

Etteplan's Interim Report January-June 2011

Growth continued



Smart way to smart products

ETTEPLAN OYJ INTERIM REPORT
AUGUST 11, 2011, at 2:00 P.M.

ETTEPLAN Q2: GROWTH CONTINUED

Review period April-June 2011

- The Group's revenue for continuing operations grew 14.4% and was EUR 30.6 million (4-6/2010: EUR 26.8 million).
- Operating profit for continuing operations was EUR 1.9 million (EUR 1.9 million).
- Profit for the period for continuing operations was EUR 1.2 million (EUR 1.2 million).
- Operating cash flow was EUR 1.3 million (EUR 1.8 million).
- Earnings per share for continuing operations were EUR 0.06 (EUR 0.06).
- The number of personnel at the end of the period was 1,651 (1,483).
- Company keeps its estimate for outlook 2011 the same.

Review period January-June 2011

- The Group's revenue for continuing operations grew 16.8% and was EUR 60.3 million (1-6/2010: EUR 51.6 million).
- Operating profit for continuing operations was EUR 3.0 million (EUR 3.0 million).
- Profit for the period for continuing operations was EUR 1.9 million (EUR 1.9 million).
- Operating cash flow was EUR -0.9 million (EUR -0.9 million).
- Earnings per share for continuing operations were EUR 0.09 (EUR 0.08).

Outlook 2011

Current market outlook of machinery and equipment manufacturers is positive. The development of Etteplan's customers' order books influences quickly the development of Etteplan's revenue.

We expect the revenue and operating profit for the year 2011 to grow compared to year 2010.

Potential acquisitions in 2011 are not included in the estimate.

Key figures *)

(EUR 1 000)	4-6/2011	4-6/2010	1-6/2011	1-6/2010	1-12/2010
Revenue	30,648	26,782	60,293	51,635	104,786
Operating profit/loss	1,870	1,859	3,029	2,984	6,054
Operating profit/loss, %	6.1	6.9	5.0	5.8	5.8
Profit/loss for the period	1,153	1,211	1,890	1,903	4,347
Profit/loss for the period, %	3.8	4.5	3.1	3.7	4.1
Equity ratio, %	43.1	42.6	43.1	42.6	43.6
Net gearing, %	42.2	30.4	42.2	30.4	24.1
Total assets	66,107	61,775	66,107	61,775	67,653

*) continuing operations

Matti Hyytiäinen, President and CEO of Etteplan Oyj, comments on the interim report:

"Business operations of Etteplan's central customers continued to develop favorably and as a consequence demand for our company's design services remained at a good level in the review period.

Our company's revenue grew 14 per cent in the review period. Operating profit was at the same level with the comparison period, but improved compared to the beginning of the year. Operating profit for business operations in Sweden developed favorably compared to the previous quarter. However, it still remained at a low level. Measures to develop the profitability of operations in Sweden continue.

We continued recruitment in all our market areas. The utilization rate of design capacity was at a good level and we estimate that the utilization rate of capacity will remain at a good level during the rest of the year. Rationalization measures executed in the beginning of the year will improve profitability towards the end of the year."

Accounting principles

The interim report has been prepared in accordance with IAS 34 (Interim Financial Reporting) standard and the preparation and accounting policies presented in the 2010 annual financial statements.

REVIEW FOR APRIL-JUNE 2011

Business review for April-June

Increased demand for design services continued further in the second quarter of the year. The strongest growth areas in design services and technical product information were equipment manufacturers for mining industry and aerospace and defence equipment industry. In other customer industries the growth continued to be stable and demand was at a good level. The utilization rate of Etteplan's design capacity remained at the beginning of the year's good level during the review period.

In Etteplan's units in Finland personnel turnover remained at a low level and recruitment needed for growth succeeded well. In Etteplan's units in Sweden personnel turnover remained at the beginning of the year's increased level and continued to influence the profitability of business in Sweden. The recruitment of new employees continued during the review period and the number of personnel in Sweden remained at comparison period's level.

Price negotiations conducted in the beginning of the year in Sweden impacted business' profitability positively in the second quarter of the year. The improvement in profitability was also influenced by the company's internal development measures.

