

INTERIM REPORT
JANUARY-MARCH

Q1 2022

A strong start to the year

ETTEPLAN Oyj Interim Report May 5, 2022, at 1:00 pm

ETTEPLAN Q1 2022: A strong start to the year

Key points January-March 2022

- The Group's revenue grew by 22.8 percent and was EUR 89.6 million (1-3/2021: EUR 73.0 million). At comparable exchange rates, revenue increased by 23.2 percent.
- Operating profit (EBITA) grew by 16.6 percent and was EUR 9.0 (7.7) million, or 10.0 (10.5) percent of revenue.
- Operating profit (EBIT) increased by 15.6 percent and was EUR 7.6 (6.6) million, or 8.5 (9.0) percent of revenue.
- Operating cash flow was EUR 8.6 (1.3) million.
- Basic earnings per share were EUR 0.23 (0.21).

Etteplan also monitors non-IFRS performance measures, because they provide additional information on Etteplan's development. More information on performance measures is provided at the end of the release.

Key figures

EUR 1,000	1-3/2022	1-3/2021	1-12/2021
Revenue	89,586	72,950	300,111
Operating profit (EBITA)	8,950	7,679	30,139
EBITA, %	10.0	10.5	10.0
Operating profit (EBIT)	7,622	6,594	25,754
EBIT, %	8.5	9.0	8.6
Basic earnings per share, EUR	0.23	0.21	0.80
Equity ratio, %	37.9	42.5	39.7
Operating cash flow	8,597	1,290	27,093
ROCE, %	16.5	18.0	16.0
Personnel at end of the period	3,877	3,331	3,629

President and CEO Juha Näkki:

The first quarter gave us a good start to the year. Our growth was very strong, acquisitions supported our growth, but we also accelerated our organic growth which totaled some 15 per cent. Our profitability was in line with our target and cash flow was also at a good level thanks to the strong final quarter of the previous year.

Russia's attack and the war in Ukraine have shocked us all, but the impacts of the war on our business have been minor so far. The demand situation has been good, but the overall impacts of the war on the demand development are difficult to assess. Investments related to the defense industry and accelerating the green transition are growing, while rising inflation may reduce demand and the willingness to invest in some industries.

The prolongation of the COVID-19 pandemic had a bigger impact on our business in the first quarter than Russia's attack on Ukraine. Significantly increased sickness-related absences affected our operations in Europe and the effects of the shutdown measures in China began to show. We are able to work remotely in China to a reasonable extent, but we expect the shutdowns to have clear effects on our business operations in the second quarter in China at least.

We continued to invest in growth during the review period. We strengthened our Technical Documentation Solutions service area in Germany by acquiring Cognitas GmbH and we strengthened our Software and Embedded Solutions service area in Sweden by acquiring Syncore Technologies AB.

After the review period, at the end of April, we acquired the Finnish company LCA Consulting Oy. LCA provides us with new capabilities in the area of carbon footprint calculation, significantly strengthening our ability to help our customers achieve their sustainability targets. We now have the ability to assess the customer's current carbon footprint and help them develop their products and production facilities in order to accomplish their sustainability goals. We believe that these types of services are in high demand among our customer base, which creates excellent growth opportunities for us going forward.

The war in Ukraine and COVID-19 have significantly increased uncertainty in the markets and made forecasting very difficult. While there will certainly be fluctuations in demand, we do not expect the demand situation to deteriorate suddenly. Instead, we expect demand to remain fairly good for the remainder of the year. Consequently, we are keeping our financial guidance unchanged.

Market outlook 2022

The most important factor affecting Etteplan's business is the global development of the machinery and metal industry. The prolongation of the COVID-19 pandemic continues to have an impact on the market situation and supply chains. Our customers have adapted to the effects of the pandemic, and their business has developed positively. Russia's attack on Ukraine increases uncertainty in the markets and leads to higher costs, which may affect the demand situation and slow down investments. On the other hand the unstable geopolitical climate increases demand in the defense industry and for investments related to the green transition. We expect the general demand situation to remain fairly good throughout 2022.

Financial guidance 2022

Etteplan keeps its guidance for revenue and operating profit (EBIT) intact and issues the following estimate:

Revenue in 2022 is estimated to be EUR 340-370 (2021: 300.1) million, and operating profit (EBIT) in 2022 is estimated to be EUR 28-32 (2021: 25.8) million.

Operating environment

The majority of Etteplan's customers are industrial companies, with several global megatrends currently influencing the development of their operating environment. For example, structural changes in the global economy, urbanization, climate change and sustainability are all influencing companies, national economies and people's lives. In addition to these megatrends, the engineering industry is influenced primarily by three trends: digitalization, accelerating technological development and the lack of engineering resources. These trends are creating a need for intelligent and efficient engineering solutions in all industrial sectors. The trend of centralizing service purchasing continues as customer demand becomes increasingly international, presenting growth opportunities for global engineering companies. The continued trend of service outsourcing has a positive effect on the industry's development and it supports Etteplan's growth. Competition for employees and specialized experts in certain areas is continuing, which affects the development of the sector as a whole in all market areas.

The most important factor affecting Etteplan's business is the global development of the machinery and metal industry. The prolongation of the COVID-19 pandemic continues to have an impact on the market situation and supply chains. Our industrial customers have nevertheless adapted to the effects of the pandemic, and our customers' business has developed positively. Russia's attack on Ukraine and the subsequent elevation in geopolitical tensions have increased uncertainty. Investments related to the defense industry and accelerating the green transition are growing, while rising inflation may reduce demand and the willingness to invest in some industries. We expect the demand situation to remain fairly good throughout 2022.

Development of demand by customer industry

The COVID-19 pandemic continues to affect demand in all customer industries, but the effects of the pandemic on different customer segments vary. Russia's attack on Ukraine has increased demand in the defense industry, and investments related to the green transition are growing. Demand in the Forest, Pulp and Paper industry was at a fairly good level. Demand in the Energy industry was at a good level. Demand in the Mining industry was at a good level. Demand in the Lifting and Hoisting industry was at a moderate level. Demand in the ICT industry remained good. Demand in the Automotive and Transportation industry was at a good level. Demand in the Chemical industry was at a good level.

