decide on the repurchase of a maximum of 10,869,732 Ramirent's own shares and to decide to issue a maximum of 21,739,465 new shares and to convey a maximum of 10,869,732 Ramirent's own shares against payment.

Strategy and financial targets

The aim of the Ramirent Group's strategy is to generate a healthy return to shareholders while maintaining financial stability. Ramirent's strategy 2010 and beyond is focused on three major objectives: sustainable top-line growth through strengthening the customer offering, widening the customer portfolio and, growing through outsourcing deals and selected acquisitions; operational excellence through developing a one-company structure, "the Ramirent platform"; and reducing the risk level through a balanced business portfolio and improved risk management practices.

The Group's long-term financial targets over a business cycle are: earnings per share growth of at least 15% p.a., a return on invested capital of at least 18% p.a. and a gearing target of less than 120% at the end of each financial year. Ramirent's policy with respect to the ordinary dividend is to distribute at least 40% of annual earnings per share to shareholders.

Business risks and risk management

Risks are events or circumstances, which, if materialised, can either positively or negatively affect the chances of Ramirent achieving its targets. Risk management in Ramirent is consistent and it purports to ensure that Ramirent Group reaches its strategic, including financial, objectives. Ramirent's risk management focus is on proactive measures, protecting operations, limiting negative impacts and utilising opportunities. An essential part of Ramirent's risk management is to maintain and develop appropriate insurance coverage of our fleet in co-operation with insurance specialists. Even though the overall risk exposure has increased due to the turmoil in the financial markets and the economic cycle of the markets, risk management measures have been implemented in proportion to the scope of the operations and to the practical measures available.

The Board of Directors approves the risk policy principles. Risk assessment is conducted as a part of annual strategy process. Risks are evaluated in relation to achievement of strategic, including financial, targets of Ramirent Group. In the risk assessment the impact and probability of each risk is evaluated and risks are classified as strategic risks and other risks. The strategic risks are risks that may affect reaching strategic objectives. Other risks are risks not affecting reaching the strategic objectives of Ramirent. Indicators to follow are set and measures to be taken if the risks materialise are described in an action plan during assessment of risks. The Group Management Team, together with the segment and country management, is responsible for monitoring risk indicators regularly and implementing risk management measures whenever needed. Risk management plans are implemented at the Group and segment levels.

The strategic risks described below are not the only risks, but they comprise the main risks that Ramirent and its shareholders are exposed to.

Market risks

Changes in the demand of customer industries affect Ramirent's operations as well as its financial position. Such changes may be related to, among other things, economic cycles, changed strategies in customer companies, product requirements or environmental aspects. The main risks affecting Ramirent's business operations, its profitability and financial position are those connected with the economic cycles in the main customer segment of the construction industry and the increased competition in the rental sector in operating countries.

Ramirent aims to differentiate from competitors by offering general rental services from single product to managing the entire fleet capacity for a project site, technical support and local presence. In addition, Ramirent operates flexibly and cost-efficiently in an effort to ensure competitiveness. To secure the competitive position, Ramirent has adjusted cost structure and developed the operating models. Downturn in business cycles has impacted the utilisation of equipment and price levels negatively. The conditions in the financial market are still limiting the accessibility to financing for new projects in developing markets, which may negatively affect Ramirent's customers and thereby also the Ramirent Group. Aggressive competition in the rental sector may lead to continued low price levels and margins, although Ramirent strives to maintain a stable pricing, a wide offering and efficient customer service.

There were no significant changes in the competitor field during the year; however, changes may occur as a result of mergers and acquisitions, and new players entering to Ramirent's home markets.

The Group follows regularly several market indicators such as construction output, construction companies' backlog and locally industry-related measures. Contingency plans are developed and are continuously updated based on scenario analysis in all countries, allowing management to act rapidly and proactively to changes in the markets.

Operative risks

Ramirent is improving effectiveness by focusing on issues in its operations that are most critical in terms of competitiveness. Efficient sales management and a comprehensive outlet network are prerequisites for successful sales operations. Consolidating procurements to the most competitive suppliers reduces cost and maintenance. Ramirent has implemented stricter risk management routines. A common fleet structure has been created in order to optimise utilisation and defend price levels.

Ramirent improves quality, processes and safety by applying ISO 9001 quality management or similar processes in the business units.

Many of Ramirent's operating markets are still very fragmented and may provide opportunities to further strengthen Ramirent market position through selective acquisitions. All businesses to be acquired must meet Ramirent's strategic and financial criteria. Such acquisitions are subject to risk related to identifying suitable target companies as well as the successful timing and integration of the acquired business into Ramirent's operations. The growth strategy may also include expansion of activities to new geographical markets. Such expansion is subject to cultural, political, economic, regulatory, and legal risks as well as finding good local key personnel. In business acquisitions Ramirent aims to manage the risks by applying due diligence and acquisition processes.

Ramirent continuously assesses its human resources and organisational structures to ensure organisational efficiency and competence and to avoid an imbalance in the age structure and a high personnel turnover rate. A management training program has been implemented to increase the management competence level, to create common corporate management platform and transfer knowledge between business units.

Ramirent's operations are dependent on external, internal and embedded information technology services and solutions. Ramirent aims to use reliable information technology solutions and information security management to avoid interruptions, exposure to data loss, compromised confidentiality or usability of information. Ramirent has chosen a technology package for smaller business units to reduce development and maintenance costs.

Overall, Ramirent is still dependent on the construction sector's economic cycles. Ramirent strives to reduce risk of being overly dependent on any sector by seeking new customer groups outside the construction sector and contracts with longer durations.

Law and regulation related risks

The Group's operations are subject to laws governing environmental protection and occupational health and safety matters. These laws regulate such issues as waste and flood water, solid and hazardous wastes and materials, and air quality as well as accident prevention, using personal protective equipment, safety training, etc.

Currently there are no claims pending related to the above mentioned matters, but the possibility of remediation and compliance costs in the future cannot be excluded.

Transparency risks

Ramirent applies a decentralised organisational model, which implies a high degree of autonomy for its business units. Business control in such an organisation imposes requirements on reporting and supervision, which may be cumbersome for certain parts of the organisation and could make it difficult for Group management to implement measures quickly at the business unit level in changing circumstances. Ramirent has developed the implementation of Group instructions, improved reporting quality and credit risk management.

Financial risks

The management of financial risks is defined in the Group's finance policy. Ramirent is subject to certain financial risks such as foreign currency, interest rate and liquidity and funding risks. The financial risk management in Ramirent strives to secure the sufficient funding for operational needs and to minimise the funding costs and the effects of foreign exchange rate, interest rate and other financial risks in a cost-effective manner.

Fluctuations in currency exchange rates can affect Ramirent's financial result. The effect of exchange rate fluctuations is visible when translating the net sales and financial results of our subsidiaries outside the euro zone into Euros. Changes in the exchange rates may increase or decrease net sales or results, even though no real change has occurred. Hedging operations are handled centrally through Group Treasury.

Credit risk is defined as the possibility of a customer not fulfilling its commitments towards Ramirent. Ramirent's business units are responsible for credit risks related to sales activities. The business units assess the credit quality of their customers, by taking into account customer's financial position, past experience and other relevant factors. When appropriate, advance payments, deposits, letters of credit and third party guarantees are used to mitigate credit risks. The maximum credit risk equals the carrying value of trade receivables. Customer credit risks are diversified as Ramirent's trade receivables are generated by a large number of customers. During the financial year Ramirent has improved local practices to lower the risk of bad debt and develop receivables management further. Ramirent is closely monitoring credit risks and regularly makes provisions for risk in sales receivables.

Financial counterparty risk is defined as the risk of banks/financial institutions not being able to fulfil their undertakings to the Ramirent Group. These undertakings include all financial transactions where the cancellation of payments by the counterparty may result in a potential loss. The financial counterparty risk is minimised by selecting instruments with a high degree of liquidity and counterparties with high credit ratings. Ramirent co-operates only with counterparties judged to be capable of meeting their undertakings with Ramirent.

Changes in group structure

The cross-border merger of Ramirent's subsidiaries in Latvia and Lithuania to the Estonian subsidiary Ramirent AS was completed in 2010. The subsidiaries operating in Latvia and Lithuania, Ramirent SIA and Ramirent AB, were liquidated, and the operations in Latvia and Lithuania are carried through business branches for Ramirent AS.

A holding company, LLC Ramirent RUS, was established in Russia. The company coordinates the operations of Ramirent's Russian subsidiaries.

The merger of Swedish subsidiaries Hyrmaskiner i Gävle AB, Hyrmaskiner i Mora AB and Hyrmaskiner i Falun AB was initiated in 2010. The aim of the merger is streamline the operating structure in Sweden.

Adoption of international financial reporting standards (IFRS)

All IFRS's in force on 31 December 2010 that are applicable to

Ramirent's business operations, including all SIC and IFRIC interpretations thereon, have been complied with when preparing year 2010 and comparable year 2009 figures. International financial reporting standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, refer to the standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the EU. The notes to the consolidated financial statements conform also with the Finnish accounting and company legislation.

Events after the end of the balance sheet date

Changes in the Ramirent Group Management Team

Bjørn Larsen (51), M.Sc. (Business and Mark.), MBA, has been appointed as Senior Vice President of the Ramirent Norway segment and member of the Group Management Team as of 1 February 2011. Larsen succeeds Eivind Bøe, who has held the position from 2005 until 31 January 2011, when he resigned from Ramirent.

Erik Høi (55), B.Sc. (Mechanical Engineer), has been appointed as Senior Vice President of the Ramirent Denmark segment and member of the Group Management Team as of 19 January 2011.

The focus of the composition of the Group Management Team is to be close to the operative business and emphasize the business segments' role. The composition of the Ramirent Group Management Team as of 1 February 2011 is as follows: Magnus Rosén, President and CEO of Ramirent Group; Jonas Söderkvist, CFO; Kari Aulasmaa, SVP, Finland and Europe East segments; Peter Dahlsten, SVP, Sweden segment; Bjørn Larsen, SVP, Norway segment; Erik Høi, SVP, Denmark segment; Tomasz Walawender, SVP, Europe Central segment; Franciska Janzon, Director, Corporate Communications; Mikael Kämpe, Director, Group Fleet and Dino Leistenschneider, Director, Group Sourcing.

Latest equipment outsourcing and acquisition announcements

On 10 January, 2011 Destia Oy and Ramirent Finland Oy signed a Letter of Intent whereby Destia outsources its modules and some light machinery as well as related operations to Ramirent and signs a five-year rental agreement with Ramirent. The agreement is to be finalised in the first quarter of 2011.

On 1 February, 2011 Ramirent's Danish subsidiary Ramirent A/S signed an agreement to acquire the business assets of the machinery rental company Jydsk Materiel Udlejning located in West Jutland. For Ramirent Denmark the acquisition contributes with approximately EUR 1.5 million in annual sales. The acquisition will be integrated into Group figures as of 1 March 2011.

New incentive programme

On 16 February, 2011 The Board of Directors of Ramirent Plc approved a new Performance Share Program targeted at approximately 60 managers for the earning period 2011–2013. The potential reward from the program for the earning period 2011 –2013 will be based on the Ramirent's Total Shareholder Return (TSR), on the Group's average Return on Invested Capital (ROI) and on the Group's cumulative Earnings per Share (EPS). The maximum reward to be paid on the basis of the earning period 2011–2013 will correspond to the value of up to 287,000 Ramirent Plc shares (including also the proportion to be paid in cash).

Decision to repurchase own shares

The Board of Directors of Ramirent Plc has on 16 February, 2011, based on the authorisation by the Annual General Meeting held on 29 March 2010, decided on the repurchase of up to 287,000 shares of the Company. The repurchase will not commence until one week after the publication of the Board's decision on 16 February 2011.

Market outlook 2011

Overall, the new residential construction, infrastructure and renovation construction markets are expected to develop favourably while demand for commercial construction remains weak especially in the Nordic countries. The improved balance between supply and demand in certain product groups indicates a healthier price level going forward.

According to the forecast published by the Confederation of Finnish Construction Industries RT in October 2010, construction is expected to grow by 3% in 2011 in Finland.

According to the forecast published by the Swedish Construction Federation in October 2010, construction is expected to grow by 5% in 2011 in Sweden.

According to the forecast published by Euroconstruct in December 2010, construction is expected to grow by 3% in 2011 in Norway and by 3% in 2011 in Denmark. In Europe East countries construction is expected to increase by 10% in 2011 in Estonia, by 4% in Latvia, by 5% in Lithuania and by 3 to 7% in Russia. In Europe Central countries Euroconstruct forecasts construction to grow by 13% in 2011 in Poland and by 5% in Hungary but decrease by 3% in Slovakia and by 3% in Czech Republic.

Ramirent outlook 2011

As a result of increased construction activity and improving price levels, net sales are expected to increase in 2011, and the result before taxes is expected to improve compared to 2010.

Board of Directors, President & CEO, and the Auditor

The Annual General Meeting resolved that the number of members of the Board of Directors be confirmed to be six (6) and re-elected the current Board members Kaj-Gustaf Bergh, Torgny Eriksson, Peter Hofvenstam, Erkki Norvio and Susanna Renlund and elected Johan Ek as new Board member. Torgny Eriksson passed away in October 2010. The Board was elected for the term that will continue until the end of the next Annual General Meeting. At the formative meeting of the Board of Directors held after the Annual General Meeting, Peter Hofvenstam was elected Chairman of the Board and Susanna Renlund Vice Chairman.

In the meeting the Board also decided on the composition of the Working Committee, to which among other, the duties of an audit committee are assigned. Peter Hofvenstam, Kaj-Gustaf Bergh and Susanna Renlund were elected members and Peter Hofvenstam was elected Chairman of the Working Committee.

Magnus Rosén, M.Sc. (Econ.), MBA is the CEO of the Ramirent Group as from 15 January, 2009.

KPMG Oy Ab, a firm of Authorized Public Accountants, was re-elected auditor. Pauli Salminen, CPA, is the main responsible auditor appointed by KPMG Oy Ab.

Corporate Governance Statement

Ramirent has issued a Corporate Governance Statement for financial year 2010. The Corporate Governance Statement has been composed in accordance with recommendation 51 of the new Corporate Governance Code. The Corporate Governance Statement is issued as a separate report.

Proposal of the Board on the use of distributable funds

The parent company's distributable equity on 31 December, 2010 is EUR 433,456,994.92, of which the net profit from the financial year is EUR 65,163,372.38.

The Board of Directors proposes to the Annual General Meeting 2011 that a dividend of EUR 0.25 (0.15) per share be paid for the financial year 2010. The proposed dividend will be paid to shareholders registered in Ramirent's shareholders' register maintained by Euroclear Finland Ltd on the record date for dividend payment 12 April 2011. The Board of Directors proposes that the dividend be paid on 26 April, 2011.

CONSOLIDATED FINANCIAL STATEMENTS – IFRS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – IFRS

(EUR 1,000)	Note	2010	2009
Net sales	1	531,284	502,500
Other operating income	2	1,616	2,060
Material and service expenses	3	-177,118	-157,153
Employee benefit expenses	4	-136,214	-130,934
Depreciation and amortisation	5	-97,716	-101,113
Other operating expenses	6	-92,122	-86,594
Operating result (EBIT)		**29,731**	**28,766**
Financial income	7	13,780	17,936
Financial expenses	7	-22,658	-34,027
Result before taxes (EBIT)		**20,853**	**12,675**
Income taxes	8	-6,212	-7,992
Net result for the financial year		**14,640**	**4,683**
Other comprehensive income			
Translation differences		16,913	19,105
Cash flow hedges		-2,097	1,148
Portion of cash flow hedges reclassified to profit or loss		2,121	-218
Entries on non-current assets held for sale		-	-99
Income tax on other comprehensive income		-239	-216
Other comprehensive income for the period, net of income tax		16,698	19,720
Total comprehensive income for the period		**31,339**	**24,403**
Net result for the year attributable to			
Owners of the parent company		14,640	4,683
Non-controlling interest		-	-
Total comprehensive income attributable to			
Owners of the parent company		31,339	24,403
Non-controlling interest		-	-
Earnings per share (EPS)			
EPS on parent company shareholders' share of profit, basic, EUR	9	0.13	0.04
EPS on parent company shareholders' share of profit, diluted, EUR	9	0.13	0.04

CONSOLIDATED BALANCE SHEET – IFRS

(EUR 1,000)	Note	2010	2009
ASSETS			
Non-current assets			
Property, plant and equipment	10	427,248	456,076
Goodwill	11	93,211	87,194
Other intangible assets	11	10,348	5,851
Available-for-sale investments	13	422	53
Deferred tax assets	14	13,325	7,660
Total non-current assets		**544,555**	**556,833**
Current assets			
Inventories	15	15,856	14,574
Trade and other receivables	16	96,616	80,146
Current tax assets		2,902	2,260
Cash and cash equivalents	17	1,352	1,800
Total current assets		**116,727**	**98,780**
Non-current assets held for sale	12	**–**	**370**
TOTAL ASSETS		**661,282**	**655,982**

(EUR 1,000)	Note	2010	2009
EQUITY AND LIABILITIES			
Equity belonging to the parent company's shareholders			
Share capital	19	25,000	25,000
Revaluation fund		-2,472	-2,319
Invested unrestricted equity fund	19	113,329	113,329
Retained earnings		181,783	169,560
Items recognised directly to equity on non-current assets held for sale		-	62
Total equity belonging to the parent company's shareholders		317,640	305,632
Non-controlling interest		-	-
Total equity		**317,640**	**305,632**
Non-current liabilities			
Deferred tax liabilities	20	60,413	50,798
Pension obligations	21	6,866	9,750
Provisions	22	2,347	3,856
Interest bearing liabilities	23	137,384	198,061
Other liabilities	24	2,200	-
Total non-current liabilities		**209,209**	**262,466**
Current liabilities			
Trade payables and other liabilities	25	89,480	67,013
Provisions	26	1,762	8,477
Current tax liabilities	27	2,658	1,501
Interest bearing liabilities	23	40,533	10,894
Total current liabilities		**134,433**	**87,885**
Total liabilities		**343,642**	**350,351**
TOTAL EQUITY AND LIABILITIES		**661,282**	**655,982**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – IFRS

(EUR 1,000)	Share capital	Revaluation fund	Invested unrestricted equity fund	Translation differences	Retained earnings	Entries on non-current assets held for sale	Total equity
Equity 1.1.2009	25,000	-3,007	113,329	-36,609	182,246	136	281,095
Share based payments	-	-	-	-	134	-	134
Total comprehensive income for the period	-	688	-	19,105	4,683	-74	24,403
Equity 31.12.2009	**25,000**	**–2,319**	**113,329**	**–17,504**	**187,064**	**62**	**305,632**
Share based payments	-	-	-	-	-88	-	-88
Purchase of treasury shares	-	-	-	-	-2,939	-	-2,939
Dividend distribution	-	-	-	-	-16,305	-	-16,305
Total comprehensive income for the period	-	-153	-	16,913	14,640	-62	31,339
Equity 31.12.2010	**25,000**	**–2,472**	**113,329**	**–591**	**182,374**	**–**	**317,640**

Opening balance of cumulative transaction differences at the beginning of comparative period is adjusted against retained earnings amounting to EUR 3,101 thousands. Adjustment has no effect on retained earnings and cumulative transaction differences at total. Adjustment is based on more exact information of cumulative transaction differences at the opening balance of comparative period.

CONSOLIDATED CASH FLOW STATEMENT – IFRS

(EUR 1,000)	Note	2010	2009
Cash flow from operating activities			
Result before taxes		20,853	12,675
Adjustments			
Depreciation and amortisation	5	97,716	101,113
Proceeds from sale of used rental equipment		16,369	17,541
Financial income and expenses		8,878	16,091
Other adjustments		-13,810	-20,607
Change in working capital			
Change in trade and other receivables		-7,382	24,485
Change in inventories		-491	1,233
Change in non-interest-bearing current liabilities		7,435	-19,509
Interest paid		-10,495	-15,800
Interest received		628	3,490
Income tax paid		-7,484	-13,054
Net cash generated from operating activities		**104,190**	**107,658**

(EUR 1,000)	Note	2010	2009
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash		-4,624	-3,955
Investment in tangible non-current assets		-50,484	-14,248
Investment in intangible non-current assets		-1,658	-2,605
Proceeds from sale of tangible and intangible non-current assets (excl. used rental equipment)		527	797
Net cash flow from investing activities		**–56,239**	**–20,010**
Cash flow from financing activities			
Dividends paid		-16,305	-
Purchase of treasury shares	19	-2,939	-
Borrowings and repayments of short-term debt (net)		551	-19,107
Proceeds from long-term borrowings		-	100,000
Repayments of long-term debt		-29,775	-168,814
Net cash flow from financing activities		**–48,468**	**–87,920**
Net change in cash and cash equivalents during the financial year		**–517**	**–272**
Cash at the beginning of the period		1,800	2,072
Translation difference		69	-
Cash at the end of the period	17	**1,352**	**1,800**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – IFRS

Business activities

Ramirent Plc is a Finnish public limited liability company organised under the laws of Finland and domiciled in Helsinki, Finland. Ramirent Plc's registered address is Äyritie 12A, FI-01510 Vantaa, Finland. Ramirent Plc's shares are listed on the NASDAQ OMX Helsinki.

