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**Presenters:** Mika Vehviläinen, Eeva Sipilä, Paula Liimatta  
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**Operator:** Good day and welcome to the Cargotec Corporation Financial Statement Review 2015 conference call. Today's conference is being recorded. At this time, I would like to turn the conference over to Paula Liimatta. Please go ahead, madam.

**Paula Liimatta:** Thank you. Good morning, ladies and gentlemen, and welcome to Cargotec's Financial Statement Review 2015 presentation. My name is Paula Liimatta and I am head of investor relations. Today we have a live audience here in Helsinki as well as people on the phone lines. We will start with a presentation by our president and CEO Mika Vehviläinen and CFO Eeva Sipilä. After that, we will begin a Q&A session. Mika, please.

**Mika Vehviläinen:** Thank you, Paula. Ladies and gentlemen, good morning. 2015 was a very good year for Cargotec. It was also a watershed year and brought end to the phase one of our transformation to become the leader in intelligent cargo handling. 2015 gives us a strong base to build our strategy and execution for 2016 and beyond.

If I look specifically at the highlight of 2015, the market situation for Kalmar and Hiab remained healthy, especially in USA, but very challenging for the MacGregor, especially or actually in both in merchant as well in offshore industries. I'll come back to the market situation a little bit more in detail slightly later in the presentation. I'm very pleased with our development in earnings per share that doubled from €1.11 to €2.21 in 2015. Our order book decreased by roughly 10% to €2.064 billion. This was entirely due to the MacGregor order development due to the market situation, and we had a good progress and order book was stronger both in Hiab and Kalmar at the end of '15 than it was at the end of '15. Our sales grew in all three business areas, all together by 11 percentage points, and our revenue ended up being €3.729 billion. Our operating profit also had a very satisfactory development throughout the year and ended up at €230.7 million versus last year's €149.3 million, at 6.2% of our sales compared to 4.4% last year.

Including the restructuring cost, operating profit was €213.1 million. I'm also very satisfied with our cash flow. It was very strong from our operations, ending up at €314.6 million compared to €204 million last year. That's actually brought the gearing below even our own expectations at 46.4% of our gearing. We also launched at the end of the year the new strategy, aiming to become the leader in intelligent cargo handling, and I'll come back to this one briefly during my presentation.

2015 all together was a very satisfying year for Cargotec, we were not entirely pleased with the progress during Q4. This was especially true with the MacGregor results coming from the €11 million settlement and some of the one-off type of indirect costs that Eeva will elaborate more in detail during her presentation. The good profit development continued both in Kalmar and Hiab during the Q4 and the results improved year-on-year. However, MacGregor profitability was obviously below our expectations as well. This was really primarily burned by the €11 million settlement costs that we had announced earlier as well as the sort of single high million number of different indirect costs that were one-off in character. Orders totalled at €824 million; this was down from the previous quarter a year ago. This was entirely due to MacGregor; their orders declined quite strongly. Both Hiab and Kalmar, actually they had a good order intake also in Q4. And sales were roughly at last year's level. Operating profit was burned again by the development in MacGregor, whereas the operating profit at Kalmar and Hiab improved from one year ago. The Q4 operating profit was at €52.1 million, down from the same quarter last year. Cash flow was very strong from operations at €87.3 million also in Q4. This was primarily due to the good collection we had from all of our operations.

If I look briefly at the market environment in 2015, the demand for container handling equipment and services in the ports as well as the interest for automation solutions remained at a very high and active level throughout 2015. The actual growth in the container flows was very modest and roughly at 1 percentage point throughout the year. However, as we have discussed already earlier, the driver at the moment for port investment is not coming directly from the increase in container flows but from the expansion of the Suez and Panama Canals, the new arriving larger container vessels and then increasing interest in automation to drive efficiency and safety and sustainability. Also in Kalmar in the industrial side, demand and activity remained at a high level, especially in the USA. And in Hiab also the US market was very strong throughout

2015 and healthy in Europe, of course, so very high variations between the countries, for instance the UK having a very strong demand throughout 2015 and that's as well as we then started to see the demand recovering in the south of Europe throughout the year as well. Demand in cargo handling equipment overall was weak. The bright spots were clearly then cargo handling equipment for the larger mega-vessels. That remained strong also in the second half as well, but the demand for cargo handling solutions for bulk carriers and offshore vessels was at the very low level, especially towards the end of the year. We also saw demand for RoRo and some specialty vessels-related cargo handling equipment being at a healthy level but obviously that's a smaller segment compared to the overall bulk carrier market in the industry.