Development of demand in Etteplan's operating countries

The pandemic continued to affect the market situation in Europe, and the higher geopolitical tensions due to Russia's attack on Ukraine have increased uncertainty. In Finland, the overall market situation remained fairly good. In Sweden, Denmark, the Netherlands, Germany and Poland increased uncertainty had only small impacts on demand.

A new wave of the COVID-19 pandemic and related shutdown measures affected the demand situation in China, especially toward the end of the review period.

Revenue

The year got off to a good start and Etteplan's revenue grew by 22.8 percent in January-March and was EUR 89.6 million (1-3/2021: EUR 73.0 million). Revenue increased by 23.2 percent at comparable exchange rates. The organic growth of revenue was 14.1 percent. At comparable exchange rates, organic growth was 14.5 percent. Revenue from key accounts grew by 9.8 percent in January-March.

Acquisitions increased revenue, but organic growth was also strong due to the success of the outsourcing business, among other reasons. The significant increase in sickness-related absences affected the accumulation of revenue. Russia's attack on Ukraine had only a minor impact on revenue in the first quarter.

Etteplan's business is subject to periodic fluctuation due to the number of working days, holiday seasons and the timing of product development and investment projects in customer companies, which mainly take place in the spring and the latter part of the year. The revenue in the third quarter is typically lower than that of other quarters.

The revenue of acquired companies is not included in the organic growth of revenue for the 12 months following the acquisition. F.I.T. Fahrzeug Ingenieurtechnik GmbH increased revenue starting from May 1, 2021, Skyrise.tech S.A. starting from June 1, 2021, Adina Solutions Oy starting from August 1, 2021, and BST Buck Systemtechnik GmbH starting from October 1, 2021. Cognitas GmbH, which was acquired in the beginning of 2022, is included in Etteplan's figures starting from January 1, 2022, and Syncore Technologies AB starting from February 1, 2022.

Result

Profitability was at a good level thanks to good operational efficiency. Increased sickness-related absences had a slight effect on profitability. We continued to work remotely, but the transition to hybrid work is under way, which will slightly affect the cost structure going forward.

Operating profit (EBITA) grew by 16.6 percent in January-March and was EUR 9.0 (7.7) million, or 10.0 (10.5) percent of revenue.

Operating profit (EBIT) increased by 15.6 percent in January-March and was EUR 7.6 (6.6) million, or 8.5 (9.0) percent of revenue.

The combined effect of non-recurring items on operating profit (EBITA) and operating profit (EBIT) in January-March was EUR -0.3 (0.0) million. The non-recurring costs were related to acquisitions and organizational restructuring.

The net amount of financial income and financial expenses came to EUR -0.3 (-0.1) million in January-March.

Profit before taxes for January-March was EUR 7.3 (6.5) million. Taxes in the income statement amounted to 20.5 (18.0) percent of the result before taxes. The amount of taxes was EUR 1.5 (1.2) million.

The profit for January-March was EUR 5.8 (5.3) million.

Basic earnings per share were EUR 0.23 (0.21) in January-March. Equity per share was EUR 4.25 (3.69) at the end of March. Return on capital employed (ROCE) before taxes was 16.5 (18.0) percent in January-March.

Cash flow and financial position

Operating cash flow improved year-on-year in the first quarter and amounted to EUR 8.6 (1.3) million in January-March. Cash flow after investments was EUR -10.3 (-4.8) million in January-March. Strong invoicing in the final quarter of 2021 was reflected favorably in operating cash flow in early 2022.

Operating cash flow accrues unevenly over the four quarters of the year due to periodic fluctuation in business.

The Group's cash and cash equivalents stood at EUR 28.5 (15.3) million at the end of March.

The Group's interest-bearing liabilities amounted to EUR 91.8 (62.2) million at the end of March. The amount of interest-bearing liabilities was affected by acquisitions made by the Group. Lease liabilities represented EUR 24.4 (23.2) million of interest-bearing liabilities.

The total of unused short-term credit facilities stood at EUR 14.5 (14.1) million.

Total assets on March 31, 2022, were EUR 283.8 (219.5) million. Goodwill on the balance sheet was EUR 106.1 (86.8) million.

At the end of March, the equity ratio was 37.9 (42.5) percent.

Capital expenditure

The Group's gross investments in January-March were EUR 29.3 (10.3) million. The gross investments mainly consisted of acquisitions, increases in lease liabilities and equipment purchases.

Personnel

The number of personnel stood at 3,877 employees at the end of March 2022 (March 31, 2021: 3,331 employees). The number of personnel increased by 16.4 percent compared to the end of March 2021.

The Group employed 3,858 (3,322) people on average in January-March 2022. A total of 13 employees were temporarily laid off at the end of March 2022 in Finland.

The number of people employed by the Group outside of Finland increased and stood at 1,865 (1,409) at the end of March, representing 48.1 percent of the total number of employees.

Business review

Etteplan published its renewed strategy, *Increasing value for customers*, and updated its financial targets in December 2019. Etteplan began preparations and planning related to the renewed strategy, but many projects were suspended due to attention being shifted to the COVID-19 pandemic. Measures aimed at implementing the strategy have continued again after the pandemic eased up slightly starting from late 2020. In 2021, investments in organic growth were continued by developing the service offering and by establishing several new teams. This work continued in the early part of 2022. We believe that our strategy will drive the success of the company also after the pandemic.

The key objective of the company's strategy is to create even higher value for customers and support them in the industrial change. The three key elements of our strategy are customer value, service solutions and success with people. The most important focus areas of growth are the continuous development of service solutions, digitalization and international growth.

Etteplan's customers are investing in digitalization and intelligent devices, which presents significant growth opportunities for the company. In recent years, Etteplan has also invested in digitalization and software development with the aim of expanding its service offering and competence capital in order to respond to the digitalization needs of customers. At the same time, we are investing in organic growth as well as the development of our own business and increasing its rate of digitalization.

We continue the development of technology solutions as part of our service solutions. We are strengthening our expertise in areas such as additive manufacturing, digital twin solutions, artificial intelligence and other digital technologies.