Ramirent Plc is the parent company for Ramirent Group. Ramirent Group's business activities comprise rental of construction machinery and equipment for construction and industry. In addition to this, the Group provides services related to the rental of machinery and equipment and also conducts some trade of construction related machinery, equipment and accessories.

Ramirent is an international Group that operated in 2010 in 13 countries – Finland, Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, Russia, Ukraine, Poland, Hungary, the Czech Republic and Slovakia. The business operations are conducted from a total of 378 rental outlets located in these countries.

At the end of 2010 Ramirent employed 3,048 people. The consolidated net sales amounted to EUR 531.3 million, of which 75% was generated outside Finland.

These Group consolidated financial statements were authorised for issue by the Board of Directors on 15 February 2011.

Accounting principles for the consolidated financial statements

General

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS). All IAS and IFRS standards in force on 31 December 2010 that are applicable to Ramirent's business operations, including all SIC and IFRIC interpretations thereon, have been complied with when preparing both year 2010 and comparative 2009 figures.

International financial reporting standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, refer to the standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the EU. The notes to the consolidated financial statements conform also with the Finnish accounting and company legislation.

Consolidated financial statements have been presented in thousand EUR unless otherwise stated. Due to roundings individual figures may differ from the totals.

Ramirent has adopted the following new or amended standards and IFRIC interpretations beginning 1 January 2010:
IFRS 3 (Revised) "Business Combinations" (effective from 1 July 2009). The scope of the revised standard is broader than that of the earlier one. The revised standard contains a number of significant changes where the Group is concerned. The changes affect the goodwill recognised for acquisitions and the income from the disposal of business operations. The standard also affects the items recognised in the statement of comprehensive income both during the period of which an acquisition is made and in annual periods when an additional purchase price is paid or additional acquisitions are made. According to the transitional provision of the standard business combinations whose date of acquisition is before application of the standard becomes mandatory need not be adjusted.

IAS 27 (Revised) "Consolidated and separate financial statements" (effective from 1 July 2009). The amended standard requires the effect of changes in ownership of subsidiaries to be recognised directly in the Group's equity when the parent company retains control. If control over the subsidiary is lost, the remaining investment is measured at fair value through profit and loss. The corresponding accounting practice will also be applied in the future to investments in associates (IAS 28) and interests in joint ventures (IAS 31). As a consequence of the amendment to the standard, the losses of a subsidiary can be charged to a non-controlling interest even when they exceed the non-controlling owner's investment. Amendments to IAS 27 had no impact on the current period as there was not any changes in the ownership of subsidiaries.

IAS 39 (Amendment) "Financial instruments: recognition and measurement" - Eligible Hedged Items (effective from 1 July 2009). The amendments apply to the accounting of hedged items. The amendment does not have any material impact on Ramirent's financial reporting.

"Improvements to IFRSs 2009" (issued 16 April 2009 and various effective dates). Through the annual improvements procedure, minor and less urgent amendments are brought together and implemented once a year. These changes in standards do not have any material impact on Ramirent's financial reporting.

IFRIC 17 "Distribution of non-cash assets to owners" (effective from 1 July 2009). This interpretation does not have any impact on Ramirent's financial reporting.

IFRIC 18 "Transfers of assets from customers" (effective for transfer of assets received on or after 1 July 2009). This interpretation does not have any impact on Ramirent's financial reporting.

IFRIC 9 "Reassessment of embedded derivatives" and IAS 39, "Financial instruments: Recognition and measurement" (effective from 1 July 2009). This interpretation does not have any impact on Ramirent's financial reporting.

IFRIC 16 "Hedges of a net investment in a foreign operation" (effective from 1 July 2009). This interpretation does not have any impact on Ramirent's financial reporting.

IAS 38 (amendment) "Intangible assets" (effective from 1 January 2010). The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. This amendment does not have any material impact on Ramirent's financial reporting.

IAS 1 (amendment) "Presentation of financial statements" (effective from 1 January 2010). The amendment clarifies that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time. This amendment does not have any material impact on Ramirent's financial reporting.

IAS 36 (amendment) "Impairment of assets" (effective from 1 January 2010). The amendment clarifies that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5 of IFRS 8, "Operating segments" (that is, before the aggregation of segments with similar economic characteristics). This amendment does not have any impact on Ramirent's financial reporting.

IFRS 2 (amendment) "Group Cash-settled Share based Payment Transactions" (effective from 1 January 2010). This amendment does not have any material impact on Ramirent's financial reporting.

IFRS 5 (amendment) "Non-current assets held for sale and discontinued operations" (effective from 1 January 2010). The amendment clarificaties that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1. This amendment does not have any impact on Ramirent's financial reporting.

Basis for preparation of the consolidated financial statements

The consolidated financial statements are prepared under the historical cost method, with the exception of available-for-sale investments, financial assets at fair value through proft and loss, derivative instruments, share-based payment expenses, assets and liabilities connected with defined benefit pension plans and non-current assets classified as held for sale.

Available-for-sale investments, financial assets at fair value through proft and loss and derivative instruments are measured at fair value.

Non-current assets classified as held for sale are measured at the lower of their fair value less cost to sell and their carrying amount.

Going concern

The consolidated financial statements have been prepared on a going concern basis.

Application of estimates

The preparation of the consolidated financial statements in accordance with IFRS requires the company's management to make and rely on certain estimates and to make certain judgements when applying the company's accounting principles. Although these estimates are based on management's best knowledge of events and transactions, actual results may, nevertheless, differ from the estimates.

The most common and significant situations when management uses judgement and makes estimates are when it decides on the following:

- useful life, and thus total depreciation/amortisation periods, for different categories of intangible and tangible non-current assets,
- recoverable amount for different categories of intangible and tangible non-current assets,
- probability of future taxable profits against which tax deductible temporary differences can be utilised thus giving rise to recognition of deferred tax assets,
- net realisable value of inventories,
- fair value (collectable amount) of trade receivables,
- amount of provisions,
- presentation of contingent assets and/or liabilities in the notes to the financial statements,
- actuarial assumptions applied in the calculation of defined benefit obligations,
- measurement of fair value of assets acquired in connection with business combinations, and
- future business estimates and other elements of impairment testing.

Consolidation principles

The consolidated financial statements include the parent company Ramirent Plc and all of its subsidiaries. This is due to the fact that the parent company, either directly or indirectly through some other subsidiary, has a control over all its subsidiaries. Control is the power to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities.

There was no associated company and no joint venture belonging to the Group neither during 2010 nor during 2009.

The consolidated financial statements are prepared by use of the acquisition method, according to which the assets, liabilities and contingent liabilities of the acquired company are measured at their fair value at the date of acquisition. The date of acquisition is the date when control is gained over the subsidiary. A subsidiary is consolidated from the date of acquisition until the date when the parent company loses control over the subsidiary. If control over the subsidiary is lost, the remaining investment is measured at fair value through profit and loss. If the parent company retains control, impacts from changes in ownership in a subsidiary are recognized directly in Group's equity.

The cost of goodwill is the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable net assets, liabilities and contingent liabilities of the acquiree at the date of acquisition. It represents a consideration made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognized as assets. Any contingent consideration will be measured at fair value and subsequently re-measured through profit or loss. All acquisition-related costs, such as experts' fees, will be expensed instead of capitalisation. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The net assets acquired are denominated in the functional currency of the acquired subsidiaries and translated to the parent company's functional currency EUR at the balance sheet rates. The result of this is that goodwill on all acquisitions measured in any other currency than EUR is subject to exchange rate differences, which causes a fluctuation of the goodwill amount and any fair value adjustment amount when translated to the parent company's functional currency EUR.

The acquisition costs and net assets acquired due to business combinations that have taken place before the IFRS transition date 1 January 2004 have been translated to the respective functional currency of those subsidiaries using the exchange rate at reporting date 31 December 2003. In accordance with the exemption rule allowed by IFRS 1, acquisitions prior to the IFRS transition date have not been restated compared to their carrying value and their accounting treatment under Finnish GAAP at year end 2003.

All Group internal transactions, balances and internal unrealised profits as well as Group internal dividends are eliminated. Unrealised losses are eliminated in the same way as unrealised profits, but only to the extent that there is no evidence of impairment.

The non-controlling interest of the net result and non-controlling interest of the total comperehensive income of Ramirent's subsidiaries is presented separately from the consolidated net result and the total comprehensive income belonging to the parent company's shareholders. Likewise in the consolidated balance sheet the non-controlling interest of the equity of Ramirent's subsidiaries is presented as a separate equity item apart from the consolidated equity belonging to the parent company's shareholders.

Foreign currency transactions

The result and financial position of each Group company is measured in the currency of the primary economic environment in which the company is operating (functional currency). The consolidated financial statements are presented in EUR, which is the functional currency of Group's parent company Ramirent Plc.

Foreign currency transactions are translated to EUR using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities denominated in foreign currencies are translated to EUR using the exchange rates prevailing at the reporting date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the transaction of monetary assets and liabilities denominated in foreign currencies are for operating items recognised affecting operating result in the consolidated statement of comprehensive income, whereas those stemming from financing items are recognised in financial income and expenses in the consolidated statement of comprehensive income. Foreign currency exchange differences arising from items that are regarded as forming part of the net investment in the foreign subsidiaries are recognised as translation differences directly to equity in the consolidated balance sheet to other comprehensive income.

The income statements of the Group's subsidiaries whose functional currencies are not EUR are translated to EUR using the average exchange rates for the financial period. Their balance sheets are translated to EUR at the exchange rates prevailing at the reporting date.

The difference arising due to the consolidation process between the net result for the financial period in the consolidated statement of comprehensive income and that in the consolidated balance sheet is, as are the exchange rate differences arising from the elimination of the acquired net assets of the foreign subsidiaries at the acquisition date, recognised as translation differences in other comprehensive income and presented in translation differences in equity in the consolidated balance sheet. When a subsidiary is disposed, any translation difference relating to the disposed subsidiary and previously presented in equity is transferred in the statement of comprehensive income as part of the gain or loss of the sale or liquidation.

Reporting by segment

Segment information is presented for Ramirent's operating segments, which are determined by geographical split. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-maker.

Ramirent's operating segments are:
- Finland
- Sweden
- Norway
- Denmark
- Europe East (The Baltics, Russia and Ukraine)
- Europe Central (Poland, Hungary, Czech Republic and Slovakia)

Revenue in all segments consists of rental income and services, sales income of goods and sales income of used rental equipment.

The geographical income statement information is presented according to location of selling entity, whereas asset and liability information is presented by asset and liability location.

The pricing for Group internal transactions between the different operating segments is based on the arm's length principle.

The segment's invested capital comprises of assets and liabilities that the segment utilises in its business operations to the extent assets and liabilities are reported regularly to Chief Operating Decision-maker in Ramirent Group.

Revenue recognition

All rental income and income from sale of goods are accounted for as revenues. The revenues are reported to the fair value of what has been received in cash or will be received in cash adjusted by VAT and other taxes directly linked to the sales amount, sales discounts, and foreign exchange rate differences relating to sales.

Rental revenue and revenues from services related to the rental income are recognised in the period when the service is rendered to the customer.

Income from sale of inventories and sale of rental machinery and equipment is recognised as revenue when the significant risks and benefits related to the ownership have been transferred to the buyer and the seller no longer retains control or managerial involvement in the goods.

Employee benefits

Pension obligations

The Group companies have organised their pensions by means of various pension plans in accordance with local conditions and practices. Defined contribution plans exist in all countries in which Ramirent is operating, whereas defined benefit plans exist in Sweden and Norway only. The Norvegian pension scheme has partly been changed to a defined contribution plan during 2010.

The pension contributions paid or payable for defined contribution pension plans are expensed in the income statement during the financial period to which the cost relate.

The defined benefit pension obligation due to defined benefit pension plans have been recognised in the balance sheet on the basis of actuarial calculations. The actuarial calculations are based on projected unit credit method by applying market interest rates quoted at the reporting date for low risk government or corporate bonds the maturity of which materially corresponds to the maturity of the defined benefit pension obligation.

The pension expenses for defined benefit pension plans are recognised in the income statement during the total projected service period for the employees covered by the plans. Actuarial gains and/or losses less than the greater of 10% of the present value of the defined benefit obligation and the fair value of the plan assets are not recognised as pension obligation in the balance sheet (the "corridor" approach). To the extent that those actuarial gains and/or losses exceed the aforementioned 10% threshold, they are credited/debited to the pension expenses in the statement of comprehensive income over the expected average remaining working lives of the employees participating in the defined benefit pension plans.

Share-based payments

Ramirent has two share-based incentive programs for its key managers. Any reward is subject to achievement of the targets set by the Board of Directors.

The incentive programs are partly equity-settled and partly cash-settled. The costs are accrued over the vesting period for each procram. The part of the reward that is settled in shares is valued at fair value at the grant date and the costs are recognised in equity. The part of the reward that is settled in cash is recognised as a liability. The liability is remeasured at each reporting date for subsequent changes in the fair value of the liablility. The cash-settled portion relates to personal taxes and other employer's contributions.

The incentive programs are described in more detail in note no. 4 to the consolidated financial statements.

Operating result

The operating profit or loss is the total of sales and other operating income from which expenses for material and services, employee benefits and other operating expenses as well as depreciation, amortisation and impairment charges on non-current assets are subtracted. Foreign currency differences stemming from working capital items are included in the operating result, whereas foreign currency differences from financial assets and liabilities are included in financial income and expenses.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form a part of the cost of that asset. Other interest and other costs related to interest bearing liabilities are recognised as an expense in the statement of comprehensive income when incurred.

Transaction expenses directly attributable to the raising of loans from financial institutions, and which are clearly connected to a specific loan, are offset against the initial loan amount in the balance sheet and recognised as financial expenses in the statement of comprehensive income using the effective interest method.

Income taxes

Income taxes consist of current income taxes and deferred income taxes. Current income taxes include income taxes for the current fiscal year as well as adjustments to the current income taxes for previous fiscal years in terms of tax expenses or tax refunds that had not been recognised in prior year statement of comprehensive incomes. The income tax charge for the current fiscal year is the sum of the current income taxes recorded in each Group company, which in turn are calculated on the company specific taxable income using the tax rates prevailing in the different countries where the Group companies are operating.

Deferred taxes are calculated on all temporary differences between the carrying value and the tax bases of assets and liabilities. The main temporary differences arise from the depreciation difference on non-current assets, defined benefit pension plans, tax losses carried forward and the measurement at fair value in business combinations. Deferred taxes are not recognised on non-deductible impairment charges on goodwill. Deferred taxes are neither recognised on subsidiary retained earnings to the extent that it is not probable that the timing difference will materialise in the foreseeable future.

Deferred taxes are calculated using the country specific tax rates enacted or substantially enacted in local tax laws as at balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Income taxes on items recognised in other comprehensive income are also recognised in other comprehensive income.

Goodwill and other intangible assets

Goodwill

For business combinations executed after the IFRS transition date (1 January 2004) goodwill represents the excess of the cost of a business combination over the acquirer's interest in the recognised net fair value of the identifiable assets, liabilities and contingent liabilities.

For business combinations executed before the IFRS transition date, goodwill is the initial goodwill amount recognised under previously applied FAS regulations deducted by the cumulative FAS amortisation booked until year end 2003. Under Finnish GAAP goodwill was not subject to the same kind of allocation process as required by IFRS, but was instead subject to straight line amortisation during a period that could vary between 5-20 years. Hence, the goodwill items that have arisen before the transition date are not fully comparable with goodwill items that have arisen after the transition date. Business combinations executed before the IFRS transition date have not been restated since then.

Goodwill is not amortised, but instead it is subject to annual impairment testing procedure once a year, or more frequently if events or changes in circumstances indicate that it might be impaired. This assessment is performed at the end of each reporting period. For this purpose goodwill has been allocated to the cash generating units "CGU" which it relates to. An impairment charge is recognised on goodwill in the consolidated statement of comprehensive income if the impairment test shows that its carrying amount exceeds its estimated recoverable amount, in which case its carrying value is written down to its recoverable amount. Thus, subsequent to its initial recognition, goodwill acquired in a business combination is carried at initial cost less any accumulated impairment charges recognised after the acquisition date. An impairment loss on goodwill cannot be reversed.

Other intangible assets

An intangible asset is recognised only if it is probable that the future economic benefits that are attributable to the asset will flow to the company, and the cost can be measured reliably.

Other intangible assets comprise software licenses and costs for IT-systems which are stated at initial cost less cumulative amortisation. The initial cost comprises expenses directly attributable to the acquisition of the asset and other expenses associated with the development of the system.

In addition to the aforementioned categories, other intangible assets also include non-competition and customer agreements acquired and identified in business combinations. They are carried at initial fair value at the date of acquisition less cumulative amortisation.

Other intangible assets with a finite economic useful life are amortised over their estimated useful life. The estimated useful life and the amortisation methods used are per asset category as follows:

• Software licenses and IT-systems	linear 3–5 years
• Non-competition agreements	useful life
• Customer agreements	useful life

The useful life and the depreciation percentage are reviewed at each reporting date and, where they differ significantly from previous estimates, the depreciation period or the annual depreciation percentage is changed accordingly.

Depreciation ceases when an asset is classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell.

Gains on sold intangible assets are recognised as other operating income, whereas losses are recognised as other operating expenses in the statement of comprehensive income.

Tangible assets

A tangible asset is recognised in the balance sheet only if it is probable that future economic benefits associated with the asset will flow to the company and its cost can be measured reliably.

Tangible assets (land, buildings and structures, machinery and equipment, other tangible assets) acquired by Group companies are stated at original acquisition cost less accumulated depreciation and accumulated impairment charges, except when acquired in connection with a business combination when they are measured at fair value at acquisition date less depreciation and impairment charges accumulated after the acquisition date.

The acquisition cost includes all expenditure attributable to bringing the asset to working condition. In addition to direct purchasing expenses it also includes other expenses related to the acquisition, such as duties, transport costs, installation costs, inspection fees, etc.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Major repairs may qualify for the capitalisation criteria for subsequent expenditures. This is the case when the costs spent on the repair enhance the capacity of the asset or extends its useful life compared to its capacity or useful life before the repair. If not, subsequent expenditures are not capitalised in the balance sheet, but instead recognised as expenses in the statement of comprehensive income. Ordinary repair and maintenance expenditures are expensed in the statement of comprehensive income when incurred.

Tangible assets are subject to linear item-by-item depreciation during their estimated useful life. Land is not subject to depreciation.

The depreciation method used, the estimated useful life and the annual depreciation percentage are per asset category as follows:

• Buildings and structures	linear	20 years
• Machinery and equipment for own use	linear	3–10 years
• Other tangible assets	linear	3–8 years

• Itemised rental machinery, fixtures and equipment		
• Lifting and loading equipment	linear	8–15 years
• Minor machinery	linear	3–8 years
• Portable spatial units	linear	10 years
• Non-itemised rental machinery, fixtures and equipment		
• Scaffolding	linear	10 years
• Formwork and supporting fixtures	linear	10 years
• Other non-itemised tangible assets	linear	10 years

The residual value, useful life and depreciation percentage of the assets are reviewed at each reporting date and, where they differ significantly from previous estimates, they are adjusted to recflect the estimated useful lifes.

Depreciation ceases when assets are classified as held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Assets classified as held for sale are carried at the lower of carrying value and fair value less costs to sell.

Gains and losses on disposed tangible assets are recognised in the statement of comprehensive income. Sales income from sold rental machinery and equipment is recognised in net sales, whereas the costs related to the sales are recognised as material and service expenses. Sales gains from sold other tangible assets are recognised as other operating income, whereas sales losses are recognised as other operating expenses.

Impairment of assets and impairment testing

Non-current assets are reviewed annually as to whether there are any indications that any asset is impaired, i.e. whether any events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Goodwill is subject to an annual impairment testing process. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount for non-current assets is the higher of their fair value less cost to sell and their value in use. The value in use is determined by reference to discounted cash flows expected to be generated by the asset. The financial valuation models used for impairment testing require application of estimates.

For machinery and equipment in rental use special attention is paid to utilisation rate and in cases where the utilisation rate is low the need for impairment is considered. An impairment loss is recognised when an asset's carrying amount is higher than its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

A recognised impairment loss is reversed only if such changes of circumstances have occurred which have had an increasing effect on the recoverable amount compared to its amount when the impairment loss was recognised. Impairment losses may not, however, be reversed in excess of such a reversal amount which would cause the assets carrying value after the reversal to be higher than the carrying value it would have had if no impairment loss would have been recognised.