In Etteplan's units in China, provision of offshoring services as well as local sales to new customers in China strengthened. Also Etteplan's new so called build-operate-transfer (BOT) -service, implemented in China, attained its first customers. Etteplan's BOT-service covers building and starting of customer's

technical design operations and product information management in China. New customers in China are significant openings to the local business for Etteplan, but the results will be visible as revenue growth only in long run.

I3Tex AB which provides design services for automotive industry filed an application for corporate restructuring to Gothenburg's district court in June. Etteplan's holding in I3Tex AB is 19.9 per cent. The reason for applying for corporate restructuring is financial difficulties of some of the company's customers. Cool Engineering AB, a fully owned subsidiary of Etteplan, is one of the I3Tex AB creditors.

Etteplan and Wallac Oy, a part of PerkinElmer Inc., signed a frame agreement regarding transfer of instrument development unit's technical product information operations to Etteplan in the review period. The agreement guarantees availability of instrument development unit's technical product information services cost effectively, competently and flexibly to Wallac Oy.

Etteplan received an assignment from Firotec Oy from town of Outokumpu in the period under review. Etteplan designs conveyors and related steel construction for material handling system to Outokumpu Oyj's Kemi mine. The project is related to the expansion of Outokumpu's Tornio plant where ferrochrome's production is doubled. Firotec Oy is one of the leading suppliers of conveyors and material handling systems for mining and process industry in Finland.

Financial development for April-June

Etteplan's revenue for continuing operations in April-June 2011 grew 14.4 per cent and amounted to EUR 30.6 million (4-6/2010: EUR 26.8 million).

Operating profit for continuing operations was EUR 1.9 million (4-6/2010: EUR 1.9 million).

REVIEW FOR JANUARY-JUNE 2011

Business review for January-June

Business environment developed favorably during the review period as demand for design services developed steadily throughout the beginning of the year. Demand for design services and technical product information services grew most among the equipment manufacturers for mining industry. Despite the significant growth in the beginning of the year the level of peak year 2008 demand will not be reached in year 2011 although the demand would continue at same level with the beginning of the year. Transfer of demand growth's focus to growth markets geographically located outside Europe showed as clear development trend during the review period.

Business operations in Finland developed steadily throughout the beginning of year. Utilization rate of design capacity was at a good level and the recruitment of new personnel, prerequisite for growth, did not set obstacles for growth in Finland.

In Sweden, design services' price development was slower than the increase of other cost level. In addition, the personnel turnover, that had remained at a high level, influenced the development of business growth and profitability negatively throughout the beginning of the year. During the second quarter of the year the profitability did improve compared to the first quarter of the year as the prices improved.

Operations in Etteplan's units in China developed steadily throughout the beginning of the year as the clientele gained strength covering growing number of new customers.

Revenue

Etteplan's revenue for continuing operations in the first half of the year grew 16.8 per cent and amounted to EUR 60.3 million (1-6/2010: EUR 51.6 million).

Result

The operating profit for continuing operations was EUR 3.0 million (1-6/2010: EUR 3.0 million).

Profit for the period for continuing operations before taxes was EUR 2.7 million (1-6/2010: EUR 2.7 million). Taxes amounted to EUR 0.8 million (EUR 0.8 million). The income tax calculated on profit before taxes in the consolidated income statement was 29.0% (28.6%).

Profit for the period for continuing operations was EUR 1.9 million (1-6/2010: EUR 1.9 million). Earnings per share for continuing operations were EUR 0.09 (EUR 0.08). Equity per share was EUR 1.44 (EUR 1.33). The return on investment was 15.2% (16.5%).

Result for the review period was EUR 1.9 million (1-6/2010: EUR 2.3 million).

Financial position and cash flow

Total assets on June 30, 2011, were EUR 66.1 million (December 31, 2010: EUR 67.7 million). Goodwill on the balance sheet was EUR 35.4 million (December 31, 2010: EUR 36.0 million). The Group's cash and cash equivalents stood at EUR 1.4 million (December 31, 2010: EUR 5.0 million). The Group's financial liabilities amounted to EUR 13.4 million (December 31, 2010: EUR 12.1 million) at period end. The total number of unused short term credit facilities is EUR 13.0 million. The equity ratio was 43.1% (December 31, 2010: 43.6%). Operating cash flow was EUR -0.9 million (1-6/2010: EUR -0.9 million). The cash flow after investments was EUR -2.4 million (1-6/2010: EUR -2.2 million).