With that one, a few words of the overall numbers. We have gone through already so maybe I just want to point out one number here which is the net debt was brought down to €622 million and again, as I said, gearing was very satisfactory at roughly 46%. As well with that one, I'd like to hand over to Eeva, who will go through the results of the different business areas.

Eeva Sipilä: Thank you, Mika. Good morning to everyone on my behalf as well and I'll start with commenting the business area-specific numbers, and starting with Kalmar.

Order intake of €395 million in the quarter, as we indicated through the third quarter, we weren't really expecting any bigger orders to materialise in the quarter and that ended up being the reality as well but we're obviously satisfied with the roughly €400 million of base business number which gives us a good healthy order book going into 2016. And maybe one comment at this point already on the 2016 and the order book: it's good to note that the delivery timings of that order book are such that we will actually have rather low first quarter sales down from a year ago, but then the volumes will then pick up in the coming quarters. Sales growth of 4% year over year to €468 million, so a clearly good delivery quarter, so a good speed on that and a similar sort of push as a year back. Profitability for the year of 7.8% was obviously, as Mika already mentioned, good development and progress. Looking at the quarter, 7.7%, it does pale a bit in comparison with the third quarter, partly due to the fact that it is a tough comparison. We had a very good mix in the third quarter and then somewhat lower-quality mix in the fourth quarter. However, also an additional point to note is that whilst we've been talking about the importance of R&D spending in Kalmar and our intention to invest in software and automation,

the R&D spending between quarters is not necessarily linear and we actually had €4 million more of R&D costs in the fourth quarter than we had in the previous quarters of the year, and that obviously had an impact on the margin. However, it is something that we are looking forward to seeing a payback then in the coming years of that investment. Going into this year, we do expect R&D to slightly continue to go still up but this sort of quarterly variation is something that is difficult to sort of predict well in advance. But as said, good close for the year and good start for '16.

Moving into Hiab, we're very happy with seeing the order growth of 8%, so €250 million for the quarter. Again here, we have a better order book situation than we had a year ago, starting 2016. We had sales growth of 18% so also a very good delivery quarter in Hiab, and we're very satisfied with that 12.3% margin for the quarter. 10.8% is a very good progress for the full year but certainly this last fourth quarter has been the highlight of the year, and we look forward to further developing this business now in '16 and '17.

Moving then into MacGregor, obviously the 41% order intake decline says it all about the market. It is a very, very challenging market both in merchant and in offshore. Our order book is down to €883 million now at the end of last year and that obviously means that our sales will be clearly down from the '15 €1.1 billion what comes to 2016 and this is something we already discussed in the capital markets day two months ago, but just good to sort of remind you once again of that. Sales, €259 million in the quarter, still sort of starting obviously to come down but still quite high deliveries and as said, that number will now continue to come down. We are certainly not happy with the profitability; a negative number is not acceptable. We have the €11 million preannounced settlement costs in the number included but then additionally, so there are clearly high indirect costs and not good absorption levels either. We're happy with the gross margin, that is stable, but as said, we know what we need to do in order to address what comes after that. Restructuring measures taken last year are now in full effect since 1 January so we're confident that this number will be better, but obviously this business area will continue to be a challenge for us in 2016.

One of the highlights for 2015 is absolutely the cash flow, especially that we were able to have a very solid cash conversion throughout the year in every quarter, and have a clear, visible

improvement on what comes to accounts receivable and in inventories at the year end balance sheet. And as was already mentioned also, this helped ensure that our gearing came well below our 50% target. So we are now in that sense also ready to develop the company further in line with the strategy announced some months ago.

Looking at the geographical mix of sales, no really big changes on the Group level at the numbers. Still continue to increase in Asia Pacific and Americas, whereas Europe and Middle East and Africa were a few percentage points down. This is now still partly reflecting the high sales in MacGregor, so the share of Asia Pacific will come down as the share of MacGregor in the Cargotec portfolio will come down in 2016. The business area-specific geographical spreads we have tended to publish at this point to give you a real indication of the changes within the business areas that are clearly obviously reflecting the strong markets we've seen in the US in both Hiab and Kalmar.

Earnings per share, as our CEO already mentioned, a doubling of the earnings per share, so €2.21 – pleased with that, and that then has also enabled the Board to significantly increase the dividend. The 36% payout ratio is reflective of the plans we have as a company to develop this business further now, so also invest in the business going forward.