An impairment loss on goodwill cannot be reversed.

Leases

Leases of tangible non-current assets, where the company has substantially all the rewards and risks of ownership, are classified as finance leases. Finance leases are capitalised at the commencement of the lease term at the lower of the fair value of the leased asset and the present value of the underlying minimum lease payments. Each lease payment is allocated between the reduction of capital liability and finance charges to achieve a constant interest rate charge on the finance lease liability outstanding.

The finance lease liability, net of finance charges, is included in interest bearing liabilities. The finance charge is recognised as financial expenses in the statement of comprehensive income over the lease period. The leased assets are depreciated during their useful life in accordance with the depreciation principles applied by the company for different categories of non-current assets.

Leases of assets where the lessor retains all the benefits and risks of ownership are classified as operating leases. Ramirent's operating leases are classified into the following main groups: 1) operating lease agreements of rental machinery and equipment, 2) renting agreements for property and 3) other operating lease agreements.

Operating lease agreements for machinery and equipment are usually made for a certain period of time. The agreements may include clauses on termination period or termination fee payable in case of termination before expiration date. Their expenses are recognised as other operating expenses in the statement of comprehensive income.

Operating leases of property used by the Group in its business operations are classified as renting agreements. The renting agreements may be made for a certain period of time or be drawn up for an unspecified period of time without any date of expiration. They may also include clauses on termination period or termination fee payable in case of termination before expiration date. Their expenses are recognised as other operating expenses in the statement of comprehensive income.

Other assets, except for rental machinery and equipment or property, used by the company or its personnel and leased by means of operating leases are classified as other operating lease agreements. They are usually valid for a certain period of time and their expenses are recognised as other operating expenses in the statement of comprehensive income.

The Group's obligations in terms of future minimum non-cancellable leasing payments are reported as off-balance sheet notes information. The notes information contains the future minimum non-cancellable leasing payments only on those lease agreements for which they can be reliably measured. Due to this, the notes information does not include those operating lease agreements that are made for an unspecified period of time without any date of expiration and which do not include any clause of termination period or termination fee payable. In cases where termination periods or a termination fees exist, the lease payments for the termination period or the termination fee are regarded as the future minimum non-cancellable lease payments.

Split-rental and re-renting agreements are used for short-term leasing of rental machinery and equipment. Their expenses are included in material and service expenses in the statement of comprehensive income. Split-rental and re-renting agreements do not contain any future obligations related to future minimum non-cancellable leasing payments.

Inventories

Inventories are valued at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Cost is determined using the weighted average cost formula. The cost is defined as all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Inventories comprise assets that are held for sale in the ordinary course of business, or in the form of materials or supplies to be consumed in the rendering of services. The main categories of inventories are machinery and equipment for sale, spare parts and accessories for sale as well as spare parts, accessories and materials to be consumed in the rendering of services.

Financial assets, financial liabilities, derivative instruments and hedge accounting

Classification of financial assets and liabilities

Financial instruments are classified as "financial assets at fair value through profit and loss", "loans and other receivables", "available-for-sale financial assets" and "liabilities at amortised cost". The classification of financial assets and liabilities is done at the date of the initial acquisition and they are recognized on the trade date.

Available-for-sale investments

Equity securities are designated as "available-for-sale investments". Equity shares are measured at fair value and the valuation is based on quoted market prices. Unlisted equity shares for which fair value cannot be reliably measured are carried at cost less impairment charges. Fair value changes of "available-for-sale investments" are recognised net of income taxes in other comprehensive income and presented in the revaluation fund.

Purchases and sales of available-for-sale financial assets are recognised at the trade date. Transaction expenses are included in the initial acquisition cost. When disposed of, the accumulated fair value changes that had been recognized in other comprensive income and presented in the revaluation fund are recognized to financial income and expenses in the statement of comprehensive income. Changes in fair value are recognised in the statement of comprehensive income to the extent they cause impairment losses. Ramirent assesses at each reporting date whether there is evidence that a financial asset is impaired. All available-for-sale investments are presented as non-current assets if their sale is not regarded as probable within the following 12 months after the reporting date. Otherwise they are presented as current assets.

Loans and receivables

Loans and receivables are non-derivative financial assets, the settlements of which are fixed or can be determined and which are not quoted on active markets and which the company does not hold for trade. These include the financial assets that the company has received by transferring money, goods or services.

Loans and receivables, except for derivative instruments, are recognised at the date that they are originated and measured at amortised cost using the effective interest method. They are presented as non-current assets to the extent that they fall due more than 12 months after the reporting date.

Trade receivables are carried at their fair value (collectable amount), which is the originally invoiced amount less an estimated allowance for impaired receivables. An impairment loss is recognised on trade receivables if payment is delayed more than 90 days or if a trade receivable has been determined as uncollectable. The allowance need is determined on a lot-by-lot inspection of overdue receivables.

Financial liabilities

All financial liabilities, except for derivative instruments, are recognised at the date that they are originated and measured at amortised cost using the effective interest method.

Transaction expenses directly attributable to the raising of loans from financial institutions, and which are clearly connected to a specific loan, are offset against the initial loan amount in the balance sheet and recognised as financial expenses in the statement of comprehensive income using the effective interest method.

Financial liabilities are included in both non-current and current liabilities and they can be interest or non-interest bearing.

Derivative instruments and hedge accounting

The main derivative instruments used by the company for the financial years 2010 and 2009 were interest rate and foreign currency derivatives. They have been used as hedging instruments in accordance with the company's finance policy.

Hedge accounting is applied for interest rate swaps. The hedged object comprises the future cash flow on interest expenses payable on interest bearing debt.

In addition to interest rate swap's some short-term currency forwards have also been used in minor scale. The hedge accounting is not applied for the currency forwards, and thus their fair value changes are recognised fully in the statement of comprehensive income.

The hedging instruments are initially recognised at fair value on the date of entering the derivative contract. After the initial recognition they are re-measured at fair values, which are based on quoted market prices and rates by the banks. The change of the fair value is recognised in other comprehensive income and presented in the revaluation fund to the extent that the hedging is effective. The ineffective part of the hedging is recognised in the statement of comprehensive income immediately.

The hedging program is documented according to the requirement of IAS 39 and the hedging instruments are subject to prospective and retrospective testing of effectiveness. Any ineffective part of the gain or loss of the hedging instrument is recognised in the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, deposits held at call with banks and other short-term highly liquid financial investments with a maturity shorter than 3 months. When bank overdrafts show a liability balance, they are presented as current interest-bearing liabilities.

Provisions

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that a future outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The most usual types of provisions that may exist are restructuring provisions.

Dividends

The dividend proposed by Ramirent's Board of Directors is included in retained earnings in the consolidated balance sheet. Retained earnings are reduced by the dividend payable only after it has been approved by the General Meeting of Shareholders.

Earnings per share

Earnings per share (EPS) are calculated by dividing the net result belonging to the parent company's shareholders with the weighted average number of shares during the financial period. Treasury shares, if any, are subtracted from the number of outstanding shares.

The diluted EPS is calculated by dividing the net result belonging to the parent company's shareholders with the weighted average number of shares during the financial period to which the additional calculated number of shares presumed to have been subscribed with options is added. Option rights have a diluting effect if the share market price is higher than the subscription price of the shares when using options.

Application of new and revised IFRS's and IFRIC interpretations

The IASB has published the following standards or interpretations that are not yet effective and that Ramirent has not yet adopted. Ramirent will adopt them as from their effective dates, if the effective date is the same as the beginning of the financial year, or if the effective date is different, they will be adopted as from the beginning of the following financial year.

IFRS 9 "Financial Instruments" (effective from 1 January 2013). This standard is a part of a wider project to replace IAS 39 and the later phases will be issued mainly during 2010. New standard provides guidance in respect of classification and measurement of financial instruments. Later phases relate to impairment of financial instruments and hedge accounting. In Ramirent's estimation, this standard will not have any material impact on valuation of Ramirent's financial instruments compared with present IAS 39 but will have some effect on presentation of Ramirent's financial instruments. This standard has not yet been endorsed by EU.

Changes to IAS 24 "Related Party Disclosures" (effective from 1 January 2011). In Ramirent's estimation, these changes will not have any material impact on Ramirent's financial reporting. Revised standard is endorsed by the EU.

Other changes or amendments to other published IFRS standards and IFRIC's do not have any material impact on Ramirent's financial reporting.

NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1. Segment information

The Group comprises six operating segments: Finland, Sweden, Norway, Denmark, Europe East (The Baltics, Russia and Ukraine) and Europe Central (Poland, Hungary, Czech Republic and Slovakia). In presenting information on the basis of operating segments, revenue is split to segments based on the geographical location of selling entity, and segment assets and liabilities are based on the geographical location of assets and liabilities. In the Ramirent Group Chief Operating Decision-maker reviews regularly the operating result of the operating segments.

Chief Operating Decision-maker of Ramirent Group reviews regularly a report of operating segments' invested capital.

Ramirent Plc charges management fee for the services rendered from its subsidiaries. The cost is included in segments operating result.

Year 2010 segment information

(EUR 1,000)	Finland	Sweden	Norway	Denmark	Europe East	Europe Central	Segments total
External revenues	135,158	144,548	113,718	32,935	39,502	65,423	531,284
Inter-segment revenue	1,767	692	688	2,654	3,220	1,173	10,194
Total revenue	136,924	145,240	114,407	35,589	42,723	66,596	541,478
Depreciation and amortisation	-19,975	-20,742	-18,330	-6,858	-15,161	-16,995	-98,061
Operating result (EBIT)	13,706	23,324	2,343	-2,208	-3,532	826	34,460
Reportable total assets	124,640	155,431	141,820	42,384	91,454	114,185	669,913
Reportable non-interest bearing liabilities	32,267	62,379	32,556	9,060	10,672	14,349	161,282
Capital expenditure (capitalised gross)	17,170	30,348	11,488	1,437	4,326	7,419	72,187
Number of employees							
At reporting date	603	546	503	160	392	824	3,028
Average during the financial year	626	534	519	149	381	817	3,025

Year 2009 segment information

(EUR 1,000)	Finland	Sweden	Norway	Denmark	Europe East	Europe Central	Segments total
External revenues	125,912	127,225	109,140	40,035	36,130	64,058	502,500
Inter-segment revenue	8,417	637	48	2,829	15,210	988	28,130
Total revenue	134,328	127,862	109,189	42,864	51,340	65,047	530,630
Depreciation and amortisation	-18,378	-19,776	-19,534	-11,140	-17,150	-15,318	-101,296
Operating result (EBIT)	12,139	20,929	9,121	-4,319	-10,645	2,825	30,051
Reportable total assets	132,120	134,222	142,185	49,192	99,880	124,453	682,052
Reportable non-interest bearing liabilities	27,518	49,079	33,083	10,077	8,993	13,305	142,056
Capital expenditure (capitalised gross)	12,699	3,576	6,058	1,031	851	13,465	37,680
Number of employees							
At reporting date	602	500	547	151	357	849	3,006
Average during the financial year	630	567	576	184	442	898	3,297

Information about geographical areas

Revenues from external customers are presented based on location of selling entity. Non-current assest are presented based on geographical location of assets. Non-current assets include all non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets.

Revenues from external customers

(EUR 1,000)	2010	2009
Finland	135,158	125,912
Sweden	144,548	127,225
Norway	113,718	109,140
Denmark	32,935	40,035
Europe East	39,502	36,130
Europe Central	65,423	64,058
TOTAL	**531,284**	**502,500**

Non-current,assets

(EUR,1,000)	2010	2009
Finland	97,355	102,587
Sweden	123,135	102,641
Norway	108,495	110,312
Denmark	31,844	39,844
Europe,East	76,315	89,092
Europe,Central	94,315	106,302
TOTAL	**531,458**	**550,779**

Information about major customers

The Ramirent Group has one group of customers under common control that represent revenues of EUR 57.8 million (10.9% of total revenues) (EUR 67.5 million, 13.4% of total revenues in 2009). Revenues from this group of customers under common control are included in all operating segments.

Information about products and services

(EUR 1,000)	2010	2009
Rental income	348,893	331,616
Service income	128,233	118,517
Sale of used rental machinery and equipment	16,369	20,056
Sale of goods	37,789	32,311
	531,284	**502,500**

Reconciliations

(EUR 1,000)	2010	2009
Total revenue for reportable segments	541,478	530,630
Elimination of inter-segment revenue	-10,194	-28,130
Consolidated revenue	531,284	502,500

	2010	2009
Total result (operating result) for reportable segments	34,460	30,051
Unallocated income	-	256
Unallocated expenses	-4,730	-1,541
Consolidated operating result	29,731	28,766
Financial income	13,780	17,936
Financial expenses	-22,658	-34,027
Consolidated result before income tax	20,853	12,675
Total assets for reportable segments	669,913	682,052
Elimination of inter-segment asset transfers	-8,828	-26,261
Unallocated assets	197	191
Consolidated total assets	661,282	655,982
Total liabilities for reportable segments	161,282	142,056
Elimination of inter-segment liabilities	-26,858	-54,176
Unallocated liabilities	9	5
Consolidated total current liabilities	134,433	87,885

2. Other operating income

(EUR 1,000)	2010	2009
Gain on disposals of real estates and non-rental machinery and equipment	130	475
Rental income of real estates	418	349
Other income	1,068	1,236
	1,616	**2,060**

3. Material and service expenses

(EUR 1,000)	2010	2009
Cost of re-renting	-22,162	-20,009
Cost of sold rental equipment	-8,034	-11,871
Cost of goods sold	-25,580	-22,002
Repair and maintenance	-31,067	-26,347
Cost of external services	-43,926	-37,481
Transportation	-44,604	-39,443
Expensed equipment	-1,537	-
Other variable costs	-209	-
	–177,118	**–157,153**

4. Employee benefit expenses

(EUR 1,000)	2010	2009
Wages and salaries	-106,246	-99,071
Termination benefits	-47	-2,149
Social security	-12,988	-10,901
Post employment benefits		
Pension expenses - defined benefit plans	4,194	-2,470
Pension expenses -defined contribution plans	-7,960	-5,929
Equity-settled share-based payment transactions	-484	-134
Cash-settled share-based payment transactions	-1,172	-204
Other personnel expenses	-11,512	-10,077
	–136,214	**–130,934**

For defined benefit pension plan expense a reference is made to note number 21 that includes information about curtailment in Norwegian subsidiary.

Performance-based long-term incentive programme
Ramirent has 2 share-based incentive programs for its key managers, one for the period 2007–2009 and another for the period 2010–2012.

The incentive program for the period 2007–2009 consists of three sub-programs, each having an earnings period of one year. Any reward is subject to achievement of the financial performance targets set by the Board of Directors. Subsequent to the earnings period, the participants of the program are required to acquire Ramirent shares to the full value of the reward after withholding taxes. The participant undertakes not to dispose of any of the Ramirent share acquired under the incentive propgram for a lock-up period of two years from the end of the earnings period. If the participant's employment with the Ramirent Group is terminated or notified to be terminated before the end of the lock-up period, the participant is obliged to either return these Ramirent shares without any consideration or payment, or to pay back to Ramirent the amount that corresponds the market value of the Ramirent shares at that time,

The first of the three subprograms started in 2007. The total amount of accrued bonus benefits for the subprogram 2007 during 2007–2009 was EUR 0.7 million. The second subprogram 2008 was launched in February 2008. The sub-program 2008 did not, however, result to any actual reward allocation, due to non-fulfillment of the performance criteria.

The third sub-program 2009 was launched in February 2009, with financial performance criteria based on earnings per share and cash flow. The subprogram 2009 realised partly and was paid to the participants in March 2010. The total amount of accrued bonus benefit for the subprogram 2009 for 2010 was EUR 0.5 million (for 2009 EUR 0.3 million).

The Performance Share Program for the years 2010–2012 includes one earning period, calendar years 2010–2012. The potential reward from the program for the earning period will be based on the Group's Total Shareholder Return (TSR), on the Group's average Return on Capital Employed (ROCE) and on the Group's cumulative Earnings per Share (EPS). The potential reward from the earning period 2010–2012 will in 2013 be paid partly in Company shares and partly in cash. The cash payment is intended to cover the personal taxes and tax-related costs arising from the reward. No reward will be paid to a manager, if his or her employment or service with the Group ends before the reward payment.

The maximum reward to be paid on the basis of the earning period 2010–2012 will correspond to the value of up to 390,000 Ramirent Plc shares (including also the proportion to be paid in cash).

The incentive programs are partly equity-settled and partly cash-settled. The costs are accrued over the vesting period for each procram. The part of the reward that is settled in shares is valued at fair value at the grant date and the costs are recognised in equity. The part of the reward that is settled in cash is recognized as a liability. The liability is remeasured at each reporting date for subsequent changes in the fair value of the liablility The cash-settled portion relates to personal taxes and other employer's contributions.

At the end of the reporting period accumulated liability for cash settled portion of The Performance Share Program for the years 2010–2012 was EUR 0.9 million.

5. Depreciation and amortisation

(EUR 1,000)	2010	2009
Tangible non-current assets		
Buildings and structures	-331	-386
Machinery and equipment	-92,770	-97,325
Leased machinery and equipment	-271	-317
Other tangible assets	-1,045	-1,250
Intangible non-current assets		
Other intangible assets	-3,014	-1,597
Other capitalised long-term expenditure	-284	-238
	–97,716	**–101,113**

6. Other operating expenses

(EUR 1,000)	2010	2009
Property operating leases	-24,570	-21,773
Other property expenses	-9,920	-9,858
IT and office	-13,665	-14,566
Other operating leases	-19,977	-20,895
External services	-9,566	-5,389
Credit losses	-5,568	-8,500
Change of allowance for credit losses	2,292	4,692
Restructuring and other non-recurring expenses	2,846	1,303
Other	-13,994	-11,606
	–92,122	**–86,594**
Audit and other fees to auditors		
Audit	-318	-332
Engagements in accordance with Auditing Act.	-	-2
Tax consulting fees	-73	-81
Other fees	-328	-141
	–719	**–555**

7. Financial income and expenses

Recognised in the statement of comprehensive income

(EUR 1,000)	2010	2009
Financial income		
Dividend income on available-for-sale investments	1	1
Interest income on loans and receivables	658	520
Interest income on derivative instruments	1,480	2,651
Exchange rate gains on financial liabilities measured at amortised cost	11,641	14,764
	13,780	**17,936**
Financial expenses		
Interest expenses on financial liabilities measured at amortised cost		
Bank loans	-6,606	-7,776
Finance lease liabilities	-23	-51
Interest related to unpaid amount of acquisition costs on Business Combinations	-242	-324
Other financial expenses	-1,879	-1,642
Interest expense on derivative instruments	-3,335	-6,550
Net change in fair value of cash flow hedges transferred from equity	-2,122	-218
Exchange rate losses on financial liabilities measured at amortised cost	-8,451	-17,466
	–22,658	**–34,027**
Net finance costs	**–8,878**	**–16,091**
The above financial income and expenses include the following in respect of assets and liabilities not at fair value through profit or loss:		
Total interest income on financial assets	658	520
Total interest expense on financial liabilities	-6,871	-8,150
Net sales includes exchange rate differences	48	83
Recognised in other comprehensive income		
Fair value adjustment of non-current assets held for sale	-	-74

8. Income taxes

(EUR 1,000)	2010	2009
Current income tax for the year	-7,444	-6,381
Income tax for prior years	115	-611
Deferred tax	1,117	-999
	–6,212	**–7,992**

Reconciliation of income tax to the Finnish corporate income tax rate

	2010	2009
Profit before taxes	20,853	12,675
Income tax at Finnish tax rate (26%) on profit before tax	-5,422	-3,296
Impact of different tax rate outside Finland	-407	-1,936
Impact of tax non-deductible expenses	-369	-1,642
Impact of tax exempt income	459	173
Impact of change in tax rates on deferred taxes	70	-
Income tax for prior years	115	-611
Impact of recognition of previously unrecognised tax losses	821	-
Impact on non-recognition of deferred tax assets on current year losses	-516	-
Other items	-963	-679
	–6,212	**–7,992**

9. Earnings per share

	2010	2009
Profit attributable to the parent company shareholders (EUR thousand)	14,640	4,683
Weighted average number of outstanding shares, basic (thousand)	108,575	108,697
Earnings per share, basic (EUR)	0,13	0,04

	2010	2009
Profit attributable to the parent company shareholders (EUR thousand)	14,640	4,683
Weighted average number of outstanding shares, diluted (thousand)	108,575	108,697
Earnings per share, diluted (EUR)	0,13	0,04