We have also invested in industrial digitalization and strengthened our smart industrial production offering to help our customers digitalize their production facilities and business operations. Etteplan's new Smart Factory offering consists of a wide range of expertise ranging from engineering to piping, automation, information systems and technical documentation.

Etteplan's target is to achieve revenue of EUR 500 million in 2024. We seek growth organically and by acquisitions. Etteplan's goal is to also grow internationally, provide solutions from all of the company's service areas in all of its market areas and increase the share of revenue accumulated outside Finland to 50 percent.

In January-March, revenue accumulated outside Finland amounted to EUR 42.2 (31.4) million, or 47 (43) percent of the Group's total revenue.

The Chinese market slowed down slightly in the first quarter due to a new wave of the COVID-19 pandemic and the related shutdown measures, and the number of hours sold in the Chinese market decreased by 4.3 percent in January-March. Our employees are currently mostly working remotely, also in China, which reduces the impact of the shutdowns on our business.

Etteplan's target is to increase the share of revenue represented by Managed Services to 75 percent. The share of revenue represented by Managed Services was 65 (64) percent in January-March. The acquisitions made by the Group had a positive effect on the share of Managed Services.

The growth in the share of Managed Services enhances Etteplan's capacity management and improves profitability. Etteplan's operating profit (EBITA) target is 10 percent of revenue.

Acquisitions in 2021-2022

Etteplan strengthened its position in Sweden and acquired Syncore Technologies AB, a technology services company focusing on advanced embedded systems, on February 2, 2022. In 2020, Syncore's revenue amounted to approximately EUR 5 million and it employed 46 embedded systems specialists in Linköping, Sweden. The acquisition involved a directed share issue to the owners of the acquired company. More information is provided under Shares and Events after the review period.

In January 2022, Etteplan acquired Cognitas GmbH, a German technical information lifecycle management company, from Canon Deutschland GmbH. With the acquisition, Etteplan becomes a market-leading company in technical documentation in Germany and reinforces its leading position in Europe. Cognitas generates annual revenue of approximately EUR 15 million and employs 200 professionals in consulting and technical information authoring and management.

Acquisitions in 2021:

- September 2021 - BST Buck Systemtechnik GmbH in Germany. Over 30 specialists. Specializes in software development, process automation and hardware engineering.
- August 2021 - Adina Solutions Oy in Finland. A total of 13 content production and technical communications professionals.

- June 2021 - the software development company Skyrise.tech S.A. in Poland. In 2020, revenue of approximately EUR 3.5 million, with approximately 80 specialists and partners. The acquisition involved a directed share issue to the owners of the acquired company.
- May 2021 - F.I.T. Fahrzeug Ingenieurtechnik GmbH in Germany. Approximately 15 technical documentation specialists.
- January 2021 - the software development company TekPartner A/S in Denmark. In 2019, revenue of approximately EUR 8 million, with 19 in-house specialists and a network of project partners and freelancers.

Development of the service areas

Engineering Solutions

We innovate and engineer machinery, equipment and plants for customers. Our customer base typically uses our services for product development projects for a new product, plant engineering projects or Engineering-to-Order projects, involving the customization of the product in accordance with end customer standards and legislation in the market area.

EUR 1,000	1-3/2022	1-3/2021	Change	1-12/2021
Revenue	46,699	41,398	12.8%	167,433
Operating profit (EBITA)	4,930	4,385	12.4%	16,555
EBITA, %	10.6	10.6		9.9
Managed Services index	62	63		64
Personnel at end of the period	2,088	1,955	6.8%	2,062

The figures for BST Buck Systemtechnik GmbH, acquired in September 2021, are included in the service area's figures starting from October 1, 2021.

The share of Etteplan's revenue represented by Engineering Solutions in January-March was 52 (57) percent.

The demand situation in the Engineering Solutions service area was at a good level in all markets, and revenue increased by 12.8 percent in January-March, amounting to EUR 46.7 (41.4) million. Increased uncertainty has further increased customers' interest in outsourcing solutions.

The operating profit (EBITA) of Engineering Solutions grew in January-March and amounted to EUR 4.9 (4.4) million, or 10.6 (10.6) percent of revenue. Operational efficiency was at an excellent level and contributed to profit performance.

The Engineering Solutions service area had 2,088 (1,955) employees at the end of March.

The Managed Services Index (MSI), which reflects the share of revenue represented by Managed Services, was nearly on par with the previous year at 62 (63) percent in January-March.

The integration of BST Buck Systemtechnik GmbH into Etteplan is progressing as planned. Etteplan is collaborating with Epiroc, a leading mining and infrastructure equipment manufacturer, to enable fossil-free underground heavy transportation without interruptions.

Software and Embedded Solutions

We provide product development services as well as software and technology solutions that enable the digitalization of our customers' business processes along with the intelligence and connectivity of machinery and equipment. Our customers often have a need to increase the efficiency of business processes or manufacturing, or create entirely new products for the market. Through system integration and utilization of digitalization, we can ensure better customer service, cost-efficiency, or the creation of new income streams.

EUR 1,000	1-3/2022	1-3/2021	Change	1-12/2021
Revenue	24,613	18,817	30.8%	80,123
Operating profit (EBITA)	2,348	2,090	12.3%	8,316
EBITA, %	9.5	11.1		10.4
Managed Services index	52	51		47
Personnel at end of the period	778	639	21.8%	771

The figures for Skyrise.tech S.A., acquired in June 2021, are included in the Software and Embedded Solutions service area's figures starting from June 1, 2021, and the figures for Syncore Technologies AB, acquired in February 2022, are included starting from February 1, 2022.

The share of the Group's total revenue represented by Software and Embedded Solutions was 28 (26) percent in January-March.

The demand situation in the Software and Embedded Solutions service area remained good and we continued to recruit new personnel. The end of COVID-19 restrictions has had a positive impact on our business operations in Denmark, for example. The service area's revenue increased by 30.8 percent in January-March and was EUR 24.6 (18.8) million. Acquisitions and increased subcontracting affected to development of revenue.