And looking at the key metrics from our financial targets, so our return on capital and operating profit margin, so we're obviously delighted on being able to clearly demonstrate the turnaround being behind us and completed now in the past two years, and we look forward to continuing to improve these metrics in line with the new financial targets. And with that, Mika, it's back to you.

Mika Vehviläinen: Thank you, Eeva. I also wanted to take this opportunity to put a closer on the must-win battles that we had announced for 2015 and reflect how we did in there. Overall, I would say that we are very pleased on the progress we have made in all five of our must-win battles areas.

If I go through them quickly one by one, obviously the higher results speak to themselves so we are very happy with having now clearly the best-in-class profitability and especially clearly better

capital returns than any of our peers in the industry. This gives a very solid foundation for Hiab's further strategy to start to look for growth now. Obviously we are not satisfied with the MacGregor result levels but if I look at underneath that one and the progress we made in the profit improvement programmes, that will actually start to yield results in 2016 and forward, I'm very pleased with the progress we are making there. In terms of the services efficiency, very clear progress and improvement in profitability and revenue in 2015 and obviously the mix will further improve due to a decline in equipment business in 2016. The efficiency efforts that we have announced earlier will bear fruit in 2016 and our cost level, fixed cost level, will be clearly lower than it was in 2015. Our cross-selling initiatives and design-to-cost initiatives will also start to bear fruit in the years moving ahead. Also, extremely pleased with our progress in our mobile equipment, which is the single largest business segment within Kalmar. We were able to safeguard our market-leading position and our market share remained stable whilst we were able to improve the margins and profitability of the business. Also in services, good progress; all three business areas were able to grow their services business in 2015 and improve the profitability and also lay the foundations through the different programmes for further improvement in 2016. In automation, we were very pleased to have a number of expansion orders for existing customers from TraPac in Los Angeles, London Gateway in the UK and two of the Australian ports that show customers' confidence I think overall into automated solutions and then confidence of Kalmar as a delivery partner for those projects. The interest for the automation projects is at the high level and we have a number of active cases going on; however, we do not expect any large automation orders to land at least in Q1 as just generally, these projects are very long-term and move at their own pace.

If I then look at the strategy, overall the 2015 progress in these must-win battles has created a good foundation for us and we are well-positioned now to become the leader in intelligent cargo handling. If I look at overall the logistics industries, there are clearly to digitalisation and the further customer need for much improved efficiency, safety and sustainability will drive the need, it will drive need for further intelligence and software in the solutions, and it will drive need for further services to improve customer efficiency. As we have announced, our target is to have 40% of our revenue in software and services by 2020. Our execution capabilities, shown by the profit improvement programmes, are in place and we are looking forward to be able to execute the strategy now. We will be investing into leadership positions. for example, if you look

at our R&D costs from 2014 to 2015, we increased our R&D expenditure by roughly 24%. We keep on investing to ensure that leadership position in the changing industry and competitive landscape as well. We are shaping our portfolio to drive growth and shareholder value. One example of that one is the Interschalt acquisition that we announced in January that will further enhance our MacGregor service offering and makes Cargotec also the leader in software for cargo storage and cargo planning in the shipping side as well.

The must-win battles that are supporting that strategy for 2016 is to further build a world-class service offering. We believe that services offering, services revenue and services profitability will drive improvements and move the needle in Cargotec's progress very much in the next few years. We invest further in the digitalisation through various programmes and projects and capabilities, and we are further enhancing our world-class leadership and build even better performance culture for Cargotec.

The long-term financial targets we announced in our capital markets day end of the year in London are still very much of course in force. We expect all of our business areas to provide 10% operating margin over the cycle and grow faster than the markets. On the Group level, our gearing target remains below 50% and I'm very pleased with the progress we made with the cash flow in 2015 and we expect our return on capital employed to be 15% or above over the cycle, and our dividend policy remains 30-50%. We want to ensure steady, good dividend improvement for our shareholders over the years.

If I look at then outlook for 2016, in terms of the revenue, we expect the revenues to remain roughly at the same level as 2015 or slightly below. This is obviously entirely driven by the MacGregor market situation. You have seen the decline in the MacGregor order book, so we expect the MacGregor revenues obviously to come down, but that will be compensated by the improvement and the growth both in Hiab as well as in Kalmar businesses, which is of course evidenced by the improvement in our order book in both businesses. This will obviously then have an impact positively into our mix and actually we expect Hiab to be a larger business than MacGregor in 2016. We expect further improvements in our operating profit in 2016 over the 2015.