NOTES TO THE CONSOLIDATED BALANCE SHEET

10. Property, plant and equipment

Movement in tangible assets 2010

(EUR 1,000)	Land	Buildings & structures	Machinery & equipment	Leased machinery & equipment	Other tangible assets	Total
Historical cost on 1 January	1,146	6,327	873,697	2,147	7,762	891,078
Additions	-	116	44,506	-	368	44,990
Business combinations	-	-	13,689	566	62	14,317
Disposals	-	-86	-48,915	-	-1,213	-50,214
Reclassifications	-	-	1,774	-1,774	-	-
Effect of movement in exchange rates	-3	54	48,072	87	153	48,364
Historical cost on 31 December	1,143	6,411	932,823	1,026	7,132	948,535
Accumulated depreciation on 1 January	-	-2,459	-427,246	-1,561	-3,737	-435,004
Business combinations	-	-	-6,034	-59	-	-6,093
Disposals	-	34	41,713	-	904	42,651
Reclassifications	-	-	-1,431	1,431	-	-
Depreciation	-	-331	-92,770	-271	-1,045	-94,418
Effect of movement in exchange rates	-	-38	-28,311	-62	-13	-28,424
Accumulated depreciation on 31 December	-	-2,794	-514,080	-522	-3,891	-521,287
Carrying value on 1 January	1,146	3,868	446,449	586	4,026	456,076
Carrying value on 31 December	1,143	3,618	418,743	504	3,241	427,248

Movement in tangible assets 2009

(EUR 1,000)	Land	Buildings & structures	Machinery & equipment	Leased machinery & equipment	Other tangible assets	Total
Historical cost on 1 January	1,148	7,092	882,545	4,986	7,961	903,731
Additions	-	56	15,010	-	529	15,595
Disposals	-	-885	-61,602	-2,969	-942	-66,399
Effect of movement in exchange rates	-2	64	37,745	130	214	38,151
Historical cost on 31 December	1,146	6,327	873,697	2,147	7,762	891,078
Accumulated depreciation on 1 January	-	-2,293	-365,317	-3,825	-3,517	-374,952
Disposals	-	249	55,212	2,706	1,055	59,222
Depreciation	-	-386	-97,325	-317	-1,250	-99,277
Effect of movement in exchange rates	-	-29	-19,816	-126	-26	-19,997
Accumulated depreciation on 31 December	-	-2,459	-427,246	-1,561	-3,737	-435,004
Carrying value on 1 January	1,148	4,799	517,228	1,161	4,444	528,779
Carrying value on 31 December	1,146	3,868	446,449	586	4,026	456,076

11. Goodwill and other intangible assets

Movement in goodwill and other intangible assets 2010

(EUR 1,000)	Goodwill	Other intangible assets	Other capitalised long-term expenditure	Total
Historical cost on 1 January	91,928	11,264	3,929	107,121
Additions	–	257	656	912
Business combinations	3,887	5,288	–	9,176
Adjustments to contingent considerations	-1,628	–	–	-1,628
Disposals	–	-41	–	-41
Reclassifications	-981	1,325	–	345
Effect of movement in exchange rates	4,739	633	93	5,465
Historical cost on 31 December	97,945	18,727	4,678	121,349
Accumulated depreciation on 1 January	-4,734	-6,259	-3,083	-14,076
Disposals	–	59	–	59
Amortisation	–	-3,014	-284	-3,298
Effect of movement in exchange rates	–	-395	-80	-475
Accumulated depreciation on 31 December	-4,734	-9,609	-3,447	-17,791
Carrying value on 1 January	87,194	5,005	846	93,044
Carrying value on 31 December	93,211	9,118	1,230	103,559

Movement in goodwill and other intangible assets 2009

(EUR 1,000)	Goodwill	Other intangible assets	Other capitalised long-term expenditure	Total
Historical cost on 1 January	92,489	10,455	3,938	106,882
Additions	1,069	410	389	1,868
Adjustment to contingent considerations	-4,502	–	–	-4,502
Disposals	–	-59	-430	-489
Effect of movement in exchange rates	2,871	459	32	3,362
Historical cost on 31 December	91,928	11,264	3,929	107,121
Accumulated depreciation on 1 January	-5,091	-4,415	-2,992	-12,497
Disposals	–	50	181	231
Amortisation	–	-1,597	-238	-1,835
Effect of movement in exchange rates	357	-298	-34	25
Accumulated depreciation on 31 December	-4,734	-6,259	-3,083	-14,076
Carrying value on 1 January	87,398	6,040	946	94,385
Carrying value on 31 December	87,194	5,005	846	93,044

Impairment testing of goodwill

Goodwill is allocated to Ramirent's cash generating units (CGU's). Operating countries are defined as CGU's except for the Baltics. Ramirent's Baltics operations were reorganized by merging Ramirent SIA in Latvia and Ramirent AB in Lithuania to Ramirent AS in Estonia and establishing one head office located in Estonia with business branches in both Latvia and Lithuania. Since then the Baltic States form one GGU for impairment testing purposes. The goodwill split per segment is set forth in the table below. CGU's are operating segments in accordance with IFRS 8 before assessment of aggrecation criteria.

Allocation of goodwill to cash generating units (CGU's)

(EUR 1,000)	2010	2009
Finland	15,979	16,894
Sweden	30,890	23,671
Norway	19,542	18,365
Denmark	402	402
Russia	2,865	2,710
The Baltics	10,272	-
Estonia	-	5,155
Latvia	-	2,762
Lithuania	-	2,355
Ukraine	169	156
Poland	2,789	2,701
Slovakia	7,250	8,879
Hungary	3,059	3,144
	93,211	**87,194**

The goodwills are in local currencies and currency exchange rate fluctuations effects the amounts of goodwill in EUR.

Goodwill is subject to an annual impairment testing procedure by which its carrying amount is tested against its recoverable amount for each predetermined cash-generating unit (CGU). Impairment tests are made also when any triggering event of impairment is noted. An impairment loss is recognised if the carrying amount of the net assets (incl. goodwill) allocated to a CGU is higher than the CGU's recoverable amount. The recoverable amount of each CGU is determined by using the Discounted Cash Flow (DCF) method.

In the impairment testing the estimates for the 2011 cash flows are based on year 2011 forecast. The cash flow estimates projected to years 2012–2015 are based on management's views on the growth and profitability of business, as well as capital requirements.

In the medium term an EBIT-margin of 18% and revenue/capital ratio of 100% on a Group level are used in the testing. The medium term growth varies between 2%–10% p.a. depending on each country's medium term growth and inflation expectations. The long term growth is estimated to be 2% p.a. in Nordic segments, 3–4% p.a. in Europe East and 2–4% p.a. in Europe Central segments which reflects both the expected growth and inflation in the operating country. The capital structure of CGU's reflects the capital structure of Ramirent Group.

The most important assumptions, in addition to the future cash flow estimates, are those made on the weighted average cost of capital (WACC), which is used in discounting the future cash flows. The cost of capital also includes the risk-free interest rates and risk premiums in the different countries where the CGUs are operating. Debt/equity ratio of 30% / 70% has been used in the DCF-calculations. The elements affecting the WACC are Ramirent's capital structure, equity beta, the CGU specific cost of equity and the cost of interest bearing debt.

The principal assumptions used in the year 2010 and 2009 impairment tests are set forth in the below two tables.

Year 2010 impairment test	Finland	Sweden	Norway	Denmark	Russia
Growth in net sales [*)]	5.5%	7.3%	7.0%	8.3%	23.6%
Long-term growth	2.0%	2.0%	2.0%	2.0%	4.0%
Average EBIT-margin 2011–2015	21.7%	18.5%	11.2%	10.1%	17.4%
WACC (after tax)	8.2%	7.9%	8.5%	8.2%	13.9%
Discount rate (pre-tax WACC)	10.5%	10.1%	10.7%	10.0%	16.3%

Year 2010 impairment test	The Baltics	Ukraine	Poland	Slovakia	Hungary
Growth in net sales [*)]	17.2%	55.7%	9.5%	5.1%	8.9%
Long-term growth	3.0%	4.0%	3.0%	2.0%	4.0%
Average EBIT-margin 2011–2015	14.1%	18.0%	18.0%	11.3%	14.1%
WACC (after tax)	11.2%	15.0%	10.9%	9.2%	12.7%
Discount rate (pre-tax WACC)	12.4%	18.8%	12.8%	10.7%	13.7%

[*)] Average growth in net sales (2011–2015) p.a.

Year 2009 impairment test	Finland	Sweden	Norway	Denmark	Russia	Estonia
Growth in net sales [*)]	7.5%	5.0%	4.3%	1.7%	21.8%	9.8%
Long-term growth	2.0%	2.0%	2.0%	2.0%	4.0%	4.0%
Average EBIT-margin 2010–2014	18.1%	18.2%	15.2%	9.0%	16.4%	10.2%
WACC (after tax)	8.5%	8.3%	8.8%	8.6%	15.7%	12.1%
Discount rate (pre-tax WACC)	10.8%	10.4%	11.4%	10.9%	18.1%	12.1%

Year 2009 impairment test	Latvia	Lithuania	Ukraine	Poland	Slovakia	Hungary
Growth in net sales [*)]	12.2%	23.8%	43.1%	11.4%	5.6%	14.2%
Long-term growth	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Average EBIT-margin 2010–2014	4.0%	11.2%	20.4%	14.6%	12.7%	21.3%
WACC (after tax)	11.5%	13.7%	16.5%	11.3%	9.0%	12.7%
Discount rate (pre-tax WACC)	12.6%	15.1%	20.1%	12.9%	10.6%	14.5%

[*)] Average growth in net sales (2010–2014) p.a.

The impairment test has been done on the assets as per 30 September 2010. The previous impairment test was done as per 30 September 2009.

Based on the impairment tests 2010 and 2009, the recoverable amounts of the CGUs are higher than their carrying amounts for all units.

Sensitivity analysis
The main element of uncertainty connected with impairment testing is the management's assumption on future EBIT-level for each CGU. The outcome of future year EBIT is in turn dependant on the outcome of the estimated future net sales and the EBIT-%.

The below table shows the amounts by which the units' DCF less interest-bearing liabilities exceeds its carrying amount .

The amount by which the CGU's DCF exceeds its carrying amount
Impairment test

	2010	2009
Finland	196,4	144,5
Sweden	225,7	176,0
Norway	105,3	89,7
Denmark	40,4	7,5
Russia	8,2	0,6
The Baltics	16,4	-
Estonia	-	3,4
Latvia	-	1,7
Lithuania	-	0,3
Ukraine	0,8	0,2
Poland	37,2	39,1
Slovakia	4,2	8,9
Hungary	3,7	9,1

The below tables show the required decline of estimated future EBIT level and the increase in discount rate per segment which would cause the recoverable amount of a CGU to equal the carrying amount of that CGU's net assets,

Decline of EBIT
Impairment test

	2010	2009
Finland	-60.8%	-51.5%
Sweden	-60.1%	-57.7%
Norway	-44.6%	-39.7%
Denmark	-47.8%	-12.2%
Russia	-17.4%	-1.4%
The Baltics	-26.6%	-
Estonia	-	-14.1%
Latvia	-	-8.7%
Lithuania	-	-1.5%
Ukraine	-14.7%	-3.5%
Poland	-34.9%	-34.8%
Slovakia	-19.7%	-30.3%
Hungary	-21.8%	-37.7%

Increase in discount rate, %-unit
Impairment test

	2010	2009
Finland	8.5%	5.8%
Sweden	7.0%	8.1%
Norway	4.1%	4.5%
Denmark	4.5%	0.9%
Russia	1.5%	0.1%
The Baltics	2.8%	-
Estonia	-	1.6%
Latvia	-	0.9%
Lithuania	-	0.2%
Ukraine	0.7%	0.4%
Poland	4.2%	3.4%
Slovakia	2.1%	2.7%
Hungary	2.0%	4.5%

12. Non-current assets held for sale

(EUR 1,000)	2010	2009
Transferred from available-for-sale investments - other shares in Finland	-	370
Carrying value on 31 December	**–**	**370**

There were no liabilities connected to non-current assets held for sale as at 31 December 2009.

13. Available for sale investments

(EUR 1,000)	2010	2009
Other shares	422	53
Carrying value on 31 December	**422**	**53**

Available for sale financial assets consist mainly of listed and unlisted equity shares. Listed equity shares are carried at market rates quoted on reporting date. Unlisted equity shares are, provided that a market value is not available, carried at original cost.

14. Deferred tax assets

Movement in deferred tax assets in year 2010

(EUR 1,000)	Balance on 1 Jan.	Recognised in income statement	Recognised in other comprehensive income	Translation differences	Balance on 31 Dec.
Tax losses carried forward	2,538	4,595	-	120	7,253
Fair value adjustments	872	24	552	-	1,448
Pension obligations	72	182	-	14	268
Effects of consolidation and eliminations	86	104	-	7	197
Other temporary differences	5,021	-928	-	66	4,159
	8,589	**3,977**	**552**	**207**	**13,325**

Movement in deferred tax assets in year 2009

(EUR 1,000)	Balance on 1 Jan.	Recognised in income statement	Recognised in other comprehensive income	Translation differences	Balance on 31 Dec.
Tax losses carried forward	1,578	942	-	-174	2,346
Fair value adjustments	840	-350	-	-	490
Pension obligations	184	-123	-	11	72
Effects of consolidation and eliminations	31	55	-	-	86
Other temporary differences	3,484	1,096	-	86	4,666
	6,117	**1,620**	**–**	**–77**	**7,660**

Opening balances in movements of deferred tax assets have been adjusted. Reason for adjustment is a change in presentation of deferred taxes in one subsidiary, which is now presenting deferred tax assets and deferred tax liabilities as gross instead of net presentation in previous period.

Consolidated financial statements include deferred tax assets based on tax losses carried forward in such subsidiaries that have reported loss in current or earlier period. Group management has assessed subsidiaries potential to utilise these losses during the utilisation period in each subsidiary. This assessment is based on the best available information of the future outlook in subsidiaries and if there is not sufficient certainty about subsidiaries potential to utilise these losses a portion of deferred tax asset has not been recognised. Total amount of deferred tax asset that has not been recognised is EUR 1.3 million (EUR 2.6 million in 2009).

15. Inventories

(EUR 1,000)	2010	2009
Goods for sale	12,590	11,887
Spare parts and accessories to be consumed in rendering of services	3,250	2,679
Other	16	9
Carrying value on 31 December	**15,856**	**14,574**

16. Trade and other receivables

(EUR 1,000)	2010	2009
Sales receivables	98,019	85,452
Allowance for credit losses	-16,157	-18,406
Other receivables	1,522	1,944
Financial assets at fair value through profit or loss	115	-
Prepayments and accrued income	13,117	11,155
Carrying value on 31 December	**96,616**	**80,146**

Prepayments and accrued income consist of

(EUR 1,000)	2010	2009
Accrued rental income	2,355	3,568
Accrued interest income	298	179
VAT receivables	498	907
Prepaid insurance expenses	698	572
Prepaid property operating leases	1,872	1,902
Prepaid other operating leases	449	393
Other prepayments	6,947	3,634
	13,117	**11,155**

17. Cash and cash equivalents

(EUR 1,000)	2010	2009
Carrying value on 31 December		
Cash at banks and in hand	1,352	1,800

Fair value of cash and cash equivalents does not differ from their carrying value.

18. Capital management

The targets of capital management in Ramirent have been adopted by Board of Directors in the Group Finance Policy and in the strategic plan. Ramirent's target is to have a strong financial position that provides financial stability, relatively independently of the economic cycles and external financing possibilities. This enables Ramirent to make long-term business decisions and to act effectively over the business cycle. In addition the company is to earn a sustainable return that is higher than the market cost of its capital.

The financial targets are as follows:

- Earnings per share growth of at least 15% per annum over the business cycle
- Return on invested capital of at least 18% per annum over the business cycle
- Dividend payout ratio of at least 40% of the annual earnings per share.
- Gearing below 120% at the end of each financial year

Ramirent's business is capital intensive and the investments in new fleet and efficient use of existing fleet reflect the growth possibilities and the profitability. The amount of Ramirent's future capital expenditures depends on a number of factors, including general economic conditions and growth prospects. The business is cyclical, but if investments are halted, the effects on cash flow are relatively immediate. The timing and amount of investments is central to achieve the targeted capital structure.

Ramirent aims to pay an ordinary dividend each year that corresponds to at least 40% of the annual earnings per share. The Board has proposed that the Annual General Meeting in 2011 resolves in favour of paying a dividend of EUR 0.25 cent per share, which corresponds to 185.4 per cent of the annual net profit. During the last 5 years, the ordinary dividend has averaged 35 per cent of the annual net profit.

In 2010 the Annual General Meeting resolved in favour of paying a dividend of EUR 0.15 cent per share, which corresponded to 348 per cent of the annual net profit. In addition the AGM authorised the Board to decide on the payment of an additional dividend to the dividend at the AGM, however no more then EUR 0.10 per share. The authorisation was not used in 2010.

The annual general shareholders' meeting held 29 March 2010 authorised the Board to repurchase and convey a maximum of 10% of the Company´s all outstanding shares and to issue new shares up to a maximum of 20% of the Company´s shares. The Board has used the authorization to repurchase the shares of the Company and repurchased 390,000 shares of the Company during August–October 2010.

The company has customary financial covenants included in the borrowing facility agreements. These covenants are linked to the Ramirent's capital structure by equity-ratio, gearing, interest cover ratio and net debt to EBITDA. Ramirent's financial ratios on 31.12.2010 were better than these covenants.

Capital structure of the Group is reviewed by the Board on a regular basis. The gearing and other financial target measures are reviewed regularly.

The Debt-Equity ratio as of 31 December 2010 and 2009 was as follows:

(EUR 1,000)	2010	2009
Interest bearing liabilities	177,917	208,955
Cash and cash equivalents	-1,352	-1,800
Net debt	**176,565**	**207,155**
Total equity	317,640	305,632
Gearing	56.0%	67.8%

19. Equity

(EUR 1,000)	Number of shares (thousand)	Share capital	Invested unrestricted equity fund	Total
Carrying value on 31 December 2008	108,698	25,000	113,329	138,329
Carrying value on 31 December 2009	108,698	25,000	113,329	138,329
Carrying value on 31 December 2010	108,698	25,000	113,329	138,329

Number of shares and share capital

The company's share capital on 31 December 2010 consists of 108,697,328 shares the counter-book value of which is EUR 0.2300 per share.

The company has one class of shares, each share giving equal voting right of one vote per share.

At the end 2010, Ramirent Plc held 393,192 own shares.

Authorisation of the Board of Directors to repurchase the Company´s own shares

Ramirent's Board of Directors is authorised until year 2011 AGM to decide on the repurchase of a maximum of 10,869,732 Company's shares. The authorisation contains also an entitlement for the Company to accept own shares as pledge.

Own shares may be repurchased in deviation from the proportion to the holdings of the shareholders with unrestricted equity through public trading of the securities on NASDAQ OMX Helsinki Ltd at the market price of the time of the repurchase.

Own shares may be repurchased to be used as consideration in acquisitions or in other arrangements that are part of the Company's business, to finance investments as part of the Company's incentive program or to be retained, or otherwise conveyed, or cancelled by the Company.

The Board of Directors is entitled to decide on other terms of the share repurchase
In its meeting on 10 August 2010 the Board of Directors of Ramirent Plc decided to repurchase up to 390,000 shares of the Company, based on the authorisation granted by the AGM 2010. The repurchase commenced one week after the Board of Directors announced its decision, on 11 August 2010. The shares were repurchased in deviation from the proportion to the holdings of the shareholders with funds in the Company's non-restricted equity through public trading on NASDAQ OMX Helsinki Ltd at the market price of the time of the repurchase. The shares were acquired to be used as part of the company's incentive programme, consideration in possible acquisitions or in other arrangements that are part of the Company´s business, to finance investments or to be retained, otherwise conveyed or cancelled by the Company. At the end of the review period Ramirent Plc held 393,192 of its own shares.

Authorisation of the Board of Directors to decide on the share issue and the issuance of option rights, convertible bonds and/or special rights
Ramirent's Board of Directors is authorised to decide on the issuance of a maximum of 21,739,465 new shares and on the conveyance of a maximum of 10,869,732 own shares held by the Company. The authorisation is valid valid for three (3) years from the resolution of the Annual General Meeting.

New shares may be issued and own shares conveyed against payment to the shareholders in proportion to their current shareholdings; or through a directed share issue or conveyance if the Company has a weighty financial reason to do so, such as using the shares as consideration in mergers and acquisitions and other business arrangements or to finance investments.

The Board of Directors has the right to decide that the amount payable for issued new shares or conveyed own shares shall be either entirely or partially entered into the invested unrestricted equity fund.

The Board of Directors is entitled to decide on other terms of the share issue. Authorisations to decide on the share issue and the issuance of option rights were not used in 2010.

