

ELENIA HEAT OY
FINANCIAL STATEMENTS

December 31, 2014

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ANNUAL REPORT

General This annual report covers the financial year from January 1 to December 31, 2014. The head office of Elenia Heat is located in Hämeenlinna. The company's main products are district heating production and distribution, natural gas sales and distribution, and electricity generation. The company engages in business operations in the Häme, Central Finland and Northern Ostrobothnia regions.

Risks The risks associated with the company's business operations are primarily related to fuel prices and electricity prices. Changes in the average temperature influence the demand for the products sold by the company and thereby affect its total revenue.

Ownership The company is 100 % owned by Elenia Oy.

Result and key figures

Due to the warm temperatures during the year 2014, heating sales declined by 0.6%, electricity generation rose by 3.5% and gas sales decreased by 2.1%. Total revenue increased by 1.3%, mainly due to an increase in the heat sales price. The operating profit was 10% higher compared to the previous year, as the production efficiency increased due to internal development activities. The company made a EUR 1,000 thousand write-off to the biofuel inventory. The company's solvency improved, as the non-refundable part of connection fees (EUR 6,092 thousand) was transferred to the retained earnings. The company's financial position and result are illustrated by the following key figures:

	2014	2013	2012
Total revenue (EUR thousand)	73,970	73,022	74,599
Operating profit (EUR thousand)	10,553	9,592	10,139
Operating profit-%	14.3	13.1	13.6
Return on investment	13.1	11.9	12.4
Capital ratio	41.3	34.5	33.1
Investments (M€)	12.8	5.7	4.4

Share capital The company's share capital in the financial year 2014 was EUR 55,000.00. The share capital is divided into 100 shares with a nominal value of EUR 550. All shares carry equal voting rights in the shareholders' meeting.

Personnel The average number of personnel during the financial year was 90. Salaries and other personnel costs amounted to EUR 6,177 thousand.

Environment Elenia Heat Oy has continued to reduce its CO2 emissions per unit of energy generated in its production operations. This has been achieved by increasing the share of renewable biofuels and reducing the share of fossil fuels, natural gas in particular. In November, the company completed the construction of 10 MW bio boiler plant in

Turenki. This plant will replace natural gas based production. At Toijala plant, a scrubber with a heat pump was taken into operation.

Events after the reporting period

There have been no material events since the end of the reporting period.

Outlook Business operations are expected to continue in a similar manner as before.

Board of Directors

The company's Board of Directors was comprised of the following members: The Chairman of the Board of Directors was Matti Manninen and the other members Matteo Botto Poala, Andrew Cox and Mikko Räsänen. The company's auditor is Ernst & Young Oy.

The Board's proposal for the distribution of the profit

The Board of Directors proposes to the General Meeting of Shareholders that the profit for the period, EUR 5,149.90, be transferred to retained earnings, and that no dividend be paid.

Income statement

		1.1. - 31.12.2014	1.1. - 31.12.2013
Revenue	1.1	73,969,620.95	73,022,193.53
Other operating income	1.2.	2,039,240.47	1,403,903.45
Materials and service	1.3	44,885,501.77	44,558,722.57
Employee benefit expenses	1.4	6,176,780.88	6,229,951.04
Depreciation and amortisation	1.5	9,270,433.59	8,936,662.69
Other operating expenses	1.6	5,122,870.66	5,108,905.19
Operating profit		10,553,274.52	9,591,855.49
Finance income and costs	1.7	-328,515.59	-410,698.00
Profit before non-recurring items		10,224,758.93	9,181,157.49
Non-recurring items	1.8	-9,110,000.00	-8,600,000.00
Profit before appropriations and taxes		1,114,758.93	581,157.49
Appropriations	1.9	-1,086,985.38	-362,871.65
Income tax	2.0	-22,623.65	-162,078.88
Profit for the period		5,149.90	56,206.96