Capital expenditures

The Group's gross investments came to EUR 1.1 million (1-6/2010: EUR 0.8 million).

Personnel

The number of the Group's personnel averaged 1,598 (1-6/2010: 1,502) during the review period and was 1,651 (June 30, 2010: 1,483) at period end. The Group employed 639 (June 30, 2010: 526) people abroad at the end of the period.

Incentive plan for key personnel

The Board of Directors of Etteplan Oyj decided on a new share-based incentive plan for the Group key personnel in March 2011. The plan includes three earning periods, calendar years 2011, 2012 and 2013. The Board of Directors shall decide on the earnings criteria and on targets to be established for them for each earning period. During the earning period 2011, approximately 16 people belong to the target group of the plan. The earnings criteria of the earning period 2011 are the Etteplan Group's operating profit (EBIT) and revenue.

The rewards to be paid on the basis of the plan from all earning periods 2011, 2012 and 2013 will correspond to the value of an approximate maximum total of 810,000 Etteplan Oyj shares (including also the proportion to be paid in cash).

Estimate of operating risks and uncertainty factors

Etteplan's financial results are exposed to number of strategic, operational and financial risks.

The risk caused by the economic development on the whole increased in the review period. The potential unpredicted changes in customers' business caused an increased risk for Etteplan's business. The risk grew in the review period compared to the previous quarter of the year.

The company's business is based on professional personnel. The availability of competent professionals is an important factor to secure profitable growth and business. In the review period, the availability of competent personnel in Sweden was an increased risk for business.

In other parts, the Group's risks have remained unchanged.

A detailed risk analysis can be found in Etteplan's annual report 2010.

Annual General Meeting

The Annual General Meeting of Shareholders of Etteplan Oyj was held at the premises of the Company in Vantaa on March 31, 2011. In accordance with the proposal of the Board of Directors' Nomination and Remuneration Committee the Annual General Meeting re-elected Tapio Hakakari, Heikki Hornborg, Robert Ingman, Pertti Nupponen, Satu Rautavalta and Teuvo Rintamäki to the Board.

The Annual General Meeting approved the Financial Statements for financial year 2010 and discharged members of the Board of Directors and the CEO from liability.

The auditor elected was PricewaterhouseCoopers Oy, Authorized Public Accounting Firm, with Authorized Public Accountant Mr. Mika Kaarisalo as the main responsible auditor. The fee for the auditor is paid according to invoice approved by the Company.

The Annual General Meeting authorized the Board of Directors to resolve to repurchase Company's own shares in one or more tranches using the Company's unrestricted equity. A maximum of 2,000,000 Company shares may be repurchased. The Company may deviate from the obligation to repurchase shares in proportion to the shareholders' holdings, i.e., the Board has the right to decide on a directed repurchase of Company shares.

The authorization includes the right for the Board to resolve to repurchase Company shares through a tender offer made to all shareholders on equal terms and conditions and at the price determined by the Board; or in public trading organized by the NASDAQ OMX Helsinki Ltd. at the market price valid at any given time, so that the Company's total holding of own shares does not exceed ten (10) per cent of all the shares in the Company. The minimum price for the shares to be repurchased is the lowest market price quoted for the Company shares in public trading and, correspondingly, the maximum price is the highest market price quoted for the Company shares in public trading during the validity of the authorization.

Should Company shares be repurchased in public trading, such shares will not be purchased in proportion to the current shareholders' holdings. Thus, there must be a substantial financial reason for the Company to repurchase Company shares. The shares may be repurchased in order to be used as consideration in potential acquisitions or in other structural arrangements. The shares may as well be used for carrying out Company's incentive schemes for its personnel. The repurchased shares may be kept by the Company, invalidated or transferred onwards.

The repurchase of shares will reduce the non-restricted equity.