If you look at overall our results expectations for 2015, there are a number of drivers. We are further investing into R&D. we will be investing into different programmes and projects to improve our capabilities in digitalisation and services. We are investing into our platforms and systems to drive even better performance. At the same time, as I said, the mix will be improving and the profit improvement programmes in all three business areas will be driving further profit improvements in those business areas. With that one I'd like to conclude the presentation and hand over to Paula for questions and answers.

Paula Liimatta: Thank you, Mika and Eeva. As Mika said, we are now ready for your questions. Let's start with questions here in Helsinki and then continue with those from the conference call participants. Here in Helsinki, please wait for a microphone and state your name and company to benefit the conference call listeners.

Manu Rimpelä: Manu Rimpelä from Nordea Markets. The first question would be on MacGregor. I think you at the capital markets day, you said that you expect improvement in the EBIT margin in 2016 and just would like to understand if you still believe that it's the case and also should we use the kind of 5% in MacGregor in 2014 margin as the base or the new 2015 margin which obviously is quite a bit lower with the Q4 results. And then also on MacGregor's sales outlook, I think you said that you had 80% of the sales in the book for 2016 so can you just give us an understanding how the order book, how much of that will be delivered in 2016 and then how do you see the kind of orders that you expect to book during '16 to come into the sales for this year?

Mika Vehviläinen: Right, so if I start with MacGregor margin first of all, we expect that to improve from the 2015 as we stated before. There are a number of factors, as I already talked about, the profit improvement programmes in terms of the efficiency drive, we expect – if I now remember correctly – the fixed cost in MacGregor to be roughly €9-10 million below the 2015 level. We expect improvements in terms of our services. Obviously the mix within the business will really improve significantly where the services are growing and equipment is then declining, and the other programmes also starting to yield results.



In terms of the revenue and the order book, yes, about 80% of the revenue is in the order book at the moment. Obviously the services will be a significant contribution for the revenue in 2016 as well. When I look at the order book margin, that's roughly at the same level as it was in 2015. And as well, obviously there are risks related to cancellation but then again, we are expecting some of the new business still to be arriving there so I have to say in that sense, that order book also is fairly balanced.

Manu Rimpelä: Okay and then a follow-up looking one year ahead into 2017 in this business, where do you see, if we look at the latest shipyard orders for the last three, four months, so taking another step down from levels where it almost feels like there is no more way to come down. So how much do you have in the book for 2017 at the moment? Is it the kind of 20% of the order book is delivery in '17?

Mika Vehviläinen: Yes, if you take 80% of the order book and in there, that's about 20%. If I look at 2017 for the merchant side, 2017 and '18 are still very high delivery years for the large container vessels. Actually, the 2016 delivery levels for the container, large container levels are relatively low. The peak delivery years for the 20,000 TEU ships will be in 2017 and '18, and that will drive I think the orders as well as the revenues in the merchant side for us in the coming two years. Obviously I still expect the bulk market to remain at a low level even in '17. For offshore side, you know, your guess is almost as good as mine because that really depends very much on the oil price but you can also see many of the experts commenting on the fact that people expect 2017 investments to recover from '16 purely by just if you want to even maintain the current production levels, you need to start to invest back into the offshore environment as well.

Manu Rimpelä: Okay and then final question just on a broad group level, so we should expect that the two other divisions excluding MacGregor, you believe that they can still improve the margins, at least in the relatively high level at the moment?

Mika Vehviläinen: We still expect the improvements in all business areas.

Pekka Spolander: Pekka Spolander from Pohjola Bank. First about Hiab, could you talk about the forex exchange effect on the fourth quarter results?

Eeva Sipilä: Yes, the benefit from – in a transaction format was around €5 million in the fourth quarter, so we hit very close to the sort of €10 million for the full year '15 effect, as we discussed already some months ago, so...

Pekka Spolander: And if the currency exchange rates will remain at the current level, what can we expect for 2016 guidance?

Eeva Sipilä: Well, I think what we've seen is a relatively balanced, now, currency rate of around 1.10 roughly, plus/minus, now for many months so we're not necessarily expecting, if that doesn't change, we're not expecting any further improvement but no further sort of negative impact either. But again, currencies are very difficult to estimate and if you remember, our hedging is roughly 4-6 months so that there is no change in those dynamics.