Balance sheet

		31.12.2014		31.12.2013	
ASSETS	Note				
Non-current assets					
Intangible assets	2.1				
Intangible rights		37,259.58		39,702.78	
Goodwill		2,582,159.17		4,616,418.73	
Other capitalised long-term expenditure		1,146,493.48	3,765,912.23	1,362,430.33	6,018,551.84
Tangible assets	2.2				
Land and water areas		611,879.19		324,595.95	
Buildings and constructions		9,083,840.81		6,507,463.94	
District heating network		27,603,037.42		27,362,369.42	
Natural gas network		1,603,295.42		1,813,324.35	
Machinery and equipment		50,661,851.98		47,154,109.25	
Other tangible assets		775,160.24		672,690.79	
Advance payments and construction in progress		624,966.09	90,964,031.15	1,384,067.74	85,218,621.44
Investments	2.3				
Holdings in associated companies		51,280.00		51,280.00	
Other shares and holdings		33.64	51,313.64	33.64	51,313.64
Total non-current assets			94,781,257.02		91,288,486.92
Current assets					
Inventories					
Materials and supplies			11,934,142.30		16,517,555.58
Short-term receivables	2.4				
Trade receivables		1,131,568.75		835,050.94	
Receivables from group companies		448,134.70		629,290.15	
Other receivables		72,142.11		115,327.80	
Prepayments and accrued income		11,215,177.30		9,280,117.72	
Total short-term receivables			12,867,022.86		10,859,786.61
Cash and cash equivalents			5,213,920.43		4,265,577.35
Total current assets			30,015,085.59		31,642,919.54
TOTAL ASSETS			124,796,342.61		122,931,406.46

Balance sheet		31.12.2014		31.12.2013	
EQUITY AND LIABILITIES					
	Note				
Capital and reserves	3.1				
Subscribed capital		55,000.00		55,000.00	
Share premium fund		82,687.57		82,687.57	
Legal reserve		37,593.96		37,593.96	
Retained earnings		12,940,181.81		6,791,951.31	
Profit for the financial year (+) / loss (-)		5,149.90	13,120,613.24	56,206.96	7,023,439.80
Accumulated appropriations	3.2		47,987,069.55		46,900,084.17
Provisions	3.3		0.00		0.00
Liabilities	3.4				
Non-current liabilities					
Connection fees		31,358,985.16		36,853,013.60	
			<u>31,358,985.16</u>		<u>36,853,013.60</u>
Current liabilities					
Trade payables		4,330,530.71		3,215,840.42	
Liabilities to group companies		22,362,937.00		23,757,920.70	
Other liabilities		400,313.07		492,578.49	
Accruals and deferred income		5,235,893.88	<u>32,329,674.66</u>	4,688,529.28	<u>32,154,868.89</u>
Total liabilities			63,688,659.82		69,007,882.49
TOTAL EQUITY AND LIABILITIES			124,796,342.61		122,931,406.46

Differentiated financial statements

Income statement, Gas business			Gas sales	Gas sales	Gas distribution	Gas distribution
	1.1.2014 - 31.12.2014	1.1.2013 - 31.12.2013	1.1.2014 - 31.12.2014	1.1.2013 - 31.12.2013	1.1.2014 - 31.12.2014	1.1.2013 - 31.12.2013
Total revenue	7,232,801.23	7,457,127.98	4,242,743.76	4,495,830.81	2,990,057.47	2,961,297.17
Other operating income	18,484.11	59,206.00	16,492.60	38,295.00	1,991.51	20,911.00
Materials and services	5,411,407.31	5,671,924.04	3,273,474.27	3,413,081.92	2,137,933.04	2,258,842.12
Personnel expenses	41,871.02	68,788.69	481.31	11,140.96	41,389.71	57,647.73
Depreciation and amortisation	613,004.21	617,443.51	0.00	0.00	613,004.21	617,443.51
Other operating expenses	102,562.62	66,542.91	65,281.43	36,362.80	37,281.19	30,180.11
Operating profit	1,082,440.18	1,091,634.83	919,999.35	1,073,540.13	162,440.83	18,094.70
Finance income and expenses	-32,851.56	-41,069.80	-19,270.65	-24,760.59	-13,580.91	-16,309.21
Profit before non-recurring items	1,049,588.62	1,050,565.03	900,728.70	1,048,779.54	148,859.92	1,785.49
Non-recurring items +/-	-911,000.00	-860,000.00	-911,000.00	-860,000.00	0.00	0.00
Profit before appropriations and taxes	138,588.62	190,565.03	-10,271.30	188,779.54	148,859.92	1,785.49
Appropriations	487,665.37	470,808.09	0.00	0.00	487,665.37	470,808.09
Income tax	-125,250.80	-162,036.41	-125,250.80	-162,036.41	0.00	0.00
Profit for the financial year	501,003.19	499,336.71	-135,522.09	26,743.13	636,525.29	472,593.58