The authorization is valid for 18 months from the date of the resolution of the Annual General Meeting starting on March 31, 2011 and ending on September 30, 2012. The authorization will replace the corresponding previous authorization.

Dividend

The Annual General Meeting passed a resolution, in accordance with the proposal of the Board of Directors, that a dividend of EUR 0.10 per share is paid for the financial year 2010. The remaining funds shall be left to the unrestricted equity. The dividend will be paid to the shareholders registered on the record date in the shareholders' register maintained by Euroclear Finland Ltd. The record date of the payment of dividend was April 5, 2011. The dividend was paid on April 12, 2011.

Shares

Etteplan's shares are listed in NASDAQ OMX Helsinki Oy's Small Cap market capitalization group in the Industrials sector under the ETT1V ticker.

The company's share capital on June 30, 2011 was EUR 5,000,000.00, and the number of shares outstanding was 20,179,414. The company has one series of shares. All shares confer an equal right to a dividend and the company's funds.

The company held 471,302 of its own shares on June 30, 2011. During the period under review, the company did not acquire nor dispose any company-held shares.

Outlook 2011

Current market outlook of machinery and equipment manufacturers is positive. The development of Etteplan's customers' order books influences quickly the development of Etteplan's revenue.

We expect the revenue and operating profit for the year 2011 to grow compared to year 2010.

Potential acquisitions in 2011 are not included in the estimate.

Financial information in 2011

Etteplan Oyj's next interim report will be published:

Third quarter results, 9 months Monday November 7, 2011

Hollola, August 11, 2011

Etteplan Oyj

Board of Directors

Additional information:

Matti Hyytiäinen, President and CEO, tel. +358 400 710 968

The information presented herein has not been audited.

APPENDIX:

Financial Statement Summary and Notes

Consolidated Statement of Comprehensive Income

Consolidated Statement of Financial Position

Consolidated Statement of Cash Flows

Consolidated Statement of Changes in Equity

Notes to the Financial Statement Summary

Releases and other corporate information are available on Etteplan's Web site at www.etteplan.com.

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This interim report includes forward-looking estimates and assumptions. Accordingly, outcomes may deviate from these estimates, which are based on the management's best knowledge at the time of interim report.

Etteplan is a specialist in industrial equipment engineering and technical product information solutions and services. Our customers are global leaders in their fields and operate in areas like the automotive, aerospace and defence industries as well as the electricity generation and power transmission sectors, and material flow management.

Etteplan has comprehensive competence in electronics and embedded systems development, automation and electrical design, mechanical design and technical product information solutions and services.

In 2010, Etteplan had turnover of EUR 104.8 million. The company currently has approximately 1,600 employees. Etteplan's shares are listed on NASDAQ OMX Helsinki Ltd under the ETT1V ticker.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1 000)	4-6/2011	4-6/2010	1-6/2011	1-6/2010	1-12/2010
Continuing operations					
Revenue	30 648	26 782	60 293	51 635	104 786
Other operating income	85	442	163	519	1 161
Materials and services	-1 956	-2 670	-3 899	-4 549	-9 847
Staff costs	-21 542	-18 646	-43 317	-36 876	-73 368
Other operating expenses	-4 971	-3 689	-9 436	-7 024	-15 185
Depreciation and amortization	-394	-360	-775	-721	-1 494
Operating profit/loss	1 870	1 859	3 029	2 984	6 054
Financial income	26	107	104	318	761
Financial expenses	-278	-127	-508	-327	-758
Share of the result of associates	6	-157	33	-308	-291
Profit/loss before taxes	1 624	1 682	2 658	2 667	5 766
Income taxes	-471	-471	-768	-764	-1 420
Profit/loss for the financial year, continuing operations	1 153	1 211	1 890	1 903	4 347
Discontinuing operations					
Profit/loss for the financial year, discontinuing operations	0	396	0	360	102
Profit/loss for the financial year	1 153	1 607	1 890	2 263	4 448
Other comprehensive income					
Currency translation differences	-704	378	-650	1 455	2 620
Change in fair value of investments available for sale	-11	0	-7	0	139
Other comprehensive income, net of tax	-715	378	-657	1 455	2 759
Total comprehensive income/expense for the year	438	1 985	1 233	3 718	7 208
Income/expense attributable to					
Equity holders of the company	1 159	1 594	1 922	2 241	4 422
Non-controlling interests	-6	13	-32	22	27
	1 153	1 607	1 890	2 263	4 448
Total comprehensive income/expense attributable to					
Equity holders of the company	451	1 981	1 264	3 698	7 159
Non-controlling interests	-13	4	-31	21	49
	438	1 985	1 233	3 718	7 208
Earnings per share calculated from the result attributable to equity holders of the parent company					
Continuing operations					
Basic earnings per share, EUR	0,06	0,06	0,09	0,08	0,19
Diluted earnings per share, EUR	0,06	0,06	0,09	0,08	0,19
Discontinuing operations					
Basic earnings per share, EUR	0,00	0,02	0,00	0,02	0,01
Diluted earnings per share, EUR	0,00	0,02	0,00	0,02	0,01