The Software and Embedded Solutions service area's operating profit (EBITA) grew and was EUR 2.3 (2.1) million in January-March. Profitability declined, with operating profit (EBITA) being 9.5 (11.1) percent of revenue. Operational efficiency was generally at a moderate level. In certain units, projects were slow to get started and operational efficiency was weak. Actions to address the situation have been initiated. The increased use of subcontracting also had a slight effect on profitability.

The number of personnel in the Software and Embedded Solutions service area increased due to acquisitions and recruitment and stood at 778 (639) at the end of March. In addition to our own personnel, we currently have more than 250 subcontractors and partners.

The Managed Services Index (MSI), which reflects the share of the service area's revenue represented by Managed Services, was on par with the previous year at 52 (51) percent in January-March.

The Syncore acquisition completed in February 2022 made Etteplan a significantly larger provider of software and embedded systems in Sweden. The integration of the company into Etteplan is progressing as planned.

Skyrise.tech S.A., which we acquired in June 2021, now operates under the Etteplan brand and its integration into Etteplan is in its final stages.

Technical Documentation Solutions

We produce user manuals for individual products as well as the documentation of technical attributes and information management for entire production facilities, such as factories. The service includes content creation and distribution in print and digital form. For an industrial customer, good technical documentation can increase the value of their products and ensure their products are used in the right way. Our solutions enable our customers to improve their cost-efficiency, reduce delivery times and decrease their environmental footprint.

EUR 1,000	1-3/2022	1-3/2021	Change	1-12/2021
Revenue	18,099	12,545	44.3%	51,650
Operating profit (EBITA)	1,825	1,384	31.9%	5,879
EBITA, %	10.1	11.0		11.4
Managed Services index	86	82		82
Personnel at end of the period	878	612	43.5%	669

The figures for F.I.T. Fahrzeug Ingenieurtechnik GmbH, acquired in May 2021, are included in the Technical Documentation Solutions service area's figures starting from May 1, 2021, the figures for Adina Solutions, acquired in August 2021, are included starting from August 1, 2021, and the figures for Cognitas GmbH, acquired in January 2022, are included starting from January 1, 2022.

The share of the Group's total revenue represented by Technical Documentation Solutions was 20 (17) percent in January-March.

The Technical Documentation Solutions service area's demand situation remained good, and revenue increased by 44.3 percent in January-March, amounting to EUR 18.1 (12.5) million. Acquisitions and the success of the outsourcing business contributed to the growth figures.

In January 2022, we acquired Cognitas GmbH, a German technical information lifecycle management company, from Canon. With the acquisition, Etteplan becomes a market-leading company in technical documentation in Germany and reinforces its leading position in Europe. The acquisition has attracted a lot of interest among our customers and the integration of Cognitas into Etteplan has started well.

The Technical Documentation Solutions service area's operating profit (EBITA) improved by 31.9 percent in January-March and was EUR 1.8 (1.4) million. Operational efficiency was at a fairly good level. Profitability declined to 10.1 (11.0) percent of revenue. The weaker profitability of Cognitas in the first months of the year, which was expected, affected the profitability of the service area as a whole.

The Technical Documentation Solutions service area had 878 (612) employees at the end of March. The Cognitas acquisition contributed to the increase in the number of employees.

The Managed Services Index (MSI), which reflects the share of the service area's revenue represented by Managed Services, was 86 (82) percent in January-March. The increased share of revenue represented by Managed Services had a positive effect on profitability.

Etteplan's integration of Adina Solutions Oy, which was acquired in August 2021, and F.I.T. Fahrzeug Ingenieurtechnik GmbH, which was acquired in May, is progressing as planned. In addition, Etteplan has signed cooperation agreements with Stockholm Exergi, Roslagsvatten and Junttan Oy, among others.

GOVERNANCE

GENERAL MEETING

Etteplan Oyj's Annual General Meeting was held on April 6, 2022. The Annual General Meeting approved the financial statements and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2021.

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to pay a dividend of EUR 0.40 per share for the financial year 2021 and to leave the remaining funds in unrestricted equity. The dividend decided on by the Annual General Meeting was paid to the shareholders registered on the record date in the shareholders' register maintained by Euroclear Finland Ltd. The record date for the dividend payout was April 8, 2022, and the date of dividend payout was April 19, 2022.

In accordance with the proposal of Etteplan's Nomination and Remuneration Committee, the Annual General Meeting resolved that the Board of Directors shall consist of five members. In accordance with the proposal of the Nomination and Remuneration Committee, the Annual General Meeting resolved on the annual remuneration of the members of the Board of Directors, the Chairman of the Board and the members of the Nomination and Remuneration Committee and the Audit Committee.

In accordance with the proposal of the Nomination and Remuneration Committee of the Board of Directors, the Annual General Meeting re-elected Matti Huttunen, Robert Ingman, Päivi Lindqvist, Leena Saarinen and Mikko Tepponen as members of the Board of Directors. KPMG Oy Ab, Authorized Public Accountants, with Authorized Public Accountant Kim Järvi as the main responsible auditor, was elected as the Company's auditor.

In its organization meeting subsequent to the Annual General Meeting, the Board of Directors of Etteplan Oyj elected Robert Ingman as Chairman of the Board of Directors. Matti Huttunen was elected the Chairman and Robert Ingman and Leena Saarinen as members of the Nomination and Remuneration Committee of Etteplan Oyj. Päivi Lindqvist was elected as the Chairman and Leena Saarinen and Mikko Tepponen as members of the Audit Committee of Etteplan Oyj.

Board authorizations

The Annual General Meeting held on April 6, 2022 decided to authorize the Board of Directors to resolve on the repurchase of the company's own shares in one or more tranches using the company's unrestricted equity. A maximum of 2,000,000 shares in the company may be repurchased. The company may deviate from the obligation to repurchase shares in proportion to the shareholders' current holdings, i.e. the Board has the right to decide on a directed repurchase of the company's own shares.

The authorization includes the right for the Board to resolve on the repurchase of the Company's own 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 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) percent of all the shares in the company. The minimum price for the shares to be repurchased is the lowest market price quoted for the shares in the company in public trading and, correspondingly, the maximum price is the highest market price quoted for the shares in the company in public trading during the validity of the authorization.