			Gas sales	Gas sales	Gas distribution	Gas distribution
Balance sheet, Gas business	31.12.2014	31.12.2013	31.12.2014	31.12.2013	31.12.2014	31.12.2013
ASSETS						
Non-current assets						
Intangible assets	449,069.28	810,766.56	0.00	0.00	449,069.28	810,766.56
Tangible assets	1,900,230.05	2,124,914.54	0.00	0.00	1,900,230.05	2,124,914.54
Total non-current assets	2,349,299.33	2,935,681.10	0.00	0.00	2,349,299.33	2,935,681.10
Current assets						
Short-term receivables	641,705.00	705,170.34	400,439.00	425,151.27	241,266.00	280,019.08
Cash and cash equivalents	6,841,366.30	6,862,443.11	6,841,366.30	6,862,443.11	0.00	0.00
Total current assets	7,483,071.30	7,567,613.45	7,241,805.30	7,287,594.38	241,266.00	280,019.08
TOTAL ASSETS	9,832,370.63	10,503,294.56	7,241,805.30	7,287,594.38	2,590,565.33	3,215,700.18

Balance sheet			Gas sales	Gas sales	Gas distribution	Gas distribution
Gas business	31.12.2014	31.12.2013	31.12.2014	31.12.2013	31.12.2014	31.12.2013
EQUITY AND LIABILITIES						
Capital and reserves						
Subscribed capital						
Legal reserve						
Retained earnings	1,215,377.51	716,040.80	6,268,617.43	6,241,874.30	-5,053,239.92	-5,525,833.50
Profit for the financial year (+) / loss (-)	501,003.19	499,336.71	-135,522.09	26,743.13	636,525.29	472,593.58
Total capital and reserves	1,716,380.70	1,215,377.51	6,133,095.33	6,268,617.42	-4,416,714.64	-5,053,239.92
Accumulated appropriations	1,902,953.78	2,390,619.15	0.00	0.00	1,902,953.78	2,390,619.15
Liabilities						
Non-current liabilities						
Connection fees	1,019,268.96	1,014,899.66	0.00	0.00	1,019,268.96	1,014,899.66
	1,019,268.96	1,014,899.66	0.00	0.00	1,019,268.96	1,014,899.66
Current liabilities						
Trade payables	423,442.32	328,406.10	248,390.24	197,992.88	175,052.08	130,413.22
Liabilities to group companies	2,186,663.61	2,427,587.99	537,038.61	540,049.39	1,649,625.00	1,887,538.60
Other short-term liabilities	2,032,549.01	2,660,424.46			2,032,549.01	2,660,424.46
Accruals and deferred income	551,112.25	465,979.70	323,281.12	280,934.68	227,831.13	185,045.02
	5,193,767.19	5,882,398.25	1,108,709.97	1,018,976.96	4,085,057.22	4,863,421.29
Total liabilities	6,213,036.15	6,897,297.91	1,108,709.97	1,018,976.96	5,104,326.18	5,878,320.95
TOTAL EQUITY AND LIABILITIES	9,832,370.63	10,503,294.56	7,241,805.31	7,287,594.38	2,590,565.32	3,215,700.18

Allocation principles

Differentiated calculations for gas	Items for which the allocation principle applied is the share of the gas business of total revenue, the allocation principle applied is 10 % (in 2013, 10 %)
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Income statement, Gas business

Total revenue	Revenue differentiated by business segment
Other operating income	Other income differentiated by business segment
Materials and services	Materials and services differentiated by business segment
Personnel expenses	Personnel expenses differentiated by business segment
Depreciation and amortisation	Depreciation differentiated by business segment
Other operating expenses	Other expenses differentiated by business segment
Finance income and expenses	Share of gas business of total revenue
Non-recurring items	Share of gas business of total revenue
Income tax	Based on the business segment's differentiated income statement and balance sheet

Balance sheet, Gas business

Intangible assets	Intangible assets are differentiated by business segment
Tangible assets	Tangible assets are differentiated by business segment
Short-term receivables	Receivables are differentiated by business segment
Cash and cash equivalents	Allocated in such a way as to balance the segment's differentiated balance sheet
Subscribed capital	Subscribed capital, funds and reserves have not been allocated
Profit for the financial year (+) / loss (-)	based on the business segment's differentiated result
Depreciation difference	Depreciation difference is differentiated by business segment
Connection fees	Connection fees are differentiated by business segment
Trade payables	Share of gas business of total revenue
Liabilities to group companies	Share of gas business of total revenue
Accruals and deferred income	Share of gas business of total revenue