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR 1 000)	30.6.2011	30.6.2010	31.12.2010
ASSETS			
Non-current assets			
Tangible assets	2 107	1 650	1 625
Goodwill	35 400	32 730	36 028
Other intangible assets	810	861	967
Shares in associated companies	50	0	18
Investments available-for-sale	610	690	620
Other long-term receivables	4	3	4
Deferred tax assets	280	618	476
Non-current assets, total	39 261	36 552	39 738
Current assets			
Trade and other receivables	25 399	21 812	22 894
Current tax assets	0	21	4
Cash and cash equivalents	1 447	3 389	5 018
Current assets, total	26 846	25 223	27 916
TOTAL ASSETS	66 107	61 775	67 653
EQUITY AND LIABILITIES			
Capital attributable to equity holders			
Share capital	5 000	5 000	5 000
Share premium account	6 701	6 701	6 701
Unrestricted equity fund	2 584	2 586	2 584
Own shares	-1 936	-1 930	-1 958
Cumulative translation adjustment	-583	-1 077	63
Other reserves	10 132	10 000	10 139
Retained earnings	4 525	2 591	2 312
Profit/loss for the financial year	1 923	2 263	4 422
Capital attributable to equity holders, total	28 346	26 134	29 264
Non-controlling interests	70	155	101
Equity, total	28 416	26 289	29 365
Non-current liabilities			
Deferred tax liabilities	245	146	264
Financial liabilities	5 545	6 715	6 780
Non-current liabilities, total	5 790	6 861	7 044
Current liabilities			
Financial liabilities	7 898	4 674	5 322
Trade and other payables	23 465	22 752	25 085
Reserves	0	733	106
Current income tax liabilities	538	465	731
Current liabilities, total	31 901	28 624	31 244
Liabilities, total	37 691	35 485	38 288
TOTAL EQUITY AND LIABILITIES	66 107	61 775	67 653

CONSOLIDATED STATEMENT OF CASH FLOWS

(EUR 1 000)	1-6/2011	1-6/2010	1-12/2010
Operating cash flow			
Cash receipts from customers	57 216	49 330	102 248
Operating expenses paid	-57 129	-49 990	-99 027
Operating cash flow before financial items and taxes	87	-660	3 221
Interest and payment paid for financial expenses	-286	-225	-1 582
Interest received	39	18	32
Income taxes paid	-700	-18	-166
Operating cash flow (A)	-860	-885	1 505
Investing cash flow			
Purchase of tangible and intangible assets	-151	-83	-768
Acquisition of subsidiaries	-1 343	-1 700	-2 320
Acquisition of associates	0	-94	-113
Proceeds from sale of tangible and intangible assets	4	27	27
Loan receivables, decrease	0	523	1 065
Proceeds from sale of investments	0	1	2
Investing cash flow (B)	-1 490	-1 326	-2 107
Cash flow after investments (A + B)	-2 350	-2 211	-602
Financing cash flow			
Short-term loans, increase	2 443	1 135	513
Short-term loans, decrease	0	-521	-207
Long-term loans, increase	0	0	2 165
Long-term loans, decrease	-1 614	-1 147	-3 336
Dividend paid and other profit distribution	-1 971	-784	-788
Financing cash flow (C)	-1 142	-1 317	-1 653
Variation in cash (A + B + C) increase (+) / decrease (-)	-3 492	-3 528	-2 255
Assets in the beginning of the period	5 017	6 650	6 650
Exchange gains or losses on cash and cash equivalents	-78	267	622
Assets at the end of the period	1 447	3 389	5 017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Legends for table columns