Should the shares in the company be repurchased in public trading, such shares will not be purchased in proportion to the shareholders' current holdings. In that case, there must be a weighty financial reason for the company to repurchase its own shares. The shares may be repurchased in order to be used as consideration in potential acquisitions or in other structural arrangements. The shares may also be used for carrying out the company's incentive schemes for its personnel. The repurchased shares may be retained by the company, invalidated or transferred further.

The repurchase of the company's own shares will reduce the non-restricted equity of the company.

The authorization is valid for 18 months from the date of the resolution of the Annual General Meeting starting on April 6, 2022, and ending on October 5, 2023.

The Annual General Meeting 2021 decided to authorize the Board of Directors to resolve on the issuance of a maximum of 2,500,000 shares through issuance of shares, option rights or other special rights entitling to shares under Chapter 10, Section 1 of the Finnish Companies Act in one or more issues. The authorization includes the right to decide to issue either new shares or shares held by the company.

The authorization includes the right to deviate from the existing shareholders' pre-emptive subscription right as set forth in Chapter 9, Article 3 of the Companies Act. Therefore, the Board of Directors has the right to direct the share issue, or issuance of the option rights or other special rights conferring entitlement to shares. The authorization also includes the right to decide on all the terms of share issue, option rights or other special rights conferring entitlement to shares. The authorization therefore includes the right to determine share subscription prices, persons entitled to subscribe the shares and other terms and conditions applicable to the subscription. In order to deviate from the shareholders' pre-emptive subscription right, the company must have a weighty financial reason such as financing of a company acquisition, other arrangement in connection with the development of the company's business or equity or an incentive scheme to the personnel. In connection with the share issuance, the Board of Directors is entitled to decide that the shares may be subscribed against contribution in kind or otherwise under special terms and

conditions. The authorization includes the right to determine whether the subscription price will be entered into the share capital or into the unrestricted equity fund.

The authorization is valid for two (2) years from the date of the resolution of the Annual General Meeting, starting on April 8, 2021, and ending on April 7, 2023.

SHARES

Etteplan's shares are listed in Nasdaq Helsinki Ltd's Mid Cap market capitalization group in the Industrials sector under the ETTE ticker. The company has one series of shares. All shares confer an equal right to a dividend and the company's funds. The company's share capital on March 31, 2022, was EUR 5,000,000.00 and the total number of shares was 25,083,308.

On February 2, 2022, Etteplan issued a stock exchange release announcing the acquisition of Syncore Technologies AB. As part of the financing of the transaction, Etteplan Oyj's Board of Directors, in its meeting held on February 1, 2022, made a conditional decision on a share issue based on the share issue authorization given to the Board of Directors by the Annual General Meeting on April 8, 2021. In accordance with the terms of the transaction, the purchase price was paid through a share issue to the sellers and cash. The contract of sale, which was a condition of the decision, was signed on February 2, 2022, and at the same time, the sellers subscribed for 117,485 new Etteplan shares as a part payment for the purchase amount. The subscription price per share paid for the shares was EUR 16.42. The new shares carry the right to dividends starting from the financial year 2022.

The new shares subscribed for in the directed share issue were registered in the Trade Register on April 19, 2022, and in the book-entry system maintained by Euroclear Finland Oy on April 29, 2022. The shares were listed for trading on Nasdaq Helsinki on May 3, 2022. The total number of Etteplan shares after the issue is 25,200,793. However, trading in the new shares will only be possible after three years, when the transfer restriction agreed upon in connection with the transaction has expired.

Trading in shares

The number of Etteplan Oyj shares traded in January-March was 157,979 (1-3/2021: 497,349), for a total value of EUR 2.45 (7.56) million. The share price low was EUR 11.95, the high EUR 18.75, the average EUR 15.50 and the closing price EUR 16.15. Market capitalization on March 31, 2022, was EUR 404.42 (410.59) million. On March 31, 2022, Etteplan had 3,597 (3,617) shareholders.

Own shares

Etteplan did not purchase its own shares in January-March 2022. On March 31, 2022 the company held a total of 159,046 (March 31, 2021: 79,046) own shares, which responds to 0.63 percent of the total number of shares and votes.

Flaggings

Etteplan Oyj received no flagging notices in January-March 2022.

Etteplan Oyj's incentive plan for key personnel 2020-2022

On February 5, 2020, Etteplan's Board of Directors resolved to establish a new share-based incentive plan for the Group's key personnel. The aim of the plan is to combine the objectives of the shareholders and the key personnel in order to increase the value of the company, to commit the key personnel to the company, and to offer them a competitive reward plan based on holding the company shares.

The plan includes one earning period which comprises calendar years 2020-2022. The earning period covers the same years as Etteplan's strategy update published in March 2019. The plan is in line with Etteplan's strategy and supports the achievement of the company's financial targets.

The earning criteria are Etteplan Group's revenue increase and the development of Total Shareholder Return (TSR). The potential reward will be paid partly in the company's shares and partly in cash after the end of the earning period. The proportion to be paid in cash is intended to cover taxes and tax-related costs arising from the reward to the key personnel.

Approximately 25 people belong to the plan, including the Management Group of Etteplan. The rewards to be paid on the basis of the plan will correspond to the value of an approximate maximum total of 390,000 Etteplan Oyj shares (including also the proportion to be paid in cash). The shares to be paid out as potential rewards will be transferred from the shares held by the company or shares acquired from the market, and therefore the incentive plan will have no diluting effect on the share value.

Operating risks and uncertainty factors

Etteplan's financial results are exposed to a number of strategic, operational and financial risks. The uncertainties caused by the general economic development continue to constitute risks for Etteplan's business. The possibility of changes in customers' business operations is a significant risk to Etteplan's operations. The company's operations are based on skilled staff. The availability of competent professionals is an important factor for ensuring profitable growth and operations. The increased difficulties in recruiting professional staff, particularly in certain expert disciplines, continues to present a business risk.

The COVID-19 pandemic continues to have an impact on Etteplan's business and the prolongation of the situation has a negative impact on the company's development. Russia's attack on Ukraine increases uncertainty in the markets, drives higher inflation and may have a negative impact on customers' operations and supply chains. The unstable geopolitical situation makes the future more difficult to predict.

