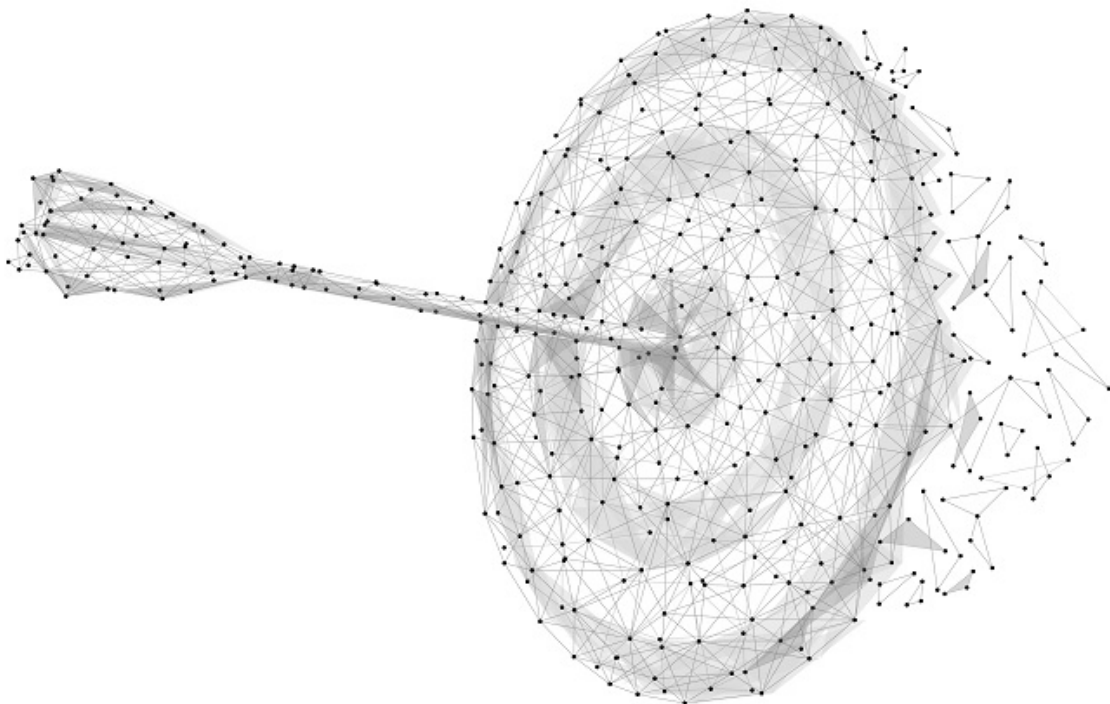


Par Analysis

Case study



Example corporation
Values 1 000 euro

1-12/12	1-12/12	1-12/12	Deviation from Par	Deviation from Par
2018	2019	PAR 2019	ABS	%

INCOME STATEMENT

Turnover	2 486 000	2 592 800	2 592 800		
Increase in finished products and work in progress	4 500	-48 800	5 598	-54 398	-971,8 %
Production for own use	3 200	1 800	3 337	-1 537	-46,1 %
Other operating income	6 800	14 800	7 092	7 708	108,7 %
Materials and services					
Purchases during the financial period	1 502 100	1 542 600	1 582 521	-39 921	-2,5 %
Increase in inventories (-)	11 500	11 200	-3 347	14 547	-434,7 %
External services	40 200	45 600	41 927	3 673	8,8 %
Total materials and services	1 553 800	1 599 400	1 621 101	-21 701	-1,3 %
Personnel costs					
Wages and salaries	364 000	351 500	379 638	-28 138	-7,4 %
Pension expenses					
Other social security expenses					
Personnel costs (variable)					
Total personnel costs	364 000	351 500	379 638	-28 138	-7,4 %
Depreciation and reduction in value					
Depreciation according to plan	141 000	166 600	145 593	21 007	14,4 %
Reduction in goodwill					
Depreciation of reserve against consolidated assets					
Reduction in value of non-current assets					
Exceptional reduction in value of current assets					
Total depreciation and reduction in value	141 000	166 600	145 593	21 007	14,4 %
Other operating expenses	300 300	294 900	313 201	-18 301	-5,8 %
Rents					
Other variable costs					
Share of associated companies` profits					
Operating profit	141 400	148 200	149 295	-1 095	-0,7 %
Financial income and expenses					
Share of associated companies` profits	200		200	-200	-100,0 %
Income from group undertakings					
Income from investments available for sale					
Income from other investments	800	100	800	-700	-87,5 %
Interest income and other financial income	3 900	8 500	3 900	4 600	117,9 %
Reduction in value of current investments (-)					
Reduction in value of non-current investments (-)					
Interest expenses (-)	-33 700	-33 500	-32 077	-1 423	4,4 %
Other financial expenses (-)					
Total financial income and expenses	-28 800	-24 900	-27 177	2 277	-8,4 %
Profit before nonrecurring items and taxes	112 600	123 300	122 117	1 183	1,0 %
Nonrecurring items					
Income and group subsidy					
Taxes of nonrecurring items (-)					
Expenses and group subsidy (-)					
Total nonrecurring items					
Profit before taxes	112 600	123 300	122 117	1 183	1,0 %
Increase in accelerated depreciation (-)					
Increase in voluntary reserves (-)					
Income taxes (-)	-21 500	-30 000	-24 223	-5 777	23,8 %
Increase in deferred tax liability (-)	-5 900	1 900		1 900	-
Other direct taxes (-)					
Profit for the period	85 200	95 200	97 894	-2 694	-2,8 %
Net income to non-controlling interests (-)	-6 600	-6 100	-6 884	784	-11,4 %
Net profit to shareholders of parent company	78 600	89 100	91 010	-1 910	-2,1 %