- A) Share Capital
- B) Share Premium Account
- C) Unrestricted Equity Fund
- D) Other reserves
- E) Own Shares
- F) Cumulative Translation Adjustment
- G) Retained Earnings
- H) Total
- I) Non-controlling interests
- J) Equity total

(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
Equity 1.1.2010	5 000	6 701	2 590	10 000	-1 949	-2 534	3 745	23 554	135	23 689
Comprehensive income										
Profit/loss for the financial year	0	0	0	0	0	0	4 422	4 422	27	4 448
Fair value reserve available-for-sale assets	0	0	0	139	0	0	0	139	0	139
Cumulative translation adjustment	0	0	0	0	0	2 597	0	2 597	23	2 619
Total comprehensive income/expense for the year	0	0	0	139	0	2 597	4 422	7 158	49	7 207
Transactions with owners										
Dividends	0	0	0	0	0	0	-788	-788	0	-788
Purchase of own shares	0	0	0	0	-9	0	0	-9	0	-9
Share based incentive plan	0	0	-6	0	0	0	10	4	0	4
Hybrid loan	0	0	0	0	0	0	-654	-654	0	-654
Changes in ownership	0	0	0	0	0	0	0	0	-83	-83
Transactions with owners, total	0	0	-6	0	-9	0	-1 433	-1 447	-83	-1 531
Equity 31.12.2010	5 000	6 701	2 584	10 139	-1 958	63	6 734	29 264	101	29 365

(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
Equity 1.1.2011	5 000	6 701	2 584	10 139	-1 958	63	6 734	29 264	101	29 365
Comprehensive income										
Profit/loss for the financial year	0	0	0	0	0	0	1 923	1 923	-32	1 890
Fair value reserve available-for-sale assets	0	0	0	-7	0	0	0	-7	0	-7
Cumulative translation adjustment	0	0	0	0	0	-646	-6	-652	2	-650
Total comprehensive income/expense for the year	0	0	0	-7	0	-646	1 917	1 264	-30	1 233
Transactions with owners										
Dividends	0	0	0	0	0	0	-1 971	-1 971	0	-1 971
Share based incentive plan	0	0	0	0	22	0	0	22	0	22
Hybrid loan	0	0	0	0	0	0	-233	-233	0	-233
Transactions with owners, total	0	0	0	0	22	0	-2 204	-2 182	0	-2 182
Equity 30.6.2011	5 000	6 701	2 584	10 132	-1 936	-583	6 447	28 346	71	28 416
(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
Equity 1.1.2010	5 000	6 701	2 590	10 000	-1 949	-2 534	3 745	23 554	135	23 689
Comprehensive income										
Profit/loss for the financial year	0	0	0	0	0	0	2 241	2 241	22	2 263
Cumulative translation adjustment	0	0	0	0	0	1 457	0	1 457	-2	1 455
Total comprehensive income/expense for the year	0	0	0	0	0	1 457	2 241	3 698	20	3 718
Transactions with owners										
Dividends	0	0	0	0	0	0	-788	-788	0	-788
Purchase of own shares	0	0	0	0	-6	0	0	-6	0	-6
Share based incentive plan	0	0	-4	0	24	0	6	26	0	26
Hybrid loan	0	0	0	0	0	0	-350	-350	0	-350
Transactions with owners, total	0	0	-4	0	18	0	-1 132	-1 118	0	-1 118
Equity 30.6.2010	5 000	6 701	2 586	10 000	-1 931	-1 077	4 854	26 134	155	26 289

NOTES TO THE FINANCIAL STATEMENT SUMMARY

General

The parent company of Etteplan Group is Etteplan Oyj (the Company), a Finnish public limited company established under Finnish law. The Company is domiciled in Hollola.

Etteplan is a specialist in industrial equipment engineering and technical product information solutions and services. Our customers are global leaders in their fields and operate in areas like the automotive, aerospace and defence industries as well as the electricity generation and power transmission sectors, and material flow management.