Etteplan assesses business risks annually and actively monitors their development during the year. The focus of the assessment is particularly on monitoring changes in already identified risks, identifying new business risks and developing proactive risk management. The results of the assessment are presented in Etteplan's Corporate Governance Statement.

Etteplan's Annual Report 2021, Remuneration Report, Corporate Governance Statement and Statement of non-financial information

Etteplan has published a Remuneration Report, Corporate Governance Statement and Statement of non-financial information separately from the Board of Directors' Review. Etteplan has also published its Annual Report for 2021, consisting of two parts. Our Annual Review is called Essential Impact. It introduces our strategy and operations. It also includes our Sustainability report, which is prepared in accordance with GRI Standards. The Financial Review 2021 contains the Financial Statements and other investor information. We published our Financial Statements also in the European Single Electronic Format (ESEF). The reports and statements are available on Etteplan's website at www.etteplan.com/investors/reports-presentations.

Event after the review period: Registration of Etteplan Oyj's new shares with the Trade Register and into the book-entry system

In a stock exchange release published on February 2, 2022, Etteplan announced it had acquired Syncore Technologies AB, a Swedish company specializing in embedded systems, and would carry out a directed share issue to the owners of the acquired company. In accordance with the terms of the share issue, Etteplan offered 117,485 new Etteplan Oyj shares for subscription to the owners of Syncore Technologies AB.

The new shares were registered with the Trade Register on April 19, 2022 and were entered into the book-entry system maintained by Euroclear Finland Ltd on April 29, 2022. The shares were listed for trading on Nasdaq Helsinki on May 3, 2022. Following the registration of the new shares, the total number of shares in Etteplan Oyj is 25,200,793.

Trading in the new shares will only be possible after three years, when the transfer restriction agreed upon in connection with the transaction has expired.

Event after the review period: Etteplan significantly expands its sustainability services and acquires LCA Consulting

Etteplan strengthens its position as an expert in sustainable development and acquires LCA Consulting Oy, a provider of high-quality expert services. Founded in 2013 as a spin-off at LUT University, LCA Consulting focuses on life cycle assessment of companies, products and production, carbon footprinting and expert training. LCA Consulting, based in Lappeenranta, Finland, employs 11 experts and its customer base consists especially of customers in industrial production and manufacturing, construction industry and public sector.

Financial information in 2022

January-June 2022 Half Year Financial Report: Wednesday, August 10, 2022

January-December 2022 Interim Report: Friday, October 28, 2022

Espoo, May 5, 2022

Etteplan Oyj

Board of Directors

Additional information:

Juha Näkki, President and CEO, tel. +358 10 307 2077

Outi Torniainen, SVP, Communications and Marketing, tel. +358 10 307 3302

The information presented herein has not been audited.

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000	1-3/2022	1-3/2021	1-12/2021
Revenue	89,586	72,950	300,111
Other operating income	350	309	1,289
Materials and services	-10,211	-7,388	-31,685
Employee benefits expenses	-59,366	-48,831	-197,596
Other operating expenses	-7,788	-6,037	-28,527
Depreciation and amortization	-4,949	-4,408	-17,839
Operating profit (EBIT)	7,622	6,594	25,754
Financial income and expenses	-344	-131	-888
Profit before taxes	7,277	6,463	24,867
Income taxes	-1,489	-1,165	-4,823
Profit for the review period	5,788	5,298	20,044
Other comprehensive income, that may be reclassified to profit or loss			
Currency translation differences	-254	-726	-589
Other comprehensive income, that will not be reclassified to profit or loss			
Change in fair value of equity investments at fair value through other comprehensive income	-16	18	32
Other comprehensive income, net of tax	-271	-708	-557
Total comprehensive income for the review period	5,518	4,590	19,487
Profit for the review period attributable to			
Equity holders of the parent company	5,788	5,298	20,044
Total comprehensive income for the review period attributable to			
Equity holders of the parent company	5,518	4,590	19,487
Earnings per share calculated from the profit attributable to equity holders of the parent company			
Basic earnings per share, EUR	0.23	0.21	0.80
Diluted earnings per share, EUR	0.23	0.21	0.80

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR 1,000	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
ASSETS			
Non-current assets			
Goodwill	106,120	86,755	92,380
Other intangible assets	36,668	28,027	28,807
Tangible assets	27,081	24,781	24,759
Investments at fair value through other comprehensive income	398	400	418
Other non-current receivables	54	54	54
Deferred tax assets	681	562	731
Non-current assets, total	171,002	140,579	147,150
Current assets			
Inventory	561	339	376
Work in progress	33,764	28,620	26,810
Trade and other receivables	49,817	34,585	47,988
Current tax assets	221	70	273
Cash and cash equivalents	28,479	15,325	30,356
Current assets, total	112,841	78,938	105,803
TOTAL ASSETS	283,843	219,518	252,953
EQUITY AND LIABILITIES			
Equity			
Share capital	5,000	5,000	5,000
Share premium account	6,701	6,701	6,701
Unrestricted equity fund	23,966	20,101	22,037
Own shares	-1,143	16	-1,245
Cumulative translation adjustment	-3,727	-3,610	-3,473
Other reserves	117	119	133
Retained earnings	75,549	63,476	69,761
Equity, total	106,463	91,803	98,914
Non-current liabilities			
Deferred tax liabilities	9,569	6,921	7,408
Loans from financial institutions	40,346	11,000	30,350
Lease liabilities	8,728	8,622	8,777
Other non-current liabilities	7,794	1,236	827
Non-current liabilities, total	66,436	27,780	47,362
Current liabilities			
Loans from financial institutions	27,053	28,013	25,453
Lease liabilities	15,662	14,571	13,894
Advances received	3,116	3,505	3,891
Trade and other payables	62,696	52,467	61,673
Current income tax liabilities	2,417	1,378	1,766
Current liabilities, total	110,944	99,935	106,677
Liabilities, total	177,380	127,714	154,039
TOTAL EQUITY AND LIABILITIES	283,843	219,518	252,953