Example corporation
Values 1 000 euro

1-12/12	1-12/12	1-12/12	Deviation from Par	Deviation from Par
2018	2019	PAR 2019	ABS	%

ASSETS

Non-current assets

Intangible assets

Research and development expenses

Intangible rights

Goodwill

Goodwill against consolidated assets

Other intangible assets

Advance payments

Total intangible assets

505 000	512 500	505 000	7 500	1,5 %
90 000	123 000	90 000	33 000	36,7 %
10 500	5 600	10 500	-4 900	-46,7 %
605 500	641 100	605 500	35 600	5,9 %

Tangible assets

Land and water areas

Buildings and structures

Machinery and equipment

Other tangible assets

Advance payments and purchases in progress

Total tangible assets

41 100	40 600	41 100	-500	-1,2 %
231 200	218 000	231 200	-13 200	-5,7 %
528 800	548 200	551 518	-3 318	-0,6 %
32 400	29 600	32 400	-2 800	-8,6 %
89 400	101 900	89 400	12 500	14,0 %
922 900	938 300	945 618	-7 318	-0,8 %

Investments

Holdings in group companies

Receivables from group companies

Holdings in associated companies

Receivables from associated companies

Available-for-sale investments

Deferred tax assets

Other shares and holdings

Other receivables

Total investments

700	700	700		
235 800	228 400	235 800	-7 400	-3,1 %
51 800	64 100	51 800	12 300	23,7 %
288 300	293 200	288 300	4 900	1,7 %

Current assets

Inventories

Materials and consumables

Work in progress

Finished products

Other inventory assets

Advance payments

Total inventories

77 900	86 500	81 247	5 253	6,5 %
130 300	179 100	135 898	43 202	31,8 %
15 500	18 200	16 166	2 034	12,6 %
223 700	283 800	233 310	50 490	21,6 %

Receivables

Receivables from group companies

Receivables from associated companies

Trade receivables

Loan receivables

Prepaid expenses and accrued income

Deferred tax assets

Other receivables

Total receivables

315 200	307 300	328 741	-21 441	-6,5 %
5 300	200	5 528	-5 328	-96,4 %
72 800	78 500	75 928	2 572	3,4 %
75 000	76 500	78 222	-1 722	-2,2 %
468 300	462 500	488 418	-25 918	-5,3 %

Securities

Holdings in group companies

Available-for-sale investments

Other shares and holdings

Other securities

Total securities

41 600		41 600	-41 600	-100,0 %
41 600		41 600	-41 600	-100,0 %

Cash and cash equivalents

124 600	144 900	99 440	45 460	45,7 %
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Total assets

2 674 900	2 763 800	2 702 186	61 614	2,3 %
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Example corporation
Values 1 000 euro

1-12/12	1-12/12	1-12/12	Deviation from Par	Deviation from Par
2018	2019	PAR 2019	ABS	%