Etteplan has comprehensive competence in electronics and embedded systems development, automation and electrical design, mechanical design and technical product information solutions and services.

In 2010, Etteplan had turnover of EUR 104.8 million. The company currently has approximately 1,600 employees. Etteplan's shares are listed on NASDAQ OMX Helsinki Ltd under the ETT1V ticker.

The Etteplan Oyj Board of Directors approved the interim report for publication at its meeting of August 11, 2011.

Basis for preparation

The interim report has been prepared in accordance with IAS 34 (Interim Financial Reporting) standard and the preparation and accounting policies presented in the 2010 annual financial statements.

Monetary figures in the interim report are presented in thousands of euros. All figures in the tables have been rounded up or down, due to which the sums of figures may deviate from the sum totals presented.

In interim report the accounting principles used were the same as for the 2010 annual financial statements. The annual financial statements are available at <http://www.etteplan.com/investors/annual-and-interim-reports/2011.aspx> and the accounting policy is detailed on pages 28–32 of the annual report 2010. Formulas for the key figures are detailed on page 52 of the annual report 2010.

Use of estimates

This interim report includes forward-looking estimates and assumptions. Accordingly, outcomes may deviate from these estimates, which are based on the management's best knowledge at the time of interim report.

KEY FIGURES

(EUR 1 000)	1-6/2011	1-6/2010	1-12/2010	Change to prev. year
Revenue	60 293	51 635	104 786	16,8 %
Operating profit/loss	3 029	2 984	6 054	1,5 %
Operating profit/loss, %	5,0	5,8	5,8	
Profit/loss before taxes	2 659	2 667	5 766	-0,3 %
Profit/loss before taxes, %	4,4	5,2	5,5	
Return on equity, %	13,1	15,2	16,4	
Return on investment, % *)	15,2	16,5	17,0	
Equity ratio, %	43,1	42,6	43,6	
Gross interest-bearing debt	13 442	11 388	12 102	18,0 %
Net gearing, %	42,2	30,4	24,1	
Balance sheet, total	66 107	61 775	67 653	7,0 %
Gross investments	1 149	821	2 538	40,0 %
Earnings per share, EUR	0,09	0,08	0,19	12,5 %
Diluted earnings per share, EUR	0,09	0,08	0,19	12,5 %
Equity per share, EUR	1,44	1,33	1,48	8,3 %
Personnel, average	1 598	1 502	1 594	6,4 %
Personnel at end of the period	1 651	1 483	1 569	11,3 %

*) Return on investment has been calculated from result before taxes

REVENUE AND OPERATING PROFIT QUARTERLY

(EUR 1 000)	1-3/2011	4-6/2011
Revenue	29 645	30 648
Operating profit	1 159	1 870
% of revenue	3,9	6,1

TANGIBLE AND INTANGIBLE ASSETS

(EUR 1 000)	Property, plant, equipment	Goodwill	Other intangible assets
Acquisition cost 1.1.2011	12 828	36 028	6 117
Exchange difference	-82	-628	-92
Increases	1 080	0	70
Decreases	-16	0	0
Reclassifications between items	-4	0	0
Acquisition cost 30.6.2011	13 806	35 400	6 095
Accumulated depreciation and impairment 1.1.2011	-11 203	0	-5 150
Exchange difference	71	0	74
Depreciation on reclassifications and disposals	1	0	0
Depreciation	-567	0	-208
Accumulated depreciation and impairment 30.6.2011	-11 698	0	-5 284
Book value 30.6.2011	2 108	35 400	811
Acquisition cost 1.1.2010	11 255	31 184	5 573
Exchange difference	172	1 556	30
Increases	666	0	58
Decreases	-2	-10	-1
Acquisition cost 30.6.2010	12 091	32 730	5 660
Accumulated depreciation and impairment 1.1.2010	-9 796	0	-4 531
Exchange difference	-159	0	-26
Depreciation on disposals	-7	0	0
Depreciation	-479	0	-242
Accumulated depreciation and impairment 30.6.2010	-10 441	0	-4 799
Book value 30.6.2010	1 650	32 730	861