Cash flow statement

1.1. - 31.12.2014

1.1. - 31.12.2013

Cash flow from operating activities

Operating profit	10,553,274.52	9,591,855.49
Reversal of amortisation	9,270,433.59	8,936,662.69
Change in working capital	4,261,992.90	-2,579,663.51
Finance expenses	-385,725.75	-490,918.97
Dividend income	45,000.00	45,000.00
Finance income	12,210.16	35,220.97
Taxes paid	-43,633.75	-50,218.34
Cash flow from operating activities	23,713,551.67	15,487,938.33

Investments

Capital expenditure on intangible and tangible assets	-12,904,434.24	-5,674,261.27
Investment subsidies received	125,920.00	0.00
Divestment of intangible and tangible assets	15,310.55	0.00
Cash flow from investing activities	-12,763,203.69	-5,674,261.27

Cash flow before financial items

10,950,347.98 **9,813,677.06**

Financial items

Increase in connection fees	597,995.10	633,204.25
Repayment of short-term loans	-2,000,000.00	-10,000,000.00
Group contribution (+/-)	-8,600,000.00	0.00
Cash flow from financing activities	-10,002,004.90	-9,366,795.75

Change in cash and cash equivalents

948,343.08 **446,881.31**

Cash and cash equivalents at the start of the period 4,265,577.35 3,818,696.04

Cash and cash equivalents at the end of the period

5,213,920.43 **4,265,577.35**

Notes to the financial statements

The company is a subsidiary of the Elenia Group, which is domiciled in Finland.

The consolidated financial statements are available in the following address: Televisiokatu 4, 00240 Helsinki.

Notes on the preparation of the financial statements

Measurement of non-current assets

Intangible and tangible assets are recorded in the balance sheet at acquisition cost reduced by planned depreciation. Planned depreciation is calculated using straight-line depreciation over the economic life of the asset. The values of buildings and land areas do not include revaluations.

The depreciation periods are:

	years
Intangible rights	3 – 5
Goodwill	10 – 15
Other capitalized long-term expenditures	5 – 10
Buildings and constructions	15 – 25
District heating network	30
Natural gas network	30
Machinery and equipment	5 – 30
Other tangible assets	20

Measurement of inventories

Inventories are recorded under the FIFO principle at acquisition cost, lower repurchasing cost or likely selling price.

Comparability with the previous year's figures

The figures in these financial statements are comparable with the previous year's figures.

Amounts in foreign currencies

Receivables and payables in foreign currencies have been converted to Finnish currency at the average exchange rate on the balance sheet date.

Investment subsidies

Received investment subsidies in the year 2014 were 126,000 €. They have been booked for as a reduction of the investment.

NOTES TO THE INCOME STATEMENT

	1.1. - 31.12.2014	1.1. - 31.12.2013
1.1 Revenue by segment		
Heat	64,358,308.12	62,753,733.20
Natural gas	7,232,801.23	7,454,195.82
Electricity	1,860,883.00	2,201,200.00
Other sales	517,628.60	613,064.51
Total	73,969,620.95	73,022,193.53
1.2 Other operating income		
Lease income	60,745.09	75,325.73
Capital gains	27,885.43	2,700.00
Other operating income	1,950,609.95	1,325,877.72
Total	2,039,240.47	1,403,903.45
1.3 Materials and services		
Fuels	42,274,674.68	42,728,451.37
Change in inventory (increase -) / (decrease +)	985,239.59	300,825.06
Other purchases	0.00	0.00
External services.	1,625,587.50	1,529,446.14
Total	44,885,501.77	44,558,722.57
1.4 Personnel expenses		
Average number of personnel	90	90
Salaries	5,083,436.48	5,096,612.56
Pension expenses	913,978.12	947,562.76
Other employee expenses	179,366.28	185,775.72
Total	6,176,780.88	6,229,951.04
1.5 Depreciation and impairment		
Intangible rights	2,443.20	2,443.20
Goodwill	2,034,259.56	2,034,259.56
Other capitalised long-term expenditure	433,281.38	249,637.05
Buildings and constructions	498,389.67	483,244.00
District heating network	2,252,904.19	2,229,608.60
Natural gas network	219,913.90	220,077.62
Machinery and equipment	3,788,680.81	3,679,590.07
Other tangible assets	40,560.88	37,802.59
Total	9,270,433.59	8,936,662.69
1.6 Other operating expenses		
Rent and property expenses	1,201,167.09	1,068,759.06
Use and maintenance	655,629.55	607,779.44
External services	1,774,961.03	1,661,638.47
Other operating expenses	1,444,994.99	1,705,248.22
Total	5,076,752.66	5,043,425.19