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR 1,000	1-3/2022	1-3/2021	1-12/2021
Operating cash flow			
Cash receipts from customers	87,830	69,020	287,564
Operating expenses paid	-77,074	-65,567	-253,056
Operating cash flow before financial items and taxes	10,756	3,453	34,508
Interests and other payments for financial expenses	-374	-193	-1,289
Interest received	11	16	80
Income taxes paid	-1,796	-1,987	-6,205
Operating cash flow (A)	8,597	1,290	27,093
Investing cash flow			
Purchase of tangible and intangible assets	-462	-618	-2,157
Acquisition of subsidiaries, net of cash acquired	-18,427	-5,432	-14,255
Proceeds from sale of tangible and intangible assets	0	5	17
Proceeds from repayment of loans	0	0	73
Investing cash flow (B)	-18,889	-6,045	-16,321
Cash flow after investments (A+B)	-10,292	-4,756	10,772
Financing cash flow			
Proceeds from directed share issue	0	0	1,936
Purchase of own shares	0	0	-1,382
Proceeds from current loans	491	350	6,941
Repayments of current loans	-1,925	-1,901	-30,060
Proceeds from non-current loans	13,000	0	37,503
Repayments of non-current loans	-4	0	-6
Payment of lease liabilities	-3,223	-2,904	-11,478
Dividend paid	0	0	-8,461
Financing cash flow (C)	8,338	-4,455	-5,007
Variation in cash (A+B+C) increase (+) / decrease (-)	-1,954	-9,210	5,765
Assets at the beginning of the period	30,356	24,407	24,407
Exchange gains or losses	76	128	184
Assets at the end of the period	28,479	15,325	30,356

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Legends for table columns

A) Share Capital	E) Own Shares
B) Share Premium Account	F) Cumulative Translation Adjustment
C) Unrestricted Equity Fund	G) Retained Earnings
D) Other Reserves	H) Capital attributable to equity holders of the parent company, total

EUR 1,000	A	B	C	D	E	F	G	H
Equity Jan 1, 2021	5 000	6 701	20 101	101	-124	-2 884	58 178	87 074
Comprehensive income								
Profit for the review period	0	0	0	0	0	0	20 044	20 044
Other comprehensive income								
Change in fair value of equity investments at fair value through other comprehensive income	0	0	0	32	0	0	0	32
Cumulative translation adjustment	0	0	0	0	0	-589	0	-589
Other comprehensive income, net of tax	0	0	0	32	0	-589	0	-557
Total comprehensive income for the review period	0	0	0	32	0	-589	20 044	19 487
Transactions with owners								
Dividends	0	0	0	0	0	0	-8 461	-8 461
Directed share issue	0	0	1 936	0	0	0	0	1 936
Purchase of own shares	0	0	0	0	-1 382	0	0	-1 382
Share-based incentive plan	0	0	0	0	260	0	0	260
Transactions with owners, total	0	0	1 936	0	-1 122	0	-8 461	-7 647
Equity Dec 31, 2021	5 000	6 701	22 037	133	-1 245	-3 473	69 761	98 914

EUR 1,000	A	B	C	D	E	F	G	H
Equity Jan 1, 2022	5,000	6,701	22,037	133	-1,245	-3,473	69,761	98,914
Comprehensive income								
Profit for the review period	0	0	0	0	0	0	5,788	5,788
Other comprehensive income								
Change in fair value of equity investments at fair value through other comprehensive income	0	0	0	-16	0	0	0	-16
Cumulative translation adjustment	0	0	0	0	0	-254	0	-254
Other comprehensive income, net of tax	0	0	0	-16	0	-254	0	-271
Total comprehensive income for the review period	0	0	0	-16	0	-254	5,788	5,518
Transactions with owners								
Directed share issue	0	0	1,929	0	0	0	0	1,929
Share-based incentive plan	0	0	0	0	102	0	0	102
Transactions with owners, total	0	0	1,929	0	102	0	0	2,031
Equity Mar 31, 2022	5,000	6,701	23,966	117	-1,143	-3,727	75,549	106,463

EUR 1,000	A	B	C	D	E	F	G	H
Equity Jan 1, 2021	5 000	6 701	20 101	101	-124	-2 884	58 178	87 074
Comprehensive income								
Profit for the review period	0	0	0	0	0	0	5 298	5 298
Other comprehensive income								
Change in fair value of equity investments at fair value through other comprehensive income	0	0	0	18	0	0	0	18
Cumulative translation adjustment	0	0	0	0	0	-726	0	-726
Other comprehensive income, net of tax	0	0	0	18	0	-726	0	-708
Total comprehensive income for the review period	0	0	0	18	0	-726	5 298	4 590
Transactions with owners								
Share-based incentive plan	0	0	0	0	140	0	0	140
Transactions with owners, total	0	0	0	0	140	0	0	140
Equity Mar 31, 2021	5 000	6 701	20 101	119	16	-3 610	63 476	91 803

NOTES

General

Etteplan provides solutions for software and embedded solutions, industrial equipment and plant engineering and technical documentation solutions to the world's leading companies in the manufacturing industry. Our services are geared to improve the competitiveness of our customers' products, services and engineering processes throughout the product life cycle. The results of Etteplan's innovative engineering can be seen in numerous industrial solutions and everyday products.

In 2021, Etteplan had a turnover of approximately EUR 300 million. The company currently has almost 3,900 professionals in Finland, Sweden, the Netherlands, Germany, Poland, Denmark and China. Etteplan's shares are listed on Nasdaq Helsinki Ltd under the ETTE ticker.

The Etteplan Oyj Board of Directors has approved this Interim Report at its meeting on May 5, 2022.

Basis for preparation

Figures are presented in thousands or millions of euros as described in connection with each figure. The figures presented are rounded from exact figures and consequently, the sum of figures presented individually can deviate from the presented sum figure. Key figures have been calculated using exact figures.

This Interim Report has not been prepared in accordance with all the requirements in IAS 34 (Interim Financial Reporting) standard. The Interim Report has been prepared according to the recognition and valuation principles presented in the 2021 Annual Financial Statements.