Authorisation of the Board of Directors to decide on the payment of an additional dividend
Ramirent's Board of Directors is authorised to decide on the, within its discretion, on the payment of an additional dividend to the dividend decided in the Annual General Meeting of no more than EUR 0.10 per share. The Board of Directors shall make its decision no later than 31 December 2010. The dividend paid on the basis of the decision of the Board of Directors will be paid to the shareholders registered in the Company's shareholders register maintained by Euroclear Finland Ltd on the record date decided by the Board of Directors. The Board of Directors shall decide the record date for dividend and the date of payment of the dividend, which can at the earliest, be the fifth banking day from the record date. The authorisation was not used in 2010.

Shareholders On December 31 2010

	Number of shares	% of shares and votes
Nordstjernan AB	31,882,078	29.33%
Oy Julius Tallberg Ab	11,962,229	11.01%
Varma Mutual Pension Insurance Company	7,831,299	7.20%
Ilmarinen Mutual Pension Insurance Company	5,537,214	5.09%
Tapiola Mutual Pension Insurance Company	2,170,000	2.00%
Odin Funds	5,020,929	4.62%
Nordea Funds	2,995,169	2.76%
Veritas Pension Insurance Company Ltd	1,337,438	1.23%
Föreningen konstsamfundet Rf	825,000	0.76%
The State Pension Fund	732,000	0.67%
Nominee registered shares	19,118,985	17.59%
Other shareholders	19,284,987	17.74%
Total	**108,697,328**	**100.00%**

Shareholders On December 31 2009

	Number of shares	% of shares and votes
Nordstjernan AB	31,186,331	28.69%
Oy Julius Tallberg Ab	11,962,229	11.01%
Varma Mutual Pension Insurance Company	7,831,299	7.20%
Ilmarinen Mutual Pension Insurance Company	4,160,214	3.83%
Odin Funds	3,819,834	3.51%
Nordea Funds	2,717,357	2.50%
Veritas Pension Insurance Company Ltd	1,070,000	0.98%
The State Pension Fund	1,004,000	0.92%
Mariatorp Oy	820,000	0.75%
Fondita Funds	733,000	0.67%
Nominee registered shares	19,088,576	17.56%
Other shareholders	24,304,488	22.36%
Total	**108,697,328**	**100.00%**

20. Deferred tax liabilities

Movement in deferred tax liabilities in year 2010

(EUR 1,000)	Balance on 1 Jan.	Recognised in income statement	Recognised in other comprehensive income	Translation differences	Acquisitions/ disposals	Balance on 31 Dec.
Adjustments to fair value of non-current assets due to business combinations	1,432	-414	-	43	1,326	2,387
Adjustments to fair value of available-for-sale financial investments	2	48	-	-	-	50
Adjustments to fair value of non-current assets held for sale	48	-48	-	-	-	-
Accumulated depreciation in excess of plan	40,267	884	-	1,692	9	42,852
Other taxable temporary differences	9,978	2,390	787	1,852	117	15,124
	51,727	**2,860**	**787**	**3,587**	**1,452**	**60,413**

Movement in deferred tax liabilities in year 2009

(EUR 1,000)	Balance on 1 Jan.	Recognised in income statement	Recognised in other comprehensive income	Translation differences	Acquisitions/ disposals	Balance on 31 Dec.
Adjustments to fair value of non-current assets due to business combinations	1,632	-226	-	26	-	1,432
Adjustments to fair value of available-for-sale financial investments	2	-	-	-	-	2
Adjustments to fair value of non-current assets held for sale	48	-	-	-	-	48
Accumulated depreciation in excess of plan	38,005	-41	-	1,374	-	39,338
Other taxable temporary differences	6,586	2,886	216	290	-	9,978
	46,273	**2,619**	**216**	**1,690**	**–**	**50,798**

Opening balances in movements of deferred tax liabilities have been adjusted. Reason for adjustment is a change in presentation of deferred taxes in one subsidiary, which is now presenting deferred tax assets and deferred tax liabilities as gross instead of net presentation in previous period.

Non-current assets held for sale at the opening balance have been reclassified during the reporting period since the sale of such assets did no longer meet the requirements of IFRS 5. Deferred tax liability that relates to these assets is reclassified according to the nature of the underlying asset to deferred tax liability arising from fair value adjustment of available for sale financial assets.

21. Pension obligations

Ramirent has recognised its post employment benefit arrangements by means of defined contribution pension plans and defined benefit pension plans. The defined benefit pension plans, which are administrated by insurance companies, exist in Sweden and Norway. The Norvegian pension scheme has partly been changed to a defined contribution plan during 2010.

The future pension benefit at the time of retirement for the employees covered by the defined benefit pension plans is determined on the basis of certain factors e.g. the salary level and the total number of years of service.

The total pension expenses recognised in the consolidated statement of comprehensive income and the split of them into defined benefit and defined contribution pension plan expenses are set forth in the below table.

Pension costs recognised in the statement of comprehensive income

(EUR 1,000)	2010	2009
Defined benefit pension plan expenses	4,194	-2,470
Defined contribution pension plan expenses	-7,960	-5,929
	–3,766	**–8,399**

Elements of defined benefit pension plan expenses

(EUR 1,000)	2010	2009
Current service cost	-411	-2,156
Interest cost	-309	-747
Expected return on plan assets	-	517
Actuarial gains (+) and losses (-)	-95	-84
Past service cost	-	-
Gains (+) and losses (-) on curtailments and settlements	5,009	-
	4,194	**–2,470**

Elements of defined benefit plan net obligation

(EUR 1,000)	2010	2009
Present value of unfunded obligations	9,606	7,998
Present value of funded obligations	-	12,795
Fair value of plan assets	-	-7,591
Surplus (-) / deficit (+)	9,606	13,202
Unrecognised actuarial gains (+) and losses (-)	-2,740	-3,452
Net obligation on 31 December	6,866	9,750
Amounts recognised in the balance sheet		
Liabilities	6,866	9,750
Assets	-	-
Net liability	6,866	9,750

Change of the present value of the defined benefit pension obligation

(EUR 1,000)	2010	2009
Present value of obligation on 1 January	20,793	17,575
Translation differences	1,934	2,581
Current service cost	411	2,156
Interest cost	309	747
Actuarial gains (-) and losses (+)	672	-1,887
Gains (-) and losses (+) due to curtailments	-14,333	-
Benefits paid	-180	-320
Payroll tax of employer contributions	-	-59
Present value of obligation on 31 December	9,606	20,793

Change of the fair values of the plan assets

(EUR 1,000)	2010	2009
Fair value of plan assets on 1 January	8,077	7,592
Translation differences	487	1,353
Expected return on plan assets	-	517
Actuarial gains (+) and losses (-)	-	-2,151
Employer contributions	-	420
Benefits paid	-	-140
Gains (+) and losses (-) due to curtailments	-8,564	-
Fair value of plan assets on 31 December	-	7,591

Plan assets by asset category

	2010	2009
Shares and other equity investments	-	5%
Bonds and other security - fixed yield	-	35%
Bonds held to maturity	-	24%
Properties and real estate	-	17%
Other short-term financial assets	-	19%
	0%	**100%**

Principal actuarial assumptions

	2010	2009
Discount rate		
Sweden	4.00%	4.00%
Norway	3.70%	4.50%
Expected return on plan assets		
Sweden	-	-
Norway	-	5.70%
Future salary increase expectation		
Sweden	3.00%	3.00%
Norway	4.00%	4.50%
Future benefit increase expectation		
Sweden	2.00%	2.00%
Norway	1.00%	1.40%

Present value of the defined benefit pension obligation and fair value of plan assets at year end

(EUR 1,000)	2010	2009
Present value of the defined benefit obligation	9,606	20,793
Fair value of plan assets	-	7,591
Surplus (-) / deficit (+)	9,606	13,202
Experience adjustments to plan assets	-	-
Experience adjustments to plan liabilities	641	590

The estimated year 2011 employer contributions amount to EUR 0.4 million (year 2010 estimate was 0.7 million at year end 2009).

22. Provisions

Movement in provisions

(EUR 1,000)	2010	2009
Provisions on 1 January	12,333	24,381
Provisions made during the period	580	7,725
Provisions used during the period	-5,606	-14,905
Provisions reversed during the period	-4,353	-5,870
Translation differences	1,155	1,002
Provisions on 31 December	**4,109**	**12,333**

Carrying value on 31 December

(EUR 1,000)	2010	2009
Non-current	2,347	3,856
Current	1,762	8,477
	4,109	**12,333**

Movements in provisions per category 2010

(EUR 1,000)	Termination benefits	Leases of rental equipment	Leases of premises	Other provisions	Total
Provisions on 1 January	1,912	4,539	4,908	974	12,333
Provisions made during the period	139	-	441	-	580
Provisions used during the period	-1,885	-1,725	-1,882	-114	-5,606
Provisions reversed during the period	-92	-3,526	-735	-	-4,353
Translation differences	242	712	83	119	1,155
Provisions on 31 December	316	-	2,814	978	4,109
Expected timing of outflows					
During 2011	285	-	1,163	315	1,762
During 2012	32	-	882	55	969
During 2013	-	-	436	36	472
During 2014	-	-	115	36	151
Later	-	-	218	536	755
Total	**316**	**-**	**2,814**	**978**	**4,109**

Movements in provisions per category 2009

(EUR 1 000)	Termination benefits	Leases of rental equipment	Leases of premises	Other provisions	Total
Provisions on 1 January	5,740	6,264	5,399	6,978	24,381
Provisions made during the period	3,815	661	2,861	388	7,725
Provisions used during the period	-5,691	-2,512	-3,574	-3,128	-14,905
Provisions reversed during the period	-2,188	-131	-	-3,551	-5,870
Translation differences	236	257	222	287	1,002
Provisions on 31 December	1,912	4,539	4,908	974	12,333
Expected timing of outflows					
During 2010	1,912	4,539	1,782	244	8,477
During 2011	-	-	1,185	-	1,185
During 2012	-	-	998	-	998
During 2013	-	-	943	-	943
Later	-	-	-	730	730
Total	**1,912**	**4,539**	**4,908**	**974**	**12,333**

23. Interest bearing liabilities

Interest-bearing liabilities on 31 December 2010

(EUR 1,000)	Current	Non-current	Total
Loans from financial institutions	26,276	137,316	163,592
Other long-term liabilities	-	46	46
Commercial papers	14,000	-	14,000
Finance lease liabilities	257	22	279
	40,533	**137,384**	**177,917**

Interest-bearing liabilities on 31 December 2009

(EUR 1,000)	Current	Non-current	Total
Loans from financial institutions	7,667	193,207	200,874
Other long-term liabilities	-	4,802	4,802
Commercial papers	3,000	-	3,000
Finance lease liabilities	228	52	280
	10,894	**198,061**	**208,955**

Finance lease liabilities

(EUR 1,000)	2010	2009
Payable < 1 year from reporting date	259	230
Payable 1-5 years from reporting date	23	53
Payable > 5 years from reporting date	-	-
Minimum future financial lease payments	282	283
Future interest payments	-3	-3
Present value of minimum future finance lease payments	279	280

Present value of minimum future finance lease payments

	2010	2009
Payable < 1 year from reporting date	257	228
Payable 1-5 years from reporting date	22	52
Present value of minimum future finance lease payments	279	280

24. Other liabilities

Other liabilities, EUR 2.2 million (EUR 0.0 million in 2009), comprise of long-term liabilities on business combinations.

25. Trade payable and other liabilities

Carrying value on 31 December

(EUR 1,000)	2010	2009
Trade payables	37,874	24,898
Other liabilities	22,953	19,041
Accruals and deferred income	27,745	22,477
Advances received	908	596
	89,480	**67,013**

Accruals and deferred income consist of

	2010	2009
Accrued interest expenses	1,203	825
Accrued employee-related expenses	19,223	13,256
Deferred income	573	518
Other items	6,746	7,878
	27,745	**22,477**

OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. Acquisitions and disposals

Acquisitions of subsidiaries and business operations executed in 2010

Ramirent AB, the Swedish wholly-owned subsidiary of Ramirent Plc, acquired 11 March 2010 the rental equipment company Hyrmaskiner i Gävle AB, including Hyrmaskiner i Mora AB and Hyrmaskiner i Falun AB, operating in Gävleborg and Dalarna under the brand Tidermans Hyrmaskiner. Hyrmaskiner i Gävle AB rents out machinery and equipment for the construction industry in Gävleborg and Dalarna. The company has 40 employees. Hyrmaskiner i Gävle AB has been consolidated into segment Sweden figures as from 1 March 2010.

Ramirent's Norwegian subsidiary Ramirent AS acquired the entire machinery operations of Norwegian Selvaagbygg 16 March 2010. At the same time Selvaggbygg signed a three year rental agreement with Ramirent AS.

Ramirent's Finnish subsidiary Ramirent Finland Oy acquired 18 May 2011 the access platform operations of Havator group and signed a five-year rental and cooperation agreement with Havator in Finland, Sweden and Norway. The acquisition does not include truck-mounted access equipment. Acquired operations have been consolidated into segment Finland figures as of 1 May 2010

Ramirent acquired the machinery and equipment rental business of the Czech construction machinery company NTC Stavební Tecnika spol. s r.o. ("NTC") 29 June 2010. The NTC operations have been consolidated into segment Europe Central figures as of 1 July 2010. The equipment rental operations consist of seven employees who will continue their employment as old employees at Ramirent. The acquisition expands Ramirent's existing network in Czech Republic with three new outlets in Hradec Králove, Pardubice and Ceska Skalice.

Ramirent's Danish subsidiary Ramirent AS acquired the light equipment and hoists operations of a Danish construction company E. Pihl & Søn A.S. and signed a 5-year rental agreementwith E. Pihl & Søn A.S. 14 December 2010. The acquisitionwill be excecuted and consolidated into Ramirent's figures as from 1 January 2011.

Events after the reporting period (note 36) contain information of two business combinations that have been carried out after the end of reporting period. The cost of these business combinations shall be allocated to acquired assets and liabilities during the first quarter of year 2011. This allocation may still be preliminary after first quarter.

A summary of the above year 2010 acquisitions is set forth in the table below. The acquisitions have been converted to euros by using the exchange rates prevailing at the acquisition date.

Considerations at 31 December 2010

(EUR 1,000)	
Cash	10,783
Contingent considerations	4,188
Total consideration	**14,971**

Recognised amounts of indentifiable assets acquired and liabilities assumed

Cash and cash equivalents	178
Property, plant and equipment	7,351
Contractual customer relationship	5,190
Inventories	308
Trade and other receivables	1,496
Trade and other payables	-1,623
Deferred tax liabilities	-1,452
Total identifiable net assets	11,449
Goodwill	3,522
Acquisition related costs	234

Ramirent agreed to pay contingent consideration to sellers of Havator access platform operations, and Hyrmaskiner i Gävle AB. Contingent condideration is based on achieving set financial targets. A portion of contingent consideration in Hyrmaskiner i Gävle AB acquisition is based on terms that certain key employees provide agreed services to Ramirent Group in connection with taking over phase of the acquired businesses thus such portion is accounted for as employee benefits over service period.

The goodwill arising from these business combinations is attributable mainly to synergies. Goodwill includes synergies that represent those intangibles that do not qualify for a recognition as a separate intangible asset such as through increased attainable volumes in the market areas, where acquired businesses operates and personnel in acquired businesses as well as all kind of benefits that are connected with scale.

EUR 2.2 million of the goodwill recognised is expected to be deductible for income tax purposes.

The Group incurred acquisition-related costs of EUR 0.2 million relating to external fees and due diligence costs. The fees and due diligence costs have been included in operating expenses.

Consolidated statement of comprehensive income includes revenue of acquirees after acquisition date EUR 8.8 million and net profit for the financial year includes profit of acquirees after acquisition date EUR 1.2 million.

If all business combinations in 2010 had occurred at the beginning of the annual reporting period revenue would have been increased by EUR 1.7 million and net profit for the financial year would have been increased by EUR 0.0 million

Acquisitions of subsidiaries and business operations executed in 2009

Ramirent's Finnish subsidiary Ramirent Finland Oy acquired 13 November 2009 Rakennus-Otava Oy's machinery and equipment operations and signed a rental agreement for five years with Rakennus-Otava Oy.

25 November 2009 Norwegian Selvaagbygg outsourced all of its electrification and power equipment to Bautas AS, Ramirent's Norwegian subsidiary. At the same time Bautas AS signed a frame agreement for the rental of equipment to construction projects of residential builder Selvaagbygg.

23 December 2009 Oka Oy outsourced its construction machinery operations to Ramirent Finland Oy. At the same time Ramirent Finland Oy signed a five year rental agreement with Oka Oy.

All above mentioned outsourcing agreements have been accounted for as business combinations, since the integrated set of acquired assets and activities has been interpreted to form a business as defined in IFRS 3.

A summary of the above year 2009 acquisitions is set forth in below.

Allocation of the cost of Business Combination has been adjusted during 2010 related to certain acquisitions based on more exact information. Adjustment relates to recognition of customer related intangible asset. This adjustment did not have effect on total comprehensive income in 2009, since transactions have been carried out near to the end of previous reporting period thus the amortisations from these intangible assets would have been minor. Table above has been changed to correspond to this adjustment.

Considerations at 31 December 2009

(EUR 1,000)	
Cash	3,063
Costs attributable to the acquisition	-
Total consideration	3,063

Recognised amounts of indentifiable assets acquired and liabilities assumed

Intangible assets	1,404
Property, plant and equipment	2,024
Deferred tax liabilities	-365
Total identifiable net assets	3,063

Consolidated statement of comprehensive income includes revenue of acquirees after acquisition date EUR 30 thousand and net profit for the financial year profit of acquirees after acquisition date EUR 10 thousand.

If all business combinations in 2009 had occurred at the beginning of the annual reporting period revenue would have been increased by EUR 1.8 million and net profit for the financial year would have been increased by EUR 0.3 million.

27. Financial risk management

Risk Management Principles

Ramirent is subject to certain financial risks in its business activities. Main financial risks are foreign exchange rate risk, interest rate risk, funding and liquidity risks and counterpart (credit) risk. In order to control those financial risks and to reduce their adverse effects on the business activities, assets and liabilities and results, Ramirent has adopted risk management policy which is described in Finance Policy approved by the Board of Directors.

The Finance Policy defines risk management principles for the risks which have been concluded to have the most potential impact on the Group. It also provides an overall framework for the financial activities of the Ramirent Group, with the aim of setting objectives, and defines the strategy of managing the financial risks, as well as clarifies the organisational assignment of risk management responsibilities (management of the risk delegated within the Group and the roles and responsibilities in order to handle the risk defined in terms of a risk mandate).

According to Ramirent's Finance Policy the financial risk management strives to secure sufficient funding for operational needs and to minimise the funding costs and the effects of foreign exchange rate, interest rate and other financial risks cost-effectively. The policy outlines the financing and financial risk management responsibilities covering also the use of financial instruments to hedge the selected risk exposures and acceptable risk levels.

Ramirent's Board of Directors has the overall responsibility for establishing norms and guidelines for Ramirent's financial risk exposure. The overall operative financial risk management has been centralised to the Group Treasury of Ramirent. The Group Treasury acts as the in-house bank and is, in general, the counterparty for all financial transactions within the Group and also mainly externally. The Group Treasury is responsible for implementation of the finance policy and monitoring the financial risks of the Group. Ramirent's Group Treasury is responsible for managing Group-level foreign exchange, interest rate, liquidity and funding risks in close co-operation with the business entities.

The operative management, namely CEO and CFO, controls that the risk management has been conducted in an appropriate way in the Group. The managements of Ramirent business entities are responsible for monitoring the financial risk exposures and managing the financial risks of the business entities according to the Finance Policy and other instructions given by the Group Treasury.

Foreign Exchange Rate Risk

Ramirent is a multinational Group operating in Northern and Eastern and Central European countries. The sales and rental income of the business entities accrue predominantly in their local currency. The purchases of the Group companies are mainly in local currency and partly in EUR, while the major part of the investment arises in EUR. The Group is also exposed to foreign exchange risks through intra-group funding and net investmenst of foreign-currency entities.

Transaction risk

Ramirent's policy is to reduce the effects of foreign exchange rate fluctuations on the Group. This is done by spreading the purchases, sales and financial contracts over time and fixing the rates of major exposures for certain periods of time. When determining the exposures to be hedged the contracted and 12-month forecasted cash flows and dividend receivables are taken into account. The hedging of transaction exposure is done by using currency forward contracts. Business entities' counterpart in hedging transaction is the parent company of the Group. Group Treasury consolidates and hedges centrally, if necessary, the business entity exposures externally, by external borrowing in corresponding currencies and by external currency forward contracts.

The largest transaction exposures derive from foreign purchases and intra-group funding. Due to Ramirent's size of business operations in Sweden, Norway as well in Poland, it is exposed to foreign exchange rate risks mainly caused by the fluctuations of the Swedish Krona (SEK), the Norwegian Krona (NOK) and the Polish Zloty (PLN), especially in intra-group funding. To hedge the parent company's exposures long-term external borrowing are matched against major exposures in intra-group funding. Russian and Ukrainian currencies constitute a smaller exposure, but due to high fluctuation and limitations in hedging, they create a larger risk.