	1.1. - 31.12.2014	1.1. - 31.12.2013
1.6.1 Auditors' fees		
Audit	46,118.00	65,480.00
Total	46,118.00	65,480.00
1.7 Finance income and expenses		
Dividend income		
From associated companies	45,000.00	45,000.00
From other companies	0.00	0.00
Total	45,000.00	45,000.00
Interest and other financial income		
Other interest income	12,210.16	35,220.97
Total	12,210.16	35,220.97
Interest and other financial expenses		
To group companies	383,543.11	486,231.11
Other interest expenses	2,182.64	4,687.86
Other financial expenses	0.00	0.00
Total	385,725.75	490,918.97
Financial income and expenses total	-328,515.59	-410,698.00
Non-recurring items		
Group contributions	9,110,000.00	8,600,000.00
Total	9,110,000.00	8,600,000.00
1.9 Appropriations		
Change in depreciation difference	1,086,985.38	362,871.65
Total	1,086,985.38	362,871.65
2.0 Income tax		
Tax effect of non-recurring items	-1,822,000.00	-2,107,000.00
Income taxes on ordinary operations	1,844,623.65	2,269,078.88
Total	22,623.65	162,078.88

Notes to the balance sheet

Non-current assets

	1.1. - 31.12.2014	1.1. - 31.12.2013
2.1 Intangible assets		
Intangible rights		
Acquisition cost, Jan 1	95,139.99	78,724.43
Transfers between items	0.00	16,415.56
Acquisition cost, Dec 31	95,139.99	95,139.99
Accumulated depreciation, Jan 1	-55,437.21	-34,135.21
Transfers between items	0.00	-18,858.80
Depreciation	-2,443.20	-2,443.20
Book value, Dec 31	37,259.58	39,702.78
Goodwill		
Acquisition cost, Jan 1	30,363,890.51	30,363,890.51
Additions	0.00	0.00
Acquisition cost, Dec 31	30,363,890.51	30,363,890.51
Accumulated depreciation, Jan 1	-25,747,471.78	-23,713,212.22
Depreciation	-2,034,259.56	-2,034,259.56
Book value, Dec 31	2,582,159.17	4,616,418.73
Other capitalized long-term expenditure		
Acquisition cost, Jan 1	2,936,022.70	2,100,609.26
Additions	217,344.53	712,567.06
Transfers between items	0.00	122,846.38
Acquisition cost, Dec 31	3,153,367.23	2,936,022.70
Accumulated depreciation, Jan 1	-1,573,592.37	-1,249,717.74
Depreciation transfers between items	0.00	-74,237.58
Depreciation	-433,281.38	-249,637.05
Book value, Dec 31	1,146,493.48	1,362,430.33
2.2 Tangible assets		
Land and water areas		
Acquisition cost, Jan 1	324,595.95	324,595.95
Additions	287,283.24	0.00
Acquisition cost, Dec 31	611,879.19	324,595.95
Book value, Dec 31	611,879.19	324,595.95
Buildings and constructions		
Acquisition cost, Jan 1	10,893,897.65	11,140,241.89
Additions	3,074,766.54	102,077.38
Transfers between items	0.00	-348,421.62
Acquisition cost, Dec 31	13,968,664.19	10,893,897.65
Accumulated depreciation, Jan 1	-4,386,433.71	-3,717,246.99
Depreciation	-498,389.67	-483,244.00
Depreciation transfers between items	0.00	-185,942.72
Book value, Dec 31	9,083,840.81	6,507,463.94