Mika Vehviläinen: If you look at 2015, the first two quarters, we had some hedging effects still on that and obviously it's not coming through any more in the first two quarters of 2016.

Pekka Spolander: And then about MacGregor and service business, in fourth quarter the service sales somewhat declined year over year. Is there anything special or normal variation between the quarters?

Mika Vehviläinen: Sorry, I didn't...

Pekka Spolander: The MacGregor service sales, they were down in fourth quarter compared to the previous year.

Mika Vehviläinen: Nothing specific. It's a sort of timing of some of the other services and maintenance deals.

Pekka Spolander: Thank you.

Paula Liimatta: Okay operator, we can now start with the questions from conference call participants.

Operator: Thank you. Ladies and gentlemen, if you would like to ask a question, please press \*1 on your telephone keypad. We take our next question from Antti Suttelin with Danske Bank.

Antti Suttelin: Thank you and hello. You know, Kalmar, you say that your business is not at all driven by container handling; it's all about the new ships and automation. I would like to know, however, that if we look at your order intake in 2015, €1.8 billion, how much of this was because of ports expanding their capacities?

Mika Vehviläinen: Thank you and good morning, Antti. First of all, we are not saying that it's not at all driven by it. Obviously in the long term, these things tend to correlate closer but what we are saying, that what we are seeing right now in terms of activity is more related to the port expansions driven by the changes in the traffic flows, which are then driven by the changes in the Panama and Suez channels especially; and secondly, by the expansion of the infrastructure to provide for the larger ships; thirdly, on the automation; and then obviously the replacement sales are a big driver for us, especially on the mobile equipment side, and there clearly there has been an underinvestment after the financial crisis and that's now coming through in our revenues both in the US and in Europe as well. It's very hard to put a specific number on that one. Eeva, I don't know if you would have a guess on that one.

Eeva Sipilä: Yes, so we tend to have a sort of average of 20-30% coming from – and it can be both brownfield and greenfield but kind of expansionary investments. And I wouldn't assume then that last year was very different from that sort of longer-term trend.

Antti Suttelin: But would you expect that the slowdown in container throughput is not having any impact on order intake for Kalmar?

Mika Vehviläinen: Well, obviously it's very clear that if our customer business is slowing down, it has long-term risks and concerns for us. The container growth rates are expected to pick up again in 2016 from 2015, more than double in terms of the growth rate, so I'm a bit more optimistic about that one but then it's obviously a concern that we need to follow through but

we have no indications. If I actually look at the sort of prospect list and the sales funnel in Kalmar, it's been continuously growing throughout 2015 and looks quite strong at the moment.

Antti Suttelin: Okay and then on Hiab, you are really now the best-in-class. Do you think you can still improve the margin from 2015 level?

Mika Vehviläinen: I would say so, that the focus now from Hiab is shifting partly from the margin expansion more towards gearing for growth as well. So we are looking at obviously growing the markets, we are looking at a number of different expansions potentially in the developing markets, etc. So the profit improvement is probably coming more through the increasing revenues and then absolute profits rather than the margin expansions any more.

Antti Suttelin: Okay and then finally on MacGregor, one-third of order intake in 2015 was offshore if I understand correctly. Would you expect, I mean it seems to me that you really didn't yet have the full hit from low offshore contracting in 2015. Should this part of order intake continue to weaken in 2016 as you see it?

Mika Vehviläinen: Very good question. The difference of course to some of the other companies operating in offshore environment is that our products are primarily used in the production phase, and obviously the production still continues in there, and that partly explains why we still see order intake. We still see a number of actually potential contracts. We see also expansion of the offshore technology in some of the new areas such as windfarms and some of the technologies used in research. There's still some others that will partly compensate there on that one. My own guess would be that 2016 will be a relatively slow year in offshore. There are some indications due to just, as I said, maintaining the production levels, etc. that we might see some recovery in 2017 but of course the oil price is a big driver there and that's very hard to predict at this stage.

Antti Suttelin: Okay, that's all from me, thank you.

Operator: Thank you and we take the next question from Paul Kaplan.

Paul Kaplan: Yes, good morning. Could you just explain in more detail the change in mix at Kalmar in Q4 and where exactly you saw the deterioration in margin there compared to Q3 please?