EQUITY AND LIABILITIES

Shareholders' equity

Equity of shareholders of the parent company

Share capital	479 700	479 700	479 700		
Share premium reserve					
Revaluation reserve					
Translation differences					
Invested unrestricted equity fund					
Reserves provided for by the articles of association					
Other reserves	295 000	306 500	295 000	11 500	3,9 %
Profit for previous financial years	305 700	314 300	345 000	-30 700	-8,9 %
Net profit to shareholders of parent company	78 600	89 100	91 010	-1 910	-2,1 %
Other equity and subordinated loans					
Total equity of shareholders of the parent company	1 159 000	1 189 600	1 210 710	-21 110	-1,7 %
Non-controlling interests	13 800	12 900	20 684	-7 784	-37,6 %
Accrued tax reserves					
Accelerated depreciation					
Voluntary reserves					
Total accrued tax reserves					

Liabilities

Subordinated loans

Reserve against consolidated assets

Obligatory provisions

Provisions for pension costs					
Provisions for taxes					
Other obligatory provisions					

Total obligatory provisions

Non-current liabilities

Debentures	451 500	345 200	451 500	-106 300	-23,5 %
Convertible debentures					
Loans from financial institutions	215 200	293 100	208 945	84 155	40,3 %
Pension loans					
Trade payables					
Liabilities to group companies	133 400	147 900	133 400	14 500	10,9 %
Deferred tax liability	62 400	71 100	62 400	8 700	13,9 %
Other non-current liabilities					
Advances received					
Total non-current liabilities	862 500	857 300	856 245	1 055	0,1 %

Current liabilities

Loans from financial institutions	71 000	10 400	21 520	-11 120	-51,7 %
Pension loans					
Trade payables	187 200	179 900	195 242	-15 342	-7,9 %
Liabilities to group companies	151 400	257 000	157 904	99 096	62,8 %
Accrued expenses and deferred income	228 900	254 800	238 734	16 066	6,7 %
Other non-interest-bearing current liabilities					
Other interest-bearing current liabilities					
Advances received	1 100	1 900	1 147	753	65,6 %
Total current liabilities	639 600	704 000	614 547	89 453	14,6 %

Total equity and liabilities	2 674 900	2 763 800	2 702 186	61 614	2,3 %
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Example corporation
Values 1 000 euro

1-12/12	1-12/12	1-12/12	Deviation from Par	Deviation from Par
2018	2019	PAR 2019	ABS	%

KEY FIGURES

Growth

Turnover, 12 months	2 486 000	2 592 800	2 592 800		
Change in turnover	5,2 %	4,3 %	4,3 %		
Personnel	4 781	4 810	4 986	-176	- 3,5 %
Added value, 12 months	646 400	666 300	674 525	-8 225	- 1,2 %
Change in added value	-0,4 %	3,1 %	4,4 %	-1,3 p.p	- 29,2 %

Profitability (non-adjusted)

Sales margin, 12 months	575 000	656 700	599 153	57 547	9,6 %
Operating margin, 12 months	282 400	314 800	294 888	19 912	6,8 %
Operating profit, 12 months	141 400	148 200	149 295	-1 095	- 0,7 %

Profitability (adjusted)

Adjusted monetary result, 12 months	226 200	261 800	243 487	18 313	7,5 %
Adjusted net result, 12 months	85 200	95 200	97 894	-2 694	- 2,8 %
Adjusted operating profit, 12 months	141 400	148 200	149 295	-1 095	- 0,7 %

Working capital

Working capital	350 600	409 300	365 662	43 638	11,9 %
Working capital / Turnover	14,1 %	15,8 %	14,1 %	1,7 p.p	11,9 %
Net working capital / Turnover	8,8 %	7,2 %	9,6 %	-2,4 p.p	- 24,6 %

Interest burden

Payback period of debts, years	4,8	4,3	4,3	0,0	1,0 %
Net financial expenses / Turnover	1,2 %	1,0 %	1,0 %	-0,1 p.p	- 8,4 %
Average financial expenses	3,4 %	3,2 %	3,2 %	0,0 p.p	0,4 %

Liquidity

Quick ratio	0,99	0,87	1,03	-0,16	- 15,7 %
Current ratio	1,34	1,27	1,40	-0,14	- 9,8 %

Example corporation
Values 1 000 euro

1-12/12	1-12/12	1-12/12	Deviation from Par	Deviation from Par
2018	2019	PAR 2019	ABS	%