	1.1. - 31.12.2014	1.1. - 31.12.2013
District heating network		
Acquisition cost, Jan 1	60,736,422.36	60,934,627.08
Additions	2,493,572.19	2,572,105.68
Transfers between items	0.00	-2,770,310.40
Acquisition cost, Dec 31	<u>63,229,994.55</u>	<u>60,736,422.36</u>
Accumulated depreciation, Jan 1	-33,374,052.94	-31,144,444.34
Depreciation	-2,252,904.19	-2,229,608.60
Book value, Dec 31	27,603,037.42	27,362,369.42
Natural gas network		
Acquisition cost, Jan 1	6,050,576.44	6,395,167.93
Transfers between items	0.00	-357,310.86
Additions	9,884.97	12,719.37
Acquisition cost, Dec 31	<u>6,060,461.41</u>	<u>6,050,576.44</u>
Accumulated depreciation 1.1.	-4,237,252.09	-4,032,824.67
Depreciation	-219,913.90	-220,077.62
Depreciation transfers between items	0.00	15,650.20
Book value, Dec 31	1,603,295.42	1,813,324.35
Machinery and equipment		
Acquisition cost, Jan 1	70,830,216.66	66,111,053.05
Additions	7,311,734.09	1,586,940.14
Transfers between items	0.00	3,144,634.53
Divestments	-110,817.89	-12,411.06
Acquisition cost, Dec 31	<u>78,031,132.86</u>	<u>70,830,216.66</u>
Accumulated depreciation, Jan 1	-23,676,107.41	-19,976,264.93
Depreciation divestments	95,507.34	12,411.06
Depreciation transfers between items	0.00	-32,663.47
Depreciation	-3,788,680.81	-3,679,590.07
Book value, Dec 31	50,661,851.98	47,154,109.25
Other tangible assets		
Acquisition cost, Jan 1	894,575.89	659,066.55
Transfers between items	0.00	192,146.41
Additions	143,030.33	43,362.93
Acquisition cost 31. 12.	<u>1,037,606.22</u>	<u>894,575.89</u>
Accumulated depreciation, Jan 1	-221,885.10	-477,691.64
Transfers between items	0.00	293,609.13
Depreciation	-40,560.88	-37,802.59
Book value, Dec 31	775,160.24	672,690.79
Advance payments and construction in progress		
Acquisition cost 1 .1.	1,384,067.74	739,579.03
Additions	12,778,514.24	6,403,840.30
Transferred to fixed assets	-13,537,615.89	-5,759,351.59
Book value, Dec 31	624,966.09	1,384,067.74

	1.1. - 31.12.2014	1.1. - 31.12.2013
2.3 Investments		
Shares in associated companies		
Acquisition cost, Jan 1	51,280.00	51,280.00
Divestments	0.00	0.00
Acquisition cost, Dec 31	<u>51,280.00</u>	<u>51,280.00</u>
Book value, Dec 31	51,280.00	51,280.00
Other shares and participations		
Acquisition cost, Jan 1	33.64	33.64
Divestments	0.00	0.00
Acquisition cost, Dec 31	<u>33.64</u>	<u>33.64</u>
Book value, Dec 31	33.64	33.64
Itemized on page 21		
2.4 Receivables		
Receivables from group companies		
Short-term		
Trade receivables	0.00	9,820.64
Prepayments and accrued income	448,134.70	619,469.51
Total	448,134.70	629,290.15
Receivables from external parties		
Trade receivables	1,131,568.75	835,050.94
Other receivables	72,142.11	115,327.80
Prepayments and accrued income		
Periodised sales income	10,071,707.90	8,162,008.30
Other prepayments and accrued income	1,143,469.40	1,118,109.42
Total receivables	12,867,022.86	10,859,786.61
3.1 Capital and reserves		
Restricted equity		
Subscribed capital, Jan 1	55,000.00	55,000.00
Subscribed capital, Dec 31	<u>55,000.00</u>	<u>55,000.00</u>
Total	55,000.00	55,000.00
Share premium fund, Jan 1	82,687.57	82,687.57
Share premium fund, Dec 31	82,687.57	82,687.57
Legal reserve, Jan 1	37,593.96	37,593.96
Legal reserve, Dec 31	37,593.96	37,593.96
Total restricted equity	175,281.53	175,281.53

	1.1. - 31.12.2014	1.1. - 31.12.2013
Unrestricted equity		
Retained earnings	6,848,158.27	6,791,951.31
Transfer of non-refundable connection fees	6,092,023.54	0.00
Dividend distribution	0.00	0.00
Profit/loss for the financial year	5,149.90	56,206.96
Total unrestricted equity	12,945,331.71	6,848,158.27
Total capital and reserves	13,120,613.24	7,023,439.80
Distributable equity	12,945,331.71	6,848,158.27

3.2 Accumulated appropriations

The accumulated appropriations are comprised of depreciation differences.