On 31 December 2010, Ramirent had outstanding foreign exchange forwards of EUR 40,4 million (nominal value) (EUR 13,0 million) with market value of EUR 0.1 million (EUR 0.1 million).

The table below shows the nominal values of Ramirent's trade receivables and payables by currency as of 31 December:

	2010		2009	
(EUR 1,000)	EUR exposure in companies reporting in foreign currency	SEK exposure in companies reporting in NOK	EUR exposure in companies reporting in foreign currency	SEK exposure in companies reporting in NOK
Trade receivables	111	-	128	-
Trade payables	-1,035	-283	-640	-153
	-924	**-283**	**-512**	**-153**

Interest-bearing debt by currency

(EUR 1,000)	2010	2009
EUR	136,958	134,874
PLN	20,065	37,696
SEK	9,878	5,007
NOK	10,931	21,335
DKK	86	8,174
Other	-	1,868
	177,917	**208,955**

Sensitivity analysis:
The following table demonstrates the sensitivity of the Group's profit for the year and equity to changes of +/-10 per cent in exchange rates resulting from financial instruments such as financial assets and liabilities and foreign exchange derivative instruments included in the balance sheet at the end of the financial year. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2009.

(EUR 1,000)	2010	2009
+/-10% change in EUR/PLN	+/- 1,539	+/- 3,760
+/-10% change in EUR/SEK	-/+ 159	+/- 505
+/-10% change in EUR/NOK	+/- 6,519	+/- 2,169
+/-10% change in EUR/DKK	-/+ 221	+/- 817
+/-10% change in EUR against other currencies	-/+ 20	+/- 208
	+/- 7,658	**+/- 7,459**
+/-10% change in EUR from group internal positions	-/+ 13,373	-/+ 9,804

A 10 per cent weakening of the EUR against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant. The main portions of exposures illustrated arise from external foreign currency borrowing. As comparison, also the sensitivity of the intra-group positions, mainly intra-group funding receivables has been presented.

Translation risk

The financial needs of Group companies are funded partly through equity (translation risk), in addition to the Group internal funding in local currencies provided by the parent company. Ramirent has decided not to currently hedge the foreign exchange rate risk associated with net investment exposures.

Interest Rate Risk

Ramirent is exposed to interest rate risk mainly through its interest bearing debt. The interest rate risk exposure represents the uncertainty of profit of a company due to changes in interest rates. To reduce the interest rate risk affecting to Ramirent's profitability, interest rates are fixed for certain periods of time and fixing dates spread over time.

The interest rate risk is minimised when the Group's interest rate position of financial instruments is neutralising the interest rate sensitivity of the operational business. The duration (average interest fixing period) for the Group's consolidated net borrowing is used to measure the interest rate risk exposure.

Ramirent's Finance Policy currently assumes the neutral average interest rate fixing period to be 24 months, and the average interest fixing term of the financial instruments shall therefore be between 18 and 36 months. The actual average interest rate fixing period of interest bearing debt on December 31 2010 was 19.2 months.

The target hedging level shall be between 40%–80% of the total interest-bearing debt. At the end of financial year the hedging level was 60.8%. Further guideline of the interest rate risk exposure management of the Finance Policy is that the periods of interest rates shall be diversified. Interest rate swaps and caps may only be used to fix the floting rate of underlying loans. Ramirent applies hedge accounting for all interest rate derivatives.

The Group Treasury is responsible for interest rate risk management in Ramirent Group. The Group Treasury is responsible for monitoring and updating the estimated interest rate benchmark position of Ramirent.

On 31 December 2010, Ramirent had outstanding interest rate swaps of EUR 143.2 million (nominal value) with market value of EUR -2.1 million.

On 31 December 2010 the interest rate profile of Ramirent's interest-bearing financial instruments was:

(EUR 1,000)	Carrying value 2010	Carrying value 2009
Variable rate instruments		
Financial assets	83,637	87,296
Financial liabilities	-218,174	-233,575
	–134,538	**–146,279**
Derivative financial instruments		
Interest rate swaps (nominal value)	143,249	196,085
Foreign exchange forwards (nominal value)	40,399	13,016
	183,648	**209,101**

All Ramirent's interest bearing financial instruments both on 2010 and 2009 were with variable rate.

Weighted average maturity and average interest rate on 31 December 2010

	Weighted average maturity (years)	Average interest rate (%)
Loans from financial institutions	2.6	3.38 %
Other long-term liabilities	2.0	4.03 %
Commercial papers	0.3	1.52 %
Finance lease liabilities	0.6	4.01 %

Weighted average maturity and average interest rate on 31 December 2009

	Weighted average maturity (years)	Average interest rate (%)
Loans from financial institutions	3.5	3.48%
Other long-term liabilities	1.5	6.75%
Commercial papers	0.0	0.75%
Finance lease liabilities	1.3	3.87%

The repricing and maturity schedule of outstanding interest-bearing debt and interest rate hedges is shown below.

(EUR 1,000)

31 December 2010			Interest Rate Hedge Coverage over time (balances at period ends)					
Debt Amount	Hedged Amount		2011	2012	2013	2014	2015	Later
177,917	108,249	Debts	137,183	118,210	104,210	-	-	-
		IR Hedges	103,218	76,025	45,000	-	-	-

(EUR 1,000)

31 December 2009			Interest Rate Hedge Coverage over time (balances at period ends)					
Debt Amount	Hedged Amount		2010	2011	2012	2013	2014	Later
208,955	94,865	Debts	197,064	178,425	117,744	103,921	-	-
		IR Hedges	106,085	101,213	75,323	45,000	-	-

Sensitivity analysis

The following table demonstrates the sensitivity of Ramirent's profit or loss for 2010 and equity (other comprehensive income) as at 31 December 2010 to possible changes in interest rates. A change of 1 percentage unit in interest rates at the reporting date would have increased/decreased profit or loss and other comprehensive income by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2009.

31 December 2010

	Profit or loss		Equity (Other comprehensive income)	
(EUR 1,000)	1 percentage unit increase	1 percentage unit decrease	1 percentage unit increase	1 percentage unit decrease
Variable rate instruments	-1,779	1,772	-	-
Interest rate swaps	1,082	-1,079	2,617	-2,742
Total	**–697**	**693**	**2,617**	**–2,742**

31 December 2009

	Profit or loss		Equity (Other comprehensive income)	
(EUR 1,000)	1 percentage unit increase	1 percentage unit decrease	1 percentage unit increase	1 percentage unit decrease
Variable rate instruments	-2,090	1,660	-	-
Interest rate swaps	949	-689	3,989	-3,524
Total	**–1,141**	**971**	**3,989**	**–3,524**

The testing for the equity change was carried out by re-pricing the future interest flows of the outstanding interest rate swap agreements with one percentage point higher/lower rate than interest rates prevailing at the reporting date by net present value method. However, the analysis is capped to 0.995 percentages for EUR and SEK nominated interest rate swaps. Since all the outstanding interest rate swaps have been effective, both in 2010 and 2009, them all has been assumed to affect the equity.

Funding Risk

Funding risk is the risk that refinancing of existing debt portfolio and/or rising new funding will not be available, or at the high price. The aim is to minimise Ramirent's funding risk by spreading debt/debt facility maturities over time and by securing refunding early enough.

Ramirent's goal is to secure the availability of sufficient funding for conducting its various operations at all times. A further goal is to minimise funding costs over time. According to Finance Policy, Ramirent shall use multiple sources of funding to secure its long-term financing at favourable terms. The goal is that no single financial institution shall provide more than 50% of the total funding of the Group.

According to Finance Policy, in long-term perspective Ramirent shall not to be obliged to amortise during any one year more than 30% of the total interest-bearing debt, and if such situations exist, the Group Treasury is obliged to start negotiations to alter this structure no later than two years before the planned amortisation.

As of end 2010, Ramirent had funding from committed long-term Term Loan Facility of totally EUR 100 million, commited long-term Revolving Credit Facilities of totally EUR 265 million under four different agreements, a committed Overdraft facility of EUR 20 million and an uncommitted Ancillary Facility of EUR 20 million with financial institutions. In addition, an uncommitted EUR 150 million Domestic Commercial Paper Program was used.

The average maturity of the loans from financial institutions as of 31 December 2010 was 3.4 years. Major portions of Ramirent's borrowing facilities will expire in 2011, 2012 and 2014.

Ramirent has the following ratios of covenants in its major borrowing facility agreements: Interest Cover Ratio, Leverage Ratio (Total Net Debt to EBITDA), Equity Ratio and Gearing. Ramirent's financial ratios were at year-end 2010 better than these covenants.

Liquidity risk

Liquidity risk is the risk that existing funds and borrowing facilities become insufficient to meet company's business needs or high extra costs are incurred for arranging them. The objective of the liquidity risk management in Ramirent Group is to minimise the risk by having a well balanced liquidity reserve to hedge against foreseen and unforeseen liquidity requirements. The parent company raises most of Ramirent's interest-bearing debt centrally. Ramirent seeks to reduce liquidity risk by keeping sufficient amount of credit facilities available. Ramirent's liquidity risk is reduced also by efficient cash management procedures and cash management structures such as cash pools and overdraft facilities. In the long-run the principal source of liquidity is expected to be cash flow generated by the operations.

Ramirent's Finance Policy states that liquidity reserves shall equal at minimum of 8% of the forecasted rolling 12-month net sales or EUR 50 million, which ever of the two is higher, plus the total outstanding amount of the commercial papers, to cover the operative and risk liquidity requirement. In addition there shall be strategic liquidity reserve that the management of Ramirent Group estimates for the foreseeable future. The top management shall review constantly the optimal level of the strategic liquidity requirement to allow to company to react effectively.

The liquidity reserve should be available within three banking days, without paying any extra fee, penalty or similar cost at any time. At year end 2010, Ramirent had EUR 183.2 million (36% of net sales 2010) of committed liquidity reserves readily available.

The table below summarises the contractual maturities of financial liabilities and including interest payments as of 31 December 2010:

31 December 2010

(EUR 1,000)	Contractual cash flows	Carrying amount	2011	2012	2013	2014	2015	2016 –>
Non-derivative financial liabilities								
Committed loans from financial institutions	181,769	157,651	26,842	25,076	19,910	109,941	–	–
Commercial papers	14,070	14,000	14,070	–	–	–	–	–
Committed bank overdrafts	6,097	5,941	6,097	–	–	–	–	–
Finance lease liabilities	290	279	269	22	–	–	–	–
Other long-term liabilities	50	46	2	48	–	–	–	–
Other liabilities	2,200	2,200	–	–	2,200	–	–	–
Trade payables	37,874	37,874	37,874	–	–	–	–	–
	242,350	217,991	85,153	25,145	22,110	109,941	–	–
Derivative financial liabilities								
Interest rate swaps (market value)	-2,383	-2,383	-927	-759	-494	-202	–	–
Foreign exchange forwards (market value)	80	80	80	–	–	–	–	–
	-2,304	-2,304	-848	-759	-494	-202	–	–
Total	**240,046**	**215,687**	**84,305**	**24,386**	**21,616**	**109,739**	**–**	**–**

31 December 2009

(EUR 1,000)	Contractual cash flows	Carrying amount	2010	2011	2012	2013	2014	2015 –>
Non-derivative financial liabilities								
Committed loans from financial institutions	237,492	195,454	12,038	23,396	70,495	20,887	110,676	–
Commercial papers	3,000	3,000	3,000	–	–	–	–	–
Committed bank overdrafts	5,542	5,420	5,542	–	–	–	–	–
Finance lease liabilities	300	280	244	56	–	–	–	–
Other long-term liabilities	5,306	4,802	324	4,982	–	–	–	–
Trade payables	24,898	24,898	24,898	–	–	–	–	–
	276,538	233,854	46,046	28,433	70,495	20,887	110,676	–
Derivative financial liabilities								
Interest rate swaps (market value)	-105	-105	2	-81	-43	7	9	–
Foreign exchange forwards (market value)	129	129	129	–	–	–	–	–
	24	24	131	-81	-43	7	9	–
Total	**276,562**	**233,878**	**46,177**	**28,353**	**70,452**	**20,894**	**110,686**	**–**

Credit Risk

Credit risk is defined as the possibility of a customer not fulfilling its commitments towards Ramirent. Group Credit Risk Manual sets the guidelines for credit management and controls in all the Group companies. According to the Credit Risk Manual, the operative management of each operating Ramirent entity is responsible for setting specific local procedures to evaluate and manage credit risk. Credit losses are booked according to these practices. The Credit Risk Manual identifies occasions when a customer can be classified as a high risk-profile customer for which Ramirent applies stricter terms such as lower credit limit amounts. To decrease credit risk, customers may be required to place securities or guarantees.

Customer credit risks are diversified as Ramirent's sales are generated by a large number of customers. Thus there was no major customer credit risk concentration at end of financial year 2010 except one customer group that comprises about less than 11% of the Groups total sales.

Financial counterparty risk is defined as the risk of banks/financial institutions not being able to fulfill their undertakings to the Ramirent Group. The financial counterparty risk is minimised by selecting instruments with a high degree of liquidity and counterparties with a high credit ranking. Ramirent co-operates only with counterparties judged to be capable of meeting their undertakings to Ramirent.

The Group Treasury manages the main part of the credit risk related to financial transactions and financial counterparties by having 3 to 5 main financial institutions and by efficient cash and financial asset management so that Ramirent does not have any major risk concentration in any financial counterparty.

The carrying amount of financial assets represents the maximum credit exposure.

Analysis of trade receivables by age

(EUR 1,000)	Gross 2010	Impaired 2010	Gross 2009	Impaired 2009
Undue trade receivables	62,044	-	49,879	-
Trade receivables 1–30 days overdue	16,304	-	13,023	-
Trade receivables 31–180 days overdue	6,747	-3,233	7,500	-3,356
Trade receivables more than 180 days overdue	12,925	-12,925	15,050	-15,050
	98,019	**–16,157**	**85,452**	**–18,406**

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(EUR 1,000)	2010	2009
Allowance for credit losses on 1 January	-18,406	-23,441
Translation differences	-44	82
Increase during the financial year	-7,674	-10,127
Decrease due to actual credit losses during the financial year	5,568	8,500
Decrease due to customer payments during the financial year	4,369	6,570
Decrease of allowance due to reversal of allowance during the financial year	30	11
Net movement of bad debt allowance during the financial year	**2,249**	**5,035**
Allowance for credit losses on 31 December	**–16,157**	**–18,406**

Cash flow hedges

Ramirent Group uses interest rate derivatives to reduce the volatility interest expenses in the statement of comprehensive income and to adjust the duration of the debt portfolio. Interest rate swap agreements have been designated as hedges of forecasted transactions, e.g. cash flow hedges.

All the interest rate swaps are directly linked to underlying funding transactions and they meet the qualifications for hedge accounting, and thus they are designated as cash flow hedges. Under cash flow hedging, Ramirent has predetermined the interest expense cash flow between 2011 and 2015.

The effective portion of the changes in the fair value of the derivative financial instruments that are designated as and qualify for cash flow hedges are recognised in other comprehensive income. Any gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income. Prospective effectiveness testing is conducted on a constant basis. Retrospective testing is conducted on a quarterly basis to review the effectiveness of hedging transactions. All cash flow hedges have been effective during 2010.

Gains and losses accumulated in other comprehensive income are recycled in the statement of comprehensive income within finance income or expenses during the periods when the hedged item affects profit or loss. Movements in hedging reserve are presented in other comprehensive income. On 31 December 2010, interest rate hedge effect to other comprehensive income was EUR -2.1 million.

28. Carrying amounts of financial assets and liabilities by measurement groups

Financial assets at fair value through profit or loss

(EUR 1,000)	Note	2010	2009
Receivables			
Trade receivable	16	98,019	85,452
Allowance for credit loss	16	-16,157	-18,406
		81,862	**67,046**
Available-for-sales financial assets			
Other shares	13	422	53
Financial liabilities measured at amortised cost			
Loans from financial institutions	23	157,651	195,454
Commercial papers	23	14,000	3,000
Bank overdrafts	23	5,941	5,419
Finance lease liabilities	23	279	280
Other long-term liabilities	23	46	4,802
Other liabilities	24	2,200	-
Trade payable	25	37,874	24,898
		215,791	**233,854**
Interest rate swaps (market value)		-2,383	-105
Foreign exchange forwards (market value)		80	129

Fair value hierarchy of financial instruments

31 December 2010	Level I	Level II	Level III
Interest rate derivatives	-	-2,383	-
Foreign exchange derivatives	-	80	-

Fair value hierarchy of financial instruments

31 December 2009	Level I	Level II	Level III
Interest rate derivatives	-	-105	-
Foreign exchange derivatives	-	129	-

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

29. Fair values versus carrying amounts of financial assets and liabilities

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments shown in the table below.

Available for sale financial assets and financial assets at fair value through profit or loss

The fair value of available for sale financial assets and financial assets at fair value through profit or loss are determined by reference to their quoted bid price at the reporting date.

Trade receivables and Cash and cash equivalents

The fair value of trade receivables and Cash and cash equivalents is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Non-derivative financial liabilities

The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market interest rate at the reporting date. For finance leases the market interest rate is determined by reference to similar lease agreements.

Derivatives (Interest rate swaps)

The fair value of interest rate swaps is based on bank quotes. The quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

The fair values of the financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

(EUR 1,000)	Note	Carrying amount 2010	Fair value 2010	Carrying amount 2009	Fair value 2009
Financial assets					
Available for sale investments	13	422	422	53	53
Trade receivables	16	81,862	81,862	67,046	67,046
Cash and cash equivalents	17	1,352	1,352	1,800	1,800
		83,637	**83,637**	**68,899**	**68,899**
Financial liabilities					
Loans from financial institutions	23	-163,592	-163,592	-200,874	-200,874
Commercial papers	23	-14,000	-14,000	-3,000	-3,000
Finance lease liabilities	23	-279	-279	-280	-280
Other long-term liabilities	23	-46	-46	-4,802	-4,802
Other liabilities	24	-2,200	-2,200	-	-
Trade payables	25	-37,874	-37,874	-24,898	-24,898
Interest rate swaps	Assets	6,244	6,244	10,354	10,354
Interest rate swaps	Liabilities	-8,628	-8,628	-10,459	-10,459
		-220,374	-220,374	-233,958	-233,958
Interest rate swaps (nominal value and fair value)		143,249	-2,383	196,085	-105
Foreign exchange forwards (nominal value and fair value)		40,399	80	13,016	129

30. Exchange rates applied

Currency	Average rates 2010	Average rates 2009	Closing rates 2010	Closing rates 2009
DKK	7.4472	7.4463	7.4535	7.4418
EEK	15.6466	15.6466	15.6466	15.6466
HUF	275.3567	280.5442	277.9500	270.4200
LTL	3.4528	3.4528	3.4528	3.4528
LVL	0.7087	0.7058	0.7094	0.7093
NOK	8.0060	8.7288	7.8000	8.3000
PLN	3.9950	4.3298	3.9750	4.1045
RUB	40.2780	44.1391	40.8200	43.1540
SEK	9.5469	10.6200	8.9655	10.2520
UAH	10.6024	11.1962	10.5775	11.4704
CZK	25.2939	26.4548	25.0610	26.4730

31. Dividend per share

The Board of Directors proposes to the Annual General Meeting that dividend EUR 0.25 per share be distributed totaling EUR 27,076,034.00.

The proposed dividend, which is based on the total of 108,304,136 outstanding shares on the record date for dividend payment 12 April 2011, is not reflected in the year 2010 financial statements.

The dividends paid in 2010 were EUR 0.15 per share totaling EUR 16,304,599.20.

32. Related party transactions

Ramirent's related parties comprise of the parent company, its subsidiaries and key management. Key management consists of the members of the Board of Directors, the CEO and the members of the Group Management Team.

The list of subsidiaries is presented in note 35.

Employee benefits for key management

(EUR 1,000)	2010	2009
Short-term employee benefits	-1,684	-2,272
Share-based payments	-827	-193
	-2,511	-2,465

Benefits paid to the Board members and the CEO

(EUR 1,000)	2010	2009
Bergh Kaj-Gustaf	34	36
Ek Johan	20	-
Eriksson Torgny	24	29
Hofvenstam Peter	57	60
Kallio Kari	-	197
Lundahl Ulf	10	34
Norvio Erkki	30	30
Renlund Susanna	48	48
Rosén Magnus	717	443
	941	**877**

The benefit paid to the CEO comprises of annual base salary, fringe benefits, paid bonuses and a separate pension insurance. In 2010 paid benefits to the CEO also include a compensation related to share-based long-term incentive program. Part of the benefits to CEO have been paid by Ramirent Plc's Swedish subsidiary Ramirent Internal Services AB.

Ramirent did not have any other transactions than the above employee benefits with Key Management during 2010. During 2009, Ramirent acquired consultancy services from Nordstjernan AB at the amount of EUR 0.2 million.