KEY FIGURES

Return on capital

Invested capital (year end)	2 195 300	2 256 100	2 204 663	51 437	2,3 %
Return on invested capital (year end)	5,2 %	5,3 %	5,7 %	-0,3 p.p	- 6,2 %
Return on equity (year end)	7,3 %	7,9 %	7,9 %	-0,0 p.p	- 0,4 %
Invested capital (average)	2 173 450	2 225 700	2 199 982	25 718	1,2 %
Return on invested capital (average)	5,2 %	5,4 %	5,7 %	-0,3 p.p	- 5,1 %
Return on equity (average)	7,2 %	8,0 %	8,1 %	-0,1 p.p	- 1,6 %
EPS (Earnings Per Share)	0,55	0,61	0,63	-0,02	- 2,8 %

Solvency

Equity ratio	43,9 %	43,5 %	45,6 %	-2,1 p.p	- 4,5 %
Liabilities / Turnover	60,4 %	60,1 %	56,7 %	3,5 p.p	6,1 %
Net investments	115 500	217 600	168 310	49 290	29,3 %

Productivity (12 months)

Turnover / Person, '000	520	539	520	19	3,7 %
Added value / Person, '000	135	139	135	3	2,4 %
Added value / Personnel costs	1,78	1,90	1,78	0,12	6,7 %
Personnel costs / Person, '000	76	73	76	-3	- 4,0 %
Net result / Person, '000	17,8	19,8	19,6	0,2	0,8 %
Net result / Personnel costs	0,23	0,27	0,26	0,01	5,0 %

Turnover times (days)

Turnover of trade receivables	46	43	46	-3	- 6,5 %
Turnover of trade payables	44	41	44	-3	- 5,8 %
Turnover of inventories	50	62	50	12	24,3 %
Turnover of total assets	393	389	380	9	2,3 %

Example corporation
Values 1 000 euro

1-12/12	1-12/12	1-12/12	Deviation from Par	Deviation from Par
2018	2019	PAR 2019	ABS	%

CASH FLOW STATEMENT (TURNOVER)

	2018	2019	PAR 2019	ABS	%
Turnover	2 486 000	2 592 800	2 592 800		
- Increase in trade receivables	24 100	-7 900	13 541	-21 441	- 158,3 %
+ Increase in advances received	-100	800	47	753	Over 10x
Cash flow from net sales	2 461 800	2 601 500	2 579 306	22 194	0,9 %
+ Production for own use	-3 800	-58 200	12 282	-70 482	- 573,9 %
+ Other operating income	6 800	14 800	7 092	7 708	108,7 %
- Materials and consumables	1 482 019	1 609 790	1 584 296	25 494	1,6 %
- Personnel costs and External services	403 481	397 310	421 357	-24 048	- 5,7 %
- Rents					
- Other current expenses	319 300	276 200	309 717	-33 517	- 10,8 %
+ Increase in obligatory provisions					
+ Income from group undertakings	200		200	-200	- 100,0 %
- Interest expenses and other financial expenses	29 800	25 000	28 177	-3 177	- 11,3 %
+ Nonrecurring income or expenses					
- Taxes	28 200	19 400	24 223	-4 823	- 19,9 %
Cash flow from operating activities	202 200	230 400	231 109	-709	- 0,3 %
- Net investments in tangible and intangible assets	115 500	217 600	168 310	49 290	29,3 %
- Net investments in other assets	11 400	-36 700		-36 700	-
+ Income from other investments	800	100	800	-700	- 87,5 %
- Increase in current loan receivables	5 100	-5 100	228	-5 328	Over 10x
Cash flow after investing activities	71 000	54 700	63 371	-8 671	- 13,7 %
+ Increase in share capital and reserves	26 500	11 500		11 500	-
+ Increase in interest-bearing current liabilities	30 900	45 000	-42 976	87 976	- 204,7 %
+ Increase in non-current liabilities	22 900	-13 900	-6 255	-7 645	122,2 %
+ Increase in subordinated loans					
- Dividends paid	121 800	77 000	39 300	37 700	95,9 %
Cash flow after financing activities	29 500	20 300	-25 160	45 460	- 180,7 %
- Translation differences and other adjustments					
Change in cash and cash equivalents	29 500	20 300	-25 160	45 460	- 180,7 %
+ Cash and cash equivalents at beginning of year	95 100	124 600	124 600		
- Cash and cash equivalents at end of year	124 600	144 900	99 440	45 460	45,7 %
=0	0	0	0		