Depreciation difference

Intangible rights	2,443.20	1,205.54
Goodwill	1,998,831.39	1,993,403.22
Other capitalized long-term expenditure	82,572.75	-152,830.93
Buildings and constructions	-135,661.13	35,975.42
District heating network	-909,734.38	-831,076.59
Natural gas network	145,591.02	124,275.40
Machinery and equipment	-2,270,449.76	-1,537,638.46
Other tangible assets	-578.47	3,814.75
	-1,086,985.38	-362,871.65

Cumulative depreciation difference

Intangible rights	-37,259.58	-39,702.78
Goodwill	-2,552,159.17	-4,550,990.56
Other capitalized long-term expenditure	-255,499.09	-338,071.84
Buildings and constructions	-956,703.22	-821,042.09
District heating network	-10,217,253.56	-9,307,519.18
Natural gas network	-1,380,326.97	-1,525,917.99
Machinery and equipment	-32,514,800.16	-30,244,350.40
Other tangible assets	-73,067.80	-72,489.33
	-47,987,069.55	-46,900,084.17

Deferred tax liability on the cumulative depreciation difference	9,597,413.91	
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3.3 Mandatory provisions

Other mandatory provisions		
Provisions	0.00	0.00

1.1. - 31.12.2014 1.1. - 31.12.2013

3.4 Liabilities

Long-term liabilities

Refundable connection fees are presented as long-term debt in the balance.

Long-term liabilities		
Connection fee debt, Jan 1	36,853,013.60	36,219,809.35
Connection fee debt, Dec 31	31,358,985.16	36,853,013.60
Total long-term liabilities	31,358,985.16	36,853,013.60

Short-term liabilities

Short-term liabilities to external parties

Trade payables	4,330,530.71	3,215,840.42
Other short-term liabilities	400,313.07	492,578.49

Accruals and deferred income

Salaries and social security contributions	1,533,861.22	1,567,526.91
Other accrued expenses	3,702,032.66	3,121,002.37
Total	5,235,893.88	4,688,529.28

Total short-term liabilities to external parties 9,966,737.66 8,396,948.19

Short-term liabilities to group companies

Trade payables	73.01	332.22
Other short-term liabilities	13,017,911.00	15,017,747.37
Accruals and deferred income	9,344,952.99	8,739,841.11
Total	22,362,937.00	23,757,920.70

Total short-term liabilities 32,329,674.66 32,154,868.89

Total liabilities 63 688 659,82 69 007 882,49

Commitments and contingencies

Provided on behalf of own and group liabilities

Floating charges	4,500,000,000.00	4,500,000,000.00
Mortgages	27,000,000.00	27,000,000.00
Guarantees	983,000,000.00	650,000,000.00
Pledged shares	51,280.00	51,280.00
Bank account	5,213,920.43	4,265,577.35
	5,515,265,200.43	5,181,316,857.35

Leasing liabilities

Falling due in the next financial year	113,671.83	112,161.32
Payments in future years	203,948.42	114,183.12
	317,620.25	226,344.44

Leasing agreements are primarily contracts for periods of 3-5 years with no redemption obligation.

Shares and participations

	Holding	Share of votes	Shares	Nominal value of shares (EUR)	Book value quantity (EUR)
Associated companies					
Oriveden Aluelämpö Oy	50.0%	50.0%	300	51,000.00	51,280.00
Other shares and participations					
Oulaisten Vesiosuuskunta					33.64
					51,313.64

Signatures and auditor's note

March 19, 2015

Matteo Botto Poala

Andrew Cox

Mikko Räsänen

Matti Manninen, Chairman of the Board of Directors

Matti Tynjälä, Chief Executive Officer

Auditor's note

Auditor's report of the performed audit has been given today.

Helsinki, March 19

Ernst & Young Oy
Approved audit firm

Mikko Rytilahti, approved auditor

List of accounting books and storage methods

Journal and general ledger	Computer file
Accounts payable	Computer file
Accounts receivable	Computer file
Memo vouchers	Paper vouchers, computer file
Accounts payable vouchers	Paper vouchers, computer file
Accounts receivable vouchers	Paper vouchers, computer file
Cash vouchers	Paper vouchers, computer file
Payroll vouchers	Paper vouchers, computer file
Inventory records	Computer file
Fixed asset register	Computer file