There were no outstanding loan receivables from key management neither on 31 December 2010 nor on 31 December 2009.

33. Commitments and contingent liabilities

Commitments (off-balance sheet) on 31 December 2010

(EUR 1,000)	To secure own borrowings	To secure other own obligations	To secure third party obligations	Total
Suretyships	-	3,187	6	3,192
				3,192

Commitments (off-balance sheet) on 31 December 2009

(EUR 1,000)	To secure own borrowings	To secure other own obligations	To secure third party obligations	Total
Suretyships	-	2,715	-	2,715
				2,715

Non-cancellable minimum future operating lease payments

	2010	2009
Payable < 1 year from reporting date	40,624	42,628
Payable 1-5 years from from reporting date	78,675	102,086
Payable > 5 years from reporting date	24,096	24,659
Future gross operating lease payments	**143,395**	**169,374**
Operating lease expenses in the income statement		
Lease payments expensed in the income statement	49,218	54,713
Received sublease payments credited to lease expenses in the income statement	-261	-43
Net lease expenses in the income statement	**48,958**	**54,670**

Committed investments in non-current assets at the end of 2010 totalled EUR 468 thousand (EUR 130 thousands 2009).

Ramirent has loans, borrowing facilities and guarantees which have equity ratio, gearing, net debt/EBITDA -ratio, interest cover ratio and/or other financial covenants. Ramirent's financial ratios were on 31 December 2010 better than these financial covenants.

34. Disputes and litigations

Ramirent's management is not aware of any disputes and/or litigation processes that would significantly affect the company's operating performance and/or financial position in an adverse manner in case of negative outcomes from the company's point of view.

35. Subsidiaries 31 December, 2010

Company name	Country	Nature of activity	Group holding
Ramirent Finland Oy	Finland	Operating	100.00%
Rami-Cranes Oy	Finland	Operating	100.00%
Teline-Rami Oy	Finland	Operating	100.00%
Uudenmaan Telineasennus Oy *	Finland	Dormant	100.00%
Rami-Muotit Oy	Finland	Dormant	100.00%
Rami-Tilat Oy	Finland	Dormant	100.00%
Ramirent Europe Oy	Finland	Holding	100.00%
Ramirent AB	Sweden	Operating	100.00%
Hyrmaskiner i Gävle AB *	Sweden	Operating	100.00%
Hyrmaskiner i Falun AB *	Sweden	Operating	100.00%
Hyrmaskiner i Mora AB *	Sweden	Operating	100.00%
Ramirent Internal Services AB	Sweden	Operating	100.00%
Ramirent AS	Norway	Operating	100.00%
Stavdal Liftutleie AS	Norway	Operating	100.00%
Stavdal Maskinutleie AS	Norway	Operating	100.00%
Proff Utleie AS	Norway	Dormant	100.00%
Ramirent A/S	Denmark	Operating	100.00%
LLC Ramirent	Russia	Operating	100.00%
CJSC Ramirent	Russia	Operating	100.00%
LLC Ramirent Machinery	Russia	Operating	100.00%
LLC Ramirent RUS	Russia	Operating	100.00%
Ramirent AS	Estonia	Operating	100.00%
Ramirent AS Rigas filiale	Latvia	Operating	
Ramirent AS Vilniaus filialas	Lithuania	Operating	
Ramirent Ukraine LLC	Ukraine	Operating	100.00%
Ramirent S.A.	Poland	Operating	100.00%
Ramirent Kft.	Hungary	Operating	100.00%
Ramirent s.r.o.	Czech Republic	Operating	100.00%
OTS Bratislava, spol. s.r.o.	Slovakia	Operating	60.00%
Merged or dissolved subsidiaries during 2010			
Ramirent SIA	Latvia		
Ramirent AB	Lithuania		

* Will be merged or dissolved in 2011

36. Events after the reporting date

Bjørn Larsen (51), M.Sc. (Business and Mark.), MBA, has been appointed as Senior Vice president of the Ramirent Norway segment and member of the Group management Team as of 1 February 2011. Larsen succeeds Eivind Bøe, who has held the position from 2005 until 31 January 2011, when he resigned from Ramirent.

Erik Høi (55), B.Sc. (Mechanical Engineer), has been appointed as Senior Vice President of the Ramirent Denmark segment and member of the Group Management Team as of 19 January 2011.

The focus of the composition of the Group Management Team is to be close to the operative business and emphasize the business segments' role. The composition of the Ramirent Group Management Team as of 1 February 2011 is as follows: Magnus Rosén, President and CEO of Ramirent Group; Kari Aulasmaa, SVP, Segments Finland and Europe East; Peter Dahlsten, SVP, Sweden segment; Tomasz Walawender, SVP, Europe Central segment; Erik Høi, SVP, Denmark segment; Bjørn Larsen, SVP, Norway segment; Dino Leistenschneider, Director, Sourcing; Mikael Kämpe, Director, Group Fleet; Jonas Söderkvist, CFO and Franciska Janzon, Director, Corporate Communications.

On 10 January, 2011 Destia Oy and Ramirent Finland Oy signed a Letter of Intent whereby Destia outsources its modules and some light machinery as well as related operations to Ramirent and signs a five-year rental agreement with Ramirent. The agreement is to be finalised in the first quarter of 2011.

On 1 February, 2011 Ramirent's Danish subsidiary Ramirent A/S signed an agreement to acquire the business assets of the machinery rental company Jydsk Materiel Udlejning located in West Jutland. For Ramirent Denmark the acquisition contributes with approximately EUR 1.5 million in annual sales. The acquisition will be integrated into group figures as of 1 March 2011.

New incentive programme

On 16 February, 2011 The Board of Directors of Ramirent Plc approved a new Performance Share Program targeted at approximately 60 managers for the earning period 2011–2013. The potential reward from the program for the earning period 2011–2013 will be based on the Group's Total Shareholder Return (TSR), on the Group's average Return on Invested Capital (ROI) and on the Group's cumulative Earnings per Share (EPS).

The maximum reward to be paid on the basis of the earning period 2011–2013 will correspond to the value of up to 287,000 Ramirent Plc shares (including also the proportion to be paid in cash).

FINANCIAL AND SHARE-RELATED KEY FIGURES

Key financial figures

	IFRS 2010	IFRS 2009	IFRS 2008	IFRS 2007	IFRS 2006
Net sales, EUR million	531.3	502.5	702.6	634.3	497.9
Increase in net sales, %	5.7	-28.5	10.8	27.4	28.0
Operating result before depr., amort. and impairment charges, EUR million	127.4	129.9	188.8	237.0	171.6
Operating result before depr., amort. and impairment charges, % of net sales	24.0	25.8	26.9	37.4	34.5
Operating result, EUR million	29.7	28.8	79.7	157.5	110.3
Operating result, % of net sales	5.6	5.7	11.4	24.8	22.2
Result before taxes, EUR million	20.9	12.7	50.7	145.8	102.9
Result before taxes, % of net sales	3.9	2.5	7.2	23.0	20.7
Net result for the financial year, EUR million	14.6	4.7	33.7	110.2	79.2
Net result for the financial year, % of net sales	2.8	0.9	4.8	17.4	15.9
Return on invested capital, %	8.6	8.5	17.5	31.7	28.1
Return on equity, %	4.7	1.6	10.8	36.4	34.3
Interest-bearing debt, EUR million	177.9	209.0	305.1	237.1	187.4
Net debt, EUR million	176.6	207.2	303.0	235.9	186.3
Gearing, %	55.6	67.8	107.8	69.2	70.3
Equity ratio, %	48.0	46.6	37.4	46.3	45.4
Personnel, average during financial year	3,043	3,313	4,006	3,407	2,846
Personnel, at end of financial year	3,048	3,021	3,894	3,642	3,016
Gross investments in non-current assets, EUR million	62.0	17.5	201.3	217.5	176.5
Gross investments, % of net sales	11.7	3.5	28.7	34.3	35.4

Share related key figures

	IFRS 2010	IFRS 2009	IFRS 2008	IFRS 2007	IFRS 2006
Earnings per share (EPS), weighted average, diluted, EUR	0.13	0.04	0.31	1.02	0.73
Earnings per share (EPS), weighted average, basic, EUR	0.13	0.04	0.31	1.02	0.74
Equity per share, at end of financial year, diluted, EUR	2.93	2.81	2.59	3.14	2.44
Equity per share, at end of financial year, basic, EUR	2.93	2.81	2.59	3.14	2.45
Dividend per share, EUR *	0.25	0.15	-	0.50	0.30
Payout ratio, %	185.40 %	348.13 %	-	49.31 %	41.10 %
Effective dividend yield, % *	2.5 %	2.2 %	-	4.5 %	2.7 %
Price/earnings ratio (P/E)	73.13	171.00	10.48	11.01	15.34
Highest share price, EUR	10.10	8.23	12.68	22.16	11.94
Lowest share price, EUR	6.17	2.35	2.37	10.51	5.38
Average share price, EUR	7.85	5.01	7.23	16.22	7.78
Share price at end of financial year, EUR	9.85	6.84	3.25	11.23	11.20
Market capitalisation at end of financial year, EUR million	1 070.7	743.5	353.3	1 220.7	1 211.1
Number of shares traded, thousand	48,832.0	64,220.4	132,730.2	96,159.8	69,726.4
Shares traded, % of total number of shares	44.9 %	59.1 %	122.1 %	88.5 %	64.5 %
Number of shares, weighted average, diluted	108,575,291	108,697,328	108,697,750	108,517,711	108,017,625
Number of shares, weighted average, basic	108,575,291	108,697,328	108,697,750	108,402,225	107,428,285
Number of shares, at end of inancial year, diluted	108,304,136	108,697,328	108,697,328	108,698,436	108,724,320
Number of shares, at end of financial year, basic	108,304,136	108,697,328	108,697,328	108,698,436	108,134,980

Share related key figures have been calculated with the amount of shares excluding the treasury held by Ramirent Plc, except Market Capitalisation which has been calculated with the total amount of shares at the reporting date.

* The Annual General Meeting will make the decision on the year 2010 dividend on 7 April 2011.

Definitions of key financial figures

Return on equity (ROE),%:

$$\frac{\text{Net result x 100}}{\text{Total equity (average over the financial year)}}$$

Return on invested capital (ROI),%:

$$\frac{\text{(Result before taxes + interest and other financial expenses) x 100}}{\text{Total assets – non-interest bearing debt (average over the financial year)}}$$

Equity ratio,%:

$$\frac{\text{(Total equity + non-contolling interest) x 100}}{\text{Total assets – advances received}}$$

Earnings per share (EPS), EUR:

$$\frac{\text{Net result +/- non-controlling interest of net result}}{\text{Average number of shares, adjusted for share issues, during the financial year}}$$

Shareholders' equity per share, EUR:

$$\frac{\text{Equity belonging to the parent company's shareholders}}{\text{Number of shares, adjusted for share issues, on reporting date}}$$

Payout ratio,%:

$$\frac{\text{Dividend per share x 100}}{\text{Earnings per share}}$$

Net debt:

Interest-bearing debt - cash and bank receivables, and financial securities

Gearing:

$$\frac{\text{Net debt x 100}}{\text{Total equity}}$$

Dividend per share:

$$\frac{\text{Dividend paid}}{\text{Number of shares on the registration date for dividend distribution}}$$

Effective dividend yield:

$$\frac{\text{Share-issue-adjusted dividend per share x 100}}{\text{Share-issue-adjusted final trading price at end of financial year}}$$

Price/earnings ratio:

$$\frac{\text{Share-issue-adjusted final trading price}}{\text{Earnings per share}}$$

Profitability development by quarter

(Quarterly information presented in this table is unaudited)

	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Full year 2009	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Net sales, EUR million	531.3	150.1	140.9	128.7	111.5	502.5	126.2	129.5	124.6	122.2
Oper. result bef. depr. (EBITDA), EUR million	127.4	36.9	42.3	30.7	17.5	129.9	26.2	37.3	36.1	30.3
Oper. result bef. depr. (EBITDA), % of net sales	24.0%	24.6%	30.0%	23.9%	15.7%	25.8%	20.7%	28.8%	29.0%	24.8%
Operating result (EBIT), EUR million	29.7	11.3	16.6	7.4	-5.6	28.8	-3.6	11.7	13.5	7.2
Operating result (EBIT), % of net sales	5.6%	7.5%	11.8%	5.8%	-5.0%	5.7%	-2.9%	9.0%	10.8%	5.9%
Result before taxes (EBT), EUR million	20.9	8.8	12.0	6.1	-6.0	12.7	-7.3	7.6	11.3	0.9
Result before taxes (EBT), % of net sales	3.9%	5.8%	8.5%	4.7%	-5.4%	2.5%	-5.7%	5.9%	9.1%	0.8%

Key financial figures by segment

(Quarterly information presented in this table is unaudited)

Net sales, EUR million	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Full year 2009	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Finland	136.9	35.2	37.5	36.1	28.1	134.3	30.6	41.2	33.8	28.7
Sweden	145.2	44.9	36.1	34.9	29.4	127.9	32.4	30.8	32.6	32.0
Norway	114.4	31.1	27.6	27.4	28.4	109.2	28.6	26.5	25.2	28.9
Denmark	35.6	9.5	9.0	9.0	8.1	42.9	9.5	10.5	11.6	11.3
East Europe	42.7	13.4	12.3	9.5	7.5	51.3	11.2	18.9	12.0	9.3
Central Europe	66.6	18.9	19.7	15.9	12.1	65.0	16.4	18.2	16.3	14.1
Sales between segments	-10.2	-3.0	-1.2	-4.0	-2.0	-28.1	-2.5	-16.6	-6.9	-2.1
Total	**531.3**	**150.1**	**140.9**	**128.7**	**111.5**	**502.5**	**126.2**	**129.5**	**124.6**	**122.2**

Operating result, EUR million and % of net sales										
Finland	13.7	2.9	7.1	4.0	-0.2	12.1	0.1	6.3	4.9	0.9
	10.0%	8.1%	18.8%	11.1%	-0.8%	9.0%	0.2%	15.3%	14.4%	3.1%
Sweden	23.3	8.3	7.4	5.0	2.6	20.9	4.4	4.4	6.9	5.3
	16.1%	18.5%	20.6%	14.4%	8.8%	16.4%	13.4%	14.3%	21.1%	16.6%
Norway	2.3	0.1	1.7	1.0	-0.4	9.1	1.0	2.3	3.4	2.5
	2.0%	0.3%	6.1%	3.7%	-1.6%	8.4%	3.4%	8.6%	13.4%	8.7%
Denmark	-2.2	-0.7	-0.2	-0.7	-0.6	-4.3	-4.4	-0.3	0.4	-0.1
	-6.2%	-7.8%	-1.9%	-7.4%	-7.8%	-10.1%	-46.2%	-2.8%	3.6%	-0.6%
East Europe	-3.5	1.1	-0.7	-1.6	-2.4	-10.6	-2.1	-2.0	-3.3	-3.3
	-8.3%	8.5%	-5.7%	-16.5%	-32.2%	-20.7%	-18.5%	-10.4%	-27.4%	-35.8%
Central Europe	0.8	1.0	2.2	0.3	-2.6	2.8	-1.0	1.6	1.6	0.7
	1.2%	5.1%	11.2%	1.9%	-21.8%	4.3%	-6.2%	8.6%	9.5%	5.1%
Costs not allocated to segments	-4.7	-1.4	-0.9	-0.7	-1.8	-1.3	-1.6	-0.6	-0.4	1.2
Group operating result	29.7	11.3	16.6	7.4	-5.6	28.8	-3.6	11.7	13.5	7.2
	5.6%	**7.5%**	**11.8%**	**5.8%**	**–5.0%**	**5.7%**	**–2.9%**	**9.0%**	**10.8%**	**5.9%**

PARENT COMPANY FINANCIAL STATEMENTS – FAS (FINNISH ACCOUNTING STANDARDS)

PARENT COMPANY INCOME STATEMENT

(EUR)	Note	2010	2009
Net sales	1	7,789,389.00	5,019,898.00
Other operating income	2	-	4,351.43
Material and service expenses		-47,383.04	-5,411.79
Personnel expenses	3	-2,663,100.96	-1,745,128.93
Depreciation and amortisation	4	-227,823.39	-326,647.70
Other operating expenses	5	-9,814,990.95	-5,985,197.03
Operating result		**–4,963,909.34**	**–3,038,136.02**
Financial income	6	84,515,992.31	56,913,801.84
Financial expenses	6	-19,172,784.61	-33,846,974.36
Result before extraordinary items		**60,379,298.36**	**20,028,691.46**
Extraordinary items	7	5,000,000.00	11,225,090.30
Result before appropriations and taxes		**65,379,298.36**	**31,253,781.76**
Appropriations	8	30,092.49	36,277.00
Income taxes	9	-246,018.47	-189,408.25
Net result for the financial year		**65,163,372.38**	**31,100,650.51**

PARENT COMPANY BALANCE SHEET

ASSETS

(EUR)	Note	2010	2009
NON-CURRENT ASSETS			
Intangible assets	10	683,022.66	438,242.00
Tangible assets	11	128,198.16	159,152.96
Investments			
Subsidiary shares	12	479,060,892.70	457,195,746.41
Non-current receivables	13	153,751,276.01	139,820,742.91
Total non-current assets		**633,623,389.53**	**597,613,884.28**
CURRENT ASSETS			
Current receivables	14	10,862,893.52	20,624,782.84
Cash and cash equivalents	15	-	-
Total current assets		**10,862,893.52**	**20,624,782.84**
TOTAL ASSETS		**644,486,283.05**	**618,238,667.12**
EQUITY AND LIABILITIES			
Equity			
Share capital	16	25,000,000.00	25,000,000.00
Invested unrestricted equity fund	16	113,328,910.72	113,328,910.72
Retained earnings	16	254,964,711.82	243,107,528.94
Net result for the financial year	16	65,163,372.38	31,100,650.51
Total equity		**458,456,994.92**	**412,537,090.17**
Appropriations	17	**3,003.88**	**33,096.37**
Liabilities			
Non-current liabilities	18	132,209,724.24	169,778,132.29
Current liabilities	19	53,816,560.01	35,890,348.29
Total liabilities		**186,026,284.25**	**205,668,480.58**
TOTAL EQUITY AND LIABILITIES		**644,486,28305**	**618,238,667.12**

PARENT COMPANY CASH FLOW STATEMENT

(EUR)	2010	2009
Cash flow from operating activities		
Result before taxes	65,379,298.36	20,028,691.46
Adjustments		
Depreciation and amortisation	227,823.39	326,647.70
Financial income and expenses	-65,343,207.70	-23,066,827.48
Cash flow from operating activities before change in working capital	263,914.05	-2,711,488.32
Change in working capital		
Change in trade and other receivables	-99,864.78	14,887,776.82
Change in non-interest-bearing current liabilities	3,736,561.68	-4,594,221.71
Cash flow from operating activities before interests and taxes	3,900,610.95	7,582,066.79
Interest paid	-10,242,397.90	-12,818,514.24
Interest received	10,742,943.28	15,896,182.24
Income tax paid	-1,641,870.13	2,040,895.47
Net cash generated from operating activities	**2,759,286.20**	**12,700,630.26**
Cash flow from investing activities		
Acquisition of subsidiaries, net of cash	-21,865,146.29	-9,928.78
Investment in tangible and intangible non-current assets	-441,649.25	-143,896.73
Proceeds from sale of tangible and intangible non-current assets	-	143,519.63
Net change in loans granted	-13,458,414.85	22,827,527.50
Received dividends	64,472,349.65	28,232,870.87
Net cash flow from investing activities	**28,707,139.26**	**51,050,092.49**
Cash flow from financing activities		
Acquisition of own shares	-2,938,868.54	-
Borrowings and repayments of short-term debt (net)	5,569,674.73	-18,048,391.47
Borrowings/repayments of long-term debt (net)	-26,930,632.45	-64,222,331.32
Dividens paid	-16,304,599.20	-
Group contributions paid and received (net)	9,138,000.00	18,520,000.00
Net cash flow from financing activities	**–31,466,425.46**	**–63,750,722.79**
Net change in cash and cash equivalents during the financial year	-	**-**
Cash at the beginning of the period	-	-
Change in cash	-	-
Cash at the end of the period	-	-

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

General information on the company and its business activities

Ramirent Plc is a Finnish public limited liability company organised under the laws of Finland and domiciled in Helsinki, Finland. The company's registered address is Äyritie 12A, FI-01510 Vantaa, Finland. The company is the parent company of the Ramirent Group and its shares are listed on the OMX Nordic Exchange Helsinki.

Ramirent Plc's business activities comprise acting as a holding company for Ramirent Group and providing Group internal administrative and management services to the subsidiaries.

Accounting principles for the parent company financial statements

General

The parent company's financial statements are prepared in accordance with Finnish Accounting Standards (FAS). They are presented in EUR.