Mika Vehviläinen: Thank you for the question. Well, first of all I think we still had an improvement in margin year-on-year rather than a deterioration but clearly it's, as Eeva was already saying, below the Q3 levels. The difference in business – and products in Kalmar have quite significant differences in profitability and margin, and that explains partly on that. So I would say there were two sort of revenue streams that were particularly high in the Q4. One was the logistics industry in US with so-called terminal tractor products, which are fairly simple products. It's a profitable business for us but the margins are tight there, in there; it's a relatively low-cost product, so that had a very strong revenue stream in Q4. The other area that we actually did quite a bit of business in China in the mobile equipment side on that one, and the price competition around that area in Q4 was quite tough. We did very well in terms of actually taking market share and maintaining our position in there but that had a certain impact into the margins in Q4 as well. Those were probably the two what I would kind of single out. Anything else, Eeva, to add?

Eeva Sipilä: No. No, I think those would be the ones to note and as said then, the third quarter was a very tough comparison.

Mika Vehviläinen: And then of course on the fixed cost side, the increase in R&D cost is coming through and then there is this Finnish peculiarity in terms of how do you book fixed costs during the holiday costing between the Q3 and Q4, and that together with some of the increase in R&D cost over those quarters had an impact on the fixed cost side.

Paul Kaplan: Okay and thank you, and just looking ahead, looking at Kalmar still and automation, firstly, did you have any new orders for expansion of new projects in 2015 or was it just expanding or doing phase two for current customers? And then looking ahead to 2016, you mentioned that you don't expect any automation orders in Q1 but you have a number of active discussions. Can you just give some more sense of how you expect these to materialise throughout 2016?

Mika Vehviläinen: Yes, we had one new customer in 2015, VICT in Australia, and then we had a number of repeat orders from our existing customers. I view the repeat orders actually to be very positive because they kind of confirm customers' experience with the automation and show they are moving in the right direction, and obviously confirms our delivery capabilities towards them as well. Another important breakthrough related to automation for us was the announced deal with Navis in Die Halle – Halle being the large German port operator – and there they're actually replacing their current own IT and operating system infrastructure with the Navis system. This is a big breakthrough for us where we actually start to – I think you see the industry trend that we have seen in other industries that in-house applications and systems will be replaced gradually by off-the-shelf commercial software, and that's an improvement – an important sort of opportunity for us as well in the Navis side moving forward. There are a number of active cases partly related to further expansion of our existing customers, partly for the new customers, in 2016. Overall, if I look at the number of interested ports, we talk about a sort of – I think we gave the number in the capital markets day of 87 if I remember correctly of the active ports looking at automation. There are a number of active cases there we are engaging already on commercial and technical discussions, but these tend to take time and then we do not actually expect any of these deals to land yet in Q1 but potentially already in the Q2 in 2016.

Paul Kaplan: Okay, thank you and then finally one last question if I may. Are you seeing any demand for port infrastructure renewal in Latin America or Africa given the bigger container ships that were on the East-West route that are now moving onto the North-South route as the very large supercontainer ships come on market?

Mika Vehviläinen: If you look at the areas around the Panama channel – Panama itself, Colombia, etc. – we do see demand impacting from the Panama channel expansion. Of course the further south you move, the less impact and I would say any move towards Brazil and south from thereon, the market is fairly quiet at this stage. Africa, yes, I think long-term potential, obviously move from a very small base in there. The challenge in Africa is not necessarily so much related to the port infrastructure but actually the infrastructure beyond the ports in terms of actually capabilities to deliver that freight onwards from there.

Paul Kaplan: Okay, thank you.

Operator: Thank you and with this, I would like to turn the call back over for any additional or closing remarks.

Paula Liimatta: Thank you, operator. Do we have any further questions? Okay.

Pekka Spolander: Yes, one small technical issue, very low tax rate in fourth quarter. What is behind that?

Eeva Sipilä: Yes, we are happy on the level as such. It's very much coming from the sort of turnaround phase dependent on where we make profit, and we've been able to now, with the profit improvement in the business, also make profit in the right countries from the sense that we are able to use previous losses against an overall debt balance. That helps. So maybe a bit better than what you should expect for 2016.

Pekka Spolander: Okay, thank you.

Paula Liimatta: Okay, if there are no further questions either here in Helsinki or from the conference call participants, we are ready to conclude this session and I would like to thank you all for your attention today. Thank you.

Operator: Thank you. This will conclude today's conference call. Thank you for your participation, ladies and gentlemen, you may now disconnect.