FINANCIAL LIABILITIES

(EUR 1 000)	30.6.2011	30.6.2010	31.12.2010
Non-current	5 545	6 715	6 780
Current	7 898	4 674	5 322
Total	13 443	11 389	12 102

RESERVES

(EUR 1 000)	Warranty provision	Reorganization provision	Other provisions	Total
Reserves 1.1.2011	0	106	0	106
Unused amount reversed	0	-106	0	-106
Reserves 30.6.2011	0	0	0	0
Reserves 1.1.2010	187	1 198	50	1 435
Utilized during the period	-74	-116	0	-190
Unused amount reversed	-113	-349	-50	-512
Reserves 30.6.2010	0	733	0	733
Reserves 1.1.2010	187	1 198	50	1 435
Utilized during the period	-90	-220	0	-310
Unused amount reversed	-97	-872	-50	-1 019
Reserves 31.12.2010	0	106	0	106

DERIVATIVES

(EUR 1 000)	30.6.2011	30.6.2010	31.12.2010
Interest rate options			
Fair value	-14	-106	-55
Nominal value	8 679	8 679	8 679

Income taxes

The taxes listed in the consolidated income statement have been calculated with the tax rate appropriate for the projected full-year result. The estimated average effective tax rate for the year has been set separately for each relevant country. The effective tax rate used in the interim report is 29.0% (28.6%).

Risks

Etteplan's financial results are exposed to number of strategic, operational and financial risks. A description of risks can be found in Etteplan's annual report 2010 on page 66. A detailed financial risk analysis can be found in Etteplan's annual report 2010 on page 32.

PLEDGES, MORTGAGES AND GUARANTEES

(EUR 1 000)	30.6.2011	30.6.2010	31.12.2010
Other contingencies	117	172	0
Leasing liabilities			
For payment under one year	1 214	927	1 197
For payment 1-5 years	1 684	1 943	1 489
Total	3 015	3 042	2 686

Related-party transactions

The Group's related-party includes parent company, subsidiaries and associated companies. Related-party includes also Board of Directors, Management group and CEO.

As the transactions with related-party are recognized those business transactions which are not eliminated in consolidation. Related-party transactions are priced according to Group's normal pricing basis and sales conditions.

THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH RELATED PARTIES:

(EUR 1 000)	30.6.2011	30.6.2010	31.12.2010
Sales of services to related parties			
Associated companies	0	399	399
Other related parties	75	15	54
Total	75	414	454
Purchase of services from related parties			
Key personnel	33	48	81
Associated companies	0	287	287
Other related parties	201	156	311
Total	234	491	679
Receivables from related parties			
Associated companies	0	282	0
Other related parties	17	7	15
Total	17	289	15
Payables to related parties			
Associated companies	0	3	0

MAJOR SHAREHOLDERS JUNE 30, 2011

Name	Number of shares	Holding of shares, %
Mönkkönen Tapani	4 075 600	20,20
Ingman Group Oy Ab	3 700 000	18,34
Oy Fincorp Ab	2 166 598	10,74
Hornborg Heikki	1 088 320	5,39
Varma Mutual Pension Insurance Company	821 328	4,07
Sijoitusrahasto Alfred Berg Finland	482 449	2,39
Etteplan Oyj	471 302	2,34
Tuori Klaus	351 000	1,74
Evli Bank Plc	348 964	1,73
OP-Finland Small Firms Fund	337 435	1,67
Hakakari Tapio/Webstor Oy	326 180	1,62
Sijoitusrahasto Alfred Berg Small Cap Finland	307 496	1,52
Sijoitusrahasto Aktia Capital	298 200	1,48
Tuori Aino	256 896	1,27
Kempe Anna	220 000	1,09
Tuori Kaius	173 370	0,86
Lisboa De Castro Palacios Hietala Martta	150 544	0,75
Sijoitusrahasto Alfred Berg Optimal	140 831	0,70
Nordea Finland Small Cap Fund	138 900	0,69
Danske Fund Finnish Small Cap	128 835	0,64
Other shareholders	4 195 166	20,77
Total	20 179 414	100,00
Nominee-registered shares	559 477	2,77