Revenue recognition

Management services are accounted for as revenues. The revenues are reported to the actual/fair value of what has been received in cash or will be received in cash reduced by sales discounts, VAT and other taxes directly linked to the sales amount.

Management services are recognised in period when the services are rendered to group companies.

Pension expenses

Pensions are arranged through an external pension insurance company. Pension expenses are recognised in the income statement as personnel expenses when incurred. The Finnish legally based pension system is a defined contribution pension plan.

Financial income and expense

Interest income is recognised in the income statement on accrual basis. Interest and other costs related to interest bearing liabilities are expensed in the income statement on an accrual basis.

Extraordinary items

Extraordinary items consist of Group contributions given to or received from the company's Finnish subsidiaries. Group contributions are recognised in accordance with Finnish tax regulations.

Gains or losses related to liquidation or merger of subsidiaries are also recognised in extraordinary items.

Appropriations

Appropriations in the income statement comprise depreciation recognised in excess of plan, which are recognised in accordance with Finnish tax regulations. Appropriations in the balance sheet consist of cumulative depreciation in excess of plan.

Income taxes

Income taxes consist of current income tax payable on the taxable profit in the financial year. They also include adjustments to the current income taxes for previous fiscal years in terms of tax expenses or tax refunds that had not been recognised in prior year income statements.

Deferred tax assets and liabilities and changes of them are not recognised in the balance sheet and the income statement. They are instead presented in the notes to the financial statements.

Goodwill and other intangible assets

Goodwill and other intangible assets (other intangible rights and other capitalised long-term expenditure) with a finite useful life are amortised over the estimated useful life of the assets. The estimated useful life, the amortisation method and the total depreciation period are per asset category as follows:

• Goodwill	linear	5–20 years
• Software licenses and IT-systems	linear	3–5 years

Tangible assets

Tangible assets (buildings and structures, machinery and equipment, land and other tangible assets) are stated at historical acquisition cost less accumulated amortisation and accumulated impairment charges. Tangible assets leased (neither by means of finance nor operating leases) are not recognised in the balance sheet.

Tangible assets are subject to linear item-by-item depreciation during their estimated useful life. Land is not subject to depreciation.

The depreciation method used, the estimated useful life and the annual depreciation percentage are per asset category as follows:

• Buildings and structures	linear	20 years
• Machinery and equipment for own use	linear	3–10 years
• Other tangible assets	linear	3–8 years

Trade receivables valuation principles

Trade receivables are carried at initial value less estimated allowance for credit losses.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, deposits held at call with banks and other short-term highly liquid financial investments with a maturity shorter than 3 months. When bank overdrafts show a liability balance, they are presented as current interest-bearing liabilities.

Foreign currency transactions

Foreign currency transactions are translated into EUR using the exchange rates prevailing at the dates of the transactions. Receivables and liabilities denominated in foreign currencies are translated to EUR using the exchange rates prevailing at the reporting date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are for operating items recognised affecting operating result in the income statement, whereas those stemming from financing items are recognised in financial income and expenses in the income statement.

The foreign currency rates used in preparation of the financial statements are set forth in the below table:

Currency	Average rates 2010	Average rates 2009	Closing rates 2010	Closing rates 2009
DKK	7.4472	7.4463	7.4535	7.4418
EEK	15.6466	15.6466	15.6466	15.6466
HUF	275.3567	280.5442	277.9500	270.4200
LTL	3.4528	3.4528	3.4528	3.4528
LVL	0.7087	0.7058	0.7094	0.7093
NOK	8.0060	8.7288	7.8000	8.3000
PLN	3.9950	4.3298	3.9750	4.1045
RUB	40.2780	44.1391	40.8200	43.1540
SEK	9.5469	10.6200	8.9655	10.2520
UAH	10.6024	11.1962	10.5775	11.4704
CZK	25.2939	26.4548	25.0610	26.4730

Derivative instruments

The main derivative instruments used by the company for the financial years 2010 and 2009 were interest rate SWAP's. They have been used as hedging instruments in accordance with the company's finance policy.

Hedge accounting is applied for interest rate SWAP's in the consolidated financial statements. The hedged object comprises the future cash flow on interest expenses payable on interest bearing debt.

The fair value of hedging instruments is not recognised in the financial statements, but presented as commitments in the financial statement notes. Their hedging effect is recognised as an adjustment to the financial expenses that are incurred on the basis of the underlying objects (the interest bearing liabilities).

In addition to interest rate SWAP's short-term currency forwards have also been used.

NOTES TO THE PARENT COMPANY'S INCOME STATEMENT

1. Net sales by geographical area

(EUR)	2010	2009
Finland	1,816,873.00	981,635.00
Other European countries	5,972,516.00	4,038,263.00
	7,789,389.00	**5,019,898.00**

2. Other operating income

(EUR)	2010	2009
Profits from disposal of own use tangible assets	–	4,351.43
	–	**4,351.43**

3. Personnel expenses and number of personnel

(EUR)	2010	2009
Wages and salaries	-2,196,294.35	-1,294,255.09
Pension costs	-265,562.61	-238,468.38
Other personnel expenses	-201,244.00	-212,405.46
	–2,663,100.96	**–1,745,128.93**

Benefits to key management (EUR)	2010	2009
CEO	-543,237.57	-667,847.61
Board members	-224,400.00	-238,800.00
	–767,637.57	**–906,647.61**

The above employee benefits paid to CEOs include some pension expenses, but not other social costs. Benefits in 2009 were paid for two persons.

Number of personnel	2010	2009
Average number of personnel during the financial year	18	16

4. Depreciation and amortisation

(EUR)	2010	2009
Intangible assets		
Goodwill	-37,187.59	-37,187.59
Other intangible rights	-59,884.40	-74,808.57
Other capitalised long-term expenditure	-56,572.17	-62,654.14
Tangible assets		
Machinery & equipment	-74,179.23	-70,752.80
Reduction in value non-current assets	–	-81,244.60
	–227,823.39	**–326,647.70**

5. Other operating expenses

(EUR)	2010	2009
Property operating leases	-151,745.14	-71,042.64
Other property expenses	-15,682.92	-21,234.15
IT and office	-739,383.78	-1,153,672.44
Other operating leases	-63,691.31	-71,737.89
External services	-6,049,503.66	-2,660,821.70
Other	-2,794,984.14	-2,006,688.21
	–9,814,990.95	**–5,985,197.03**

Audit and other fees to auditors: (EUR)	2010	2009
Audit	-74,993.95	-27,118.00
Tax consulting fees	-19,715.50	-36,242.50
Other fees	-272,755.36	-152,974.24
	–367,464.81	**–216,334.74**

6. Financial income and expenses

Financial income (EUR)	2010	2009
Dividend income from subsidiaries	64,472,349.65	28,232,870.87
Interest income from subsidiaries	9,316,468.93	13,095,377.97
Other interest income	1,564,720.25	2,800,803.82
Exchange rate gains	9,162,453.48	12,784,749.18
	84,515,992.31	**56,913,801.84**

Financial expenses (EUR)	2010	2009
Interest and other financial expenses to subsidiaries	-67,584.59	-314,085.09
Interest and other financial expenses to external parties	-10,552,640.28	-18,016,659.35
Exchange rate losses	-8,552,559.74	-15,516,229.92
	–19,172,784.61	**–33,846,974.36**

7. Extraordinary items

(EUR)	2010	2009
Group contribution received/given (+/-)	5,000,000.00	9,138,000.00
Liquidation loss from Ramirent Europe Oy's de-merger	–	2,087,090.30
	5,000,000.00	**11,225,090.30**

The liquidation profit in 2009 is related to the partial demerger of Ramirent Europe Oy, where major part of subsidiary shares owned by Ramirent Europe Oy was transferred to Ramirent Plc. The shares of Russian and Ukrainian subsidiaries were left in Ramirent Europe Oy.

The aim of the partial demerger was to simplify the Group structure and administration.

8. Appropriations

(EUR)	2010	2009
Depreciation in excess of plan	-30,092.49	-36,277.00

9. Income taxes

(EUR)	2010	2009
Income tax on profit from operations	1,053,981.53	2,186,471.75
Income tax on extraordinary items	-1,300,000.00	-2,375,880.00
	–246,018.47	**–189,408.25**

NOTES TO THE PARENT COMPANY'S BALANCE SHEET

10. Intangible assets

Movement in goodwill and other intangible assets 2010

(EUR)	Goodwill	Other intangible rights	Other capitalised long-term expenditure	Total
Historical cost on 1 January	102,265.87	236,646.02	350,230.33	689,142.22
Additions	–	41,250.00	357,174.82	398,424.82
Historical cost on 31 December	**102,265.87**	**277,896.02**	**707,405.15**	**1,087,567.04**
Accumulated depreciation on 1 January	-55,781.38	-59,658.28	-135,460.56	-250,900.22
Depreciation	-37,187.59	-59,884.40	-56,572.17	-153,644.16
Accumulated depreciation on 31 December	**–92,968.97**	**–119,542.68**	**–192,032.73**	**–404,544.38**
Carrying value on 1 January	46,484.49	176,987.74	214,769.77	438,242.00
Carrying value on 31 December	9,296.90	158,353.34	515,372.42	683,022.66

Movement in goodwill and other intangible assets 2009

(EUR)	Goodwill	Other intangible rights	Other capitalised long-term expenditure	Total
Historical cost on 1 January	102,265.87	374,628.33	426,690.81	903,585.01
Additions	–	37,099.98	106,796.75	143,896.73
Disposals	–	-142,894.18	-44,400.12	-187,294.30
Reduction in value non-current assets	–	-32,188.11	-138,857.11	-171,045.22
Historical cost on 31 December	**102,265.87**	**236,646.02**	**350,230.33**	**689,142.22**
Accumulated depreciation on 1 January	-18,593.79	-34,689.95	-188,377.86	-241,661.60
Depreciation	-37,187.59	-74,808.57	-62,654.14	-174,650.30
Disposals	–	43,300.90	13,742.89	57,043.79
Reduction in value non-current assets	–	6,539.34	101,828.55	108,367.89
Accumulated depreciation on 31 December	**–55,781.38**	**–59,658.28**	**–135,460.56**	**–250,900.22**
Carrying value on 1 January	83,672.08	339,938.38	238,312.95	661,923.41
Carrying value on 31 December	46,484.49	176,987.74	214,769.77	438,242.00

11. Tangible assets

Movement in tangible assets 2010

(EUR)	Machinery & equipment	Total
Historical cost on 1 January	297,519.75	297,519.75
Additions	43,224.43	43,224.43
Historical cost on 31 December	340,744.18	340,744.18
Accumulated depreciation on 1 January	-138,366.79	-138,366.79
Depreciation	-74,179.23	-74,179.23
Accumulated depreciation on 31 December	-212,546.02	-212,546.02
Carrying value on 1 January	159,152.96	159,152.96
Carrying value on 31 December	128,198.16	128,198.16

Movement in tangible assets 2009

(EUR)	Machinery & equipment	Total
Historical cost on 1 January	353,425.66	353,425.66
Disposals	-27,700.00	-27,700.00
Reduction in value non-current assets	-28,205.91	-28,205.91
Historical cost on 31 December	297,519.75	297,519.75
Accumulated depreciation on 1 January	-95,389.53	-95,389.53
Disposals	18,136.90	18,136.90
Reduction in value non-current assets	9,638.64	9,638.64
Depreciation	-70,752.80	-70,752.80
Accumulated depreciation on 31 December	-138,366.79	-138,366.79
Carrying value on 1 January	258,036.13	258,036.13
Carrying value on 31 December	159,152.96	159,152.96

12. Investments

Movement in investments 2010

(EUR)	Subsidiary shares	Other investments	Total
Historical cost on 1 January	457,195,746.41	-	457,195,746.41
Additions	21,865,146.29	-	21,865,146.29
Historical cost on 31 December	479,060,892.70	-	479,060,892.70
Carrying value on 1 January	457,195,746.41	-	457,195,746.41
Carrying value on 31 December	479,060,892.70	-	479,060,892.70

Movement in investments 2009

(EUR)	Subsidiary shares	Other investments	Total
Historical cost on 1 January	429,838,829.65	3,706.20	429,842,535.85
Additions	41,287,236.34	-	41,287,236.34
Disposals	-13,930,319.58	-3,706.20	-13,934,025.78
Historical cost on 31 December	457,195,746.41	-	457,195,746.41
Carrying value on 1 January	429,838,829.65	3,706.20	429,842,535.85
Carrying value on 31 December	457,195,746.41	-	457,195,746.41

The additions and disposals in 2009 are related to the partial demerger of Ramirent Europe Oy.

Ramirent Plc's subsidiaries and its ownership share are specified in note no. 35 of the consolidated financial statements.

13. Non-current receivables

Loan receivables on Ramirent Plc's subsidiaries (EUR)	2010	2009
Interest bearing loan receivables	153,751,276.01	139,820,742.91

14. Current receivables

(EUR)	2010	2009
Current receivables on Ramirent Plc's subsidiaries		
Trade receivables	2,765,549.99	1,508,402.67
Prepayments and accrued income	6,417,923.15	10,521,359.50
Other receivables	5,368.72	7,651,581.70
Current receivables on external parties		
Trade receivables	-	255.04
Prepayments and accrued income	522,053.27	571,869.77
Other receivables	1,151,998.39	371,314.16
	10,862,893.52	**20,624,782.84**

Other receivables on Ramirent Plc's subsidiaries comprise Group contribution receivables and Group cash pool receivables.

Prepayments and accrued income comprise mainly of accrued rental income and accrued interest income.

15. Cash and cash equivalents

(EUR)	2010	2009
Cash at banks and in hand	-	-

16. Equity

Movement in equity 2010 (EUR)	Share capital	Invested unrestricted equity fund	Retained earnings	Total equity
On 1 January 2010	25,000,000.00	113,328,910.72	274,208,179.45	412,537,090.17
Dividend distribution	-	-	-16,304,599.20	-16,304,599.09
Acquisition of own shares	-	-	-2,938,868.54	-2,938,868.54
Net result for the financial year	-	-	65,163,372.38	65,163,372.38
On 31 December 2010	25,000,000.00	113,328,910.72	320,128,084.20	458,456,994.92

Movement in equity 2009 (EUR)	Share capital	Invested unrestricted equity fund	Retained earnings	Total equity
On 1 January 2009	25,000,000.00	113,328,910.72	243,107,528.94	381,436,439.66
Net result for the financial year	-	-	31,100,650.51	31,100,650.51
On 31 December 2009	25,000,000.00	113,328,910.72	274,208,179.45	412,537,090.17

The company's share capital on 31 December 2010 consists of 108,697,328 shares the counter-book value of which is 0.2300 EUR per share. The company has one class of shares, each share giving equal voting right of one vote per share.

Distributable funds (EUR)	2010	2009
Retained earnings	254,964,711.82	243,107,528.94
Net result for the financial year	65,163,372.38	31,100,650.51
Invested unrestricted equity fund	113,328,910.72	113,328,910.72
	433,456,994.92	**387,537,090.17**

Acquisition of own shares

Based on the authorisation by the Annual General Meeting held on 29 March 2010 the Board of Directors of Ramirent Plc decided on the repurchase of up to 390,000 shares of the Company. The repurchase did not commence until one week after the decision had been published with this stock exchange release. The repurchase of the shares was executed in accordance with the terms of the authorisation by the Annual General Meeting. The shares were repurchased in deviation from the proportion to the holdings of the shareholders with funds in the Company's non-restricted equity through public trading on NASDAQ OMX Helsinki Ltd at the market price of the time of the repurchase. The shares were acquired and paid for in accordance with the rules of NASDAQ OMX Helsinki Ltd and Euroclear Finland Ltd.

The shares were acquired to be used as part of the Company's incentive program, as consideration in possible acquisitions or in other arrangements that are part of the Company´s business, to finance investments, or to be retained, otherwise conveyed or cancelled by the Company. There is a financial weighty reason for the repurchase, since the shares are to be repurchased through public trading and the contemplated purposes of use are in the best interests of the Company and its shareholders.

During the financial year Ramirent Plc repurchased 390,000 own shares, based on the authorization by the Annual General meeting. The purchase price for each shares was the market price of the time of the repurchase.

The summary of the purchases in presented below.

Date	Amount	Counter book value	Price/share (average), EUR	Price/share (range), EUR
25–31 August	56,808	0.2300	7.00	6.97–7.07
1–30 September	219,000	0.2300	7.36	7.24–7.52
1–15 October	114,192	0.2300	8.10	7.66–8.55

For the Board of Directors' valid authorisations on disposal of the company's own shares, its valid authorisation on deciding on the execution of a rights offering and the company's prevailing option program, reference is made to note no. 19 of the consolidated financial statements.

17. Appropriations

(EUR)	2010	2009
Accumulated depreciation in excess of plan	3,003.88	33,096.37
Appropriations include unrecognised deferred tax liability	781.01	8,605.06

18. Non-current liabilities

(EUR)	2010	2009
Non-current liabilities to external parties		
Loans from financial institutions	132,209,724.24	169,778,132.29
	132,209,724.24	**169,778,132.29**

19. Current liabilities

(EUR)	2010	2009
Current liabilities to Ramirent Plc's subsidiaries		
Interest bearing loans	7,946,291.58	24,258,112.94
Trade payables	659,463.17	342,320.36
Other liabilities	-	-
Accruals and deferred income	27,825.15	1,062,323.70
Current liabilities to external parties		
Loans from financial institutions	40,125,498.12	7,744,002.03
Trade payables	882,205.66	541,689.37
Accruals and deferred income	4,122,445.40	1,647,408.62
Current tax liability	-	245,617.05
Other liabilities	52,830.93	48,874.22
	53,816,560.01	**35,890,348.29**

Accruals and deferred income consist mainly of incurred expenses such as income tax liability payable, accrued interest expenses and accrued holiday pay allowance for employees.

OTHER NOTES TO THE PARENT COMPANY'S FINANCIAL STATEMENTS

20. Commitments and contingent liabilities

Commitments (off-balance sheet) on 31 December 2010 (EUR)	To secure own borrowings	To secure other own obligations	To secure subsidiaries' obligations	Total
Suretyships	-	264,304.00	-	264,304.00
				264,304.00

Commitments (off-balance sheet) on 31 December 2009 (EUR)	To secure own borrowings	To secure other own obligations	To secure subsidiaries' obligations	Total
Suretyships	-	63,030.00	-	63,030.00
				63,030.00

Ramirent has loans, borrowing facilities and guarantees which have equity ratio, leverage ratio, interest cover ratio and/or other financial covenants. Ramirent's financial ratios were on 31 December 2010 better than these financial covenants.

Future leasing payments (EUR)	2010	2009
Due within one year from reporting date	330,285.73	257,199.00
Due later than one year from reporting date	451,715.37	345,524.00
	782,001.10	**602,723.00**
Derivative instruments (EUR)		
Fair value of interest rate SWAP's	-2,383,375.94	-105,066.20
Par value of underlying object	143,249,046.36	196,085,348.83
Foreign currency derivatives (EUR)		
Par value of underlying object	40,398,755.87	13,016,498.00
Fair value of the derivative instruments	79,604.11	129,000.00

DATE AND SIGNING OF THE REPORT OF THE BOARD OF DIRECTORS AND THE FINANCIAL STATEMENTS

Helsinki, 15 February 2011

Peter Hofvenstam
Chairman

Kaj-Gustaf Bergh
Board Member

Erkki Norvio
Board Member

Susanna Renlund
Board Member

Johan Ek
Board Member

Magnus Rosén
CEO

Auditors’ note
Our auditors’ report has been issued today.

Helsinki, 15 February 2011
KPMG Oy Ab

Pauli Salminen
Authorized Public Accountant

AUDITOR'S REPORT

To the Annual General Meeting of Ramirent Plc

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Ramirent Oyj for the year ended 31 December, 2010. The financial statements comprise the consolidated statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows, and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

Responsibility of the Board of Directors and the Managing Director

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

Auditor's Responsibility

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

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

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

Opinion on the consolidated financial statements

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

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

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

Opinions based on the decision of the Board of Directors

We support that the financial statements should be adopted. The proposal by the Board of directors regarding the use of the profit shown in the balance sheet is in compliance with the Limited Liability Companies Act. We support that the members of the Board of Directors of the parent company and the Managing Director should be discharged from liability for the financial period audited by us.

Helsinki, 15 February 2011
KPMG OY AB
Pauli Salminen
Authorized Public Accountant

RENTAL COMPANY OF THE YEAR 2010

Ramirent is a leading equipment rental group delivering Dynamic Rental Solutions™ that simplify business. We serve a broad range of customers, including construction and process industries, shipyards, the public sector and households.

Ramirent Plc | P.O. Box 116 (Äyritie 12a), FI-01511 Vantaa, Finland
Tel. +358 20 750 200 | Fax +358 20 750 2810 | www.ramirent.com | Business ID 0977135-4

RAMIRENT