Accounting policies requiring management's judgment and key sources of uncertainty concerning estimates

This release includes forward-looking statements, which are based on the current expectations, known factors, decisions and plans of the management. The management believes that the expectations reflected in such forward looking statements are reasonable. However, outcomes could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions as well as changes in the regulatory environment and fluctuations in exchange rates. The Group's management may also have to make judgment-based decisions relating to the choice and application of accounting policies. This particularly concerns situations, where effective IFRS standards allow alternative valuation, recording and presenting manners.

The key sources of estimation uncertainty, as well as areas requiring judgment-based decisions, were the same as those that applied to the 2021 consolidated financial statements.

Management pays special attention to fair value measurements in connection with acquisitions and revenue recognition for fixed price projects.

Key Figures

EUR 1,000	1-3/2022	1-3/2021	1-12/2021	Change
Revenue	89,586	72,950	300,111	22.8%
Operating profit (EBITA)	8,950	7,679	30,139	16.6%
EBITA, %	10.0	10.5	10.0	
Operating profit (EBIT)	7,622	6,594	25,754	15.6%
EBIT, %	8.5	9.0	8.6	
Profit before taxes	7,277	6,463	24,867	12.6%
Profit before taxes, %	8.1	8.9	8.3	
Return on equity, %	22.5	23.7	21.6	
ROCE, %	16.5	18.0	16.0	
Equity ratio, %	37.9	42.5	39.7	
Gross interest-bearing debt	91,788	62,207	78,474	47.6%
Net gearing, %	59.5	51.1	48.6	
Balance sheet, total	283,843	219,518	252,953	29.3%
Gross investments	29,340	10,346	30,582	183.6%
Operating cash flow	8,597	1,290	27,093	566.6%
Basic earnings per share, EUR	0.23	0.21	0.80	9.5%
Diluted earnings per share, EUR	0.23	0.21	0.80	9.5%
Equity per share, EUR	4.25	3.69	3.97	15.2%
Personnel, average	3,858	3,322	3,480	16.1%
Personnel at end of the period	3,877	3,331	3,629	16.4%

Revenue

The table below presents the disaggregation of external revenue by geographical area and by timing of revenue recognition. The external revenue of each geographical area is presented according to the location of the seller. The Group's operations in China sell their services both locally and through other Group companies thus this revenue is partly included in the revenue from other areas.

EUR 1,000	1-3/2022	1-3/2021	1-12/2021
Primary geographical location			
Finland	47,385	41,547	169,996
Scandinavia	22,180	17,297	70,153
Central Europe	16,914	11,412	47,747
China	3,106	2,694	12,216
Total	89,586	72,950	300,111
Timing of revenue recognition			
Transferred at a point in time	570	607	2,241
Transferred over time	89,015	72,343	297,871
Total	89,586	72,950	300,111

Non-recurring items

Items that are material either because of their size or their nature, and that are non-recurring, are considered as non-recurring items and are presented within the line items to which they best relate. The line items in which they are included in the income statement are specified in the table below.

EUR 1,000	1-3/2022	1-3/2021	1-12/2021
Employee benefits expenses and other operating expenses	-252	20	-656
Operating profit (EBIT)	-252	20	-656

Business combinations

Cognitas GmbH (100%)

Etteplan acquired Cognitas GmbH, a German technical information lifecycle management company from Canon Deutschland GmbH on January 13, 2022. The acquisition strengthens Etteplan's position in Germany and continues our strategic investments in Central Europe. Cognitas is a leading German consulting and services company in with an annual turnover around EUR 15 million with 200 professionals in consulting and technical information authoring and management.

The provisional goodwill of EUR 8,088 thousand arising from the acquisition is attributable to the technical know-how of the acquiree's personnel, and the expected synergies arising from the acquisition. None of the goodwill recognized is expected to be deductible for income tax purposes.

Syncore technologies AB (100%)

Etteplan strengthened its position in Sweden and on February 2, 2022 acquired Syncore Technologies AB, a technology services company focusing on embedded systems. Founded in 2000, Syncore is specialized in advanced embedded systems projects such as design, hardware and software development, and product lifecycle services, especially for customers in the industrial systems, aerospace and defense industries. In 2020, Syncore's net sales were approximately EUR 5 million and it employs 46 embedded systems experts in Linköping, Sweden.

The provisional goodwill of EUR 5,822 thousand arising from the acquisition is attributable to the technical know-how of the acquiree's personnel, and the company's operating model. None of the goodwill recognized is expected to be deductible for income tax purposes.

Acquisitions in total

The following table summarizes the provisional values of acquisition considerations, assets acquired and liabilities assumed for the acquisitions in total.

	EUR 1,000
Consideration transferred:	
Cash payment	12,028
Directed share issue	1,929
Total consideration transferred	22,957
Tangible assets	1,473
Intangible assets	116
Customer relationships (intangible assets)	9,250
Non-competition agreements (intangible assets)	219
Trade and other receivables	13,843
Cash and cash equivalents	3,012
Total assets	27,914
Non-current pension liabilities	6,902
Other non-current liabilities	452
Current dividend liabilities	6,500
Other current liabilities	2,547
Deferred tax liability	2,465
Total liabilities	18,866
Total identifiable net assets	9,048
Formation of Goodwill:	
Consideration transferred	22,957
Total identifiable net assets	-9,048
Goodwill	13,909

Costs related to the acquisitions, EUR 202 thousand, are included in other operating expenses in the consolidated statement of comprehensive income.

Non-IFRS key figures

Etteplan presents non-IFRS key figures to supplement its consolidated financial statements which are prepared in accordance with IFRS. These key figures are designed to measure growth and provide insight into the company's underlying operational performance. This section describes the most important non-IFRS key figures used by the Group. Formulas for key figures (IFRS and Non-IFRS) are presented at the end of this release.

Operating profit (EBITA) and EBITA, %

Operating profit (EBITA) is presented, because it reflects the Group's operational performance better than Operating profit (EBIT). Operating profit (EBITA) does not include amortization of fair value adjustments at acquisitions. EBITA, % presents Operating profit (EBITA) as a percentage share of revenue. The table below shows a reconciliation between Operating profit (EBITA) and Operating profit (EBIT).

EUR 1,000	1-3/2022	1-3/2021	1-12/2021
Operating profit (EBIT)	7,622	6,594	25,754
Amortization on fair value adjustments at acquisitions	1,328	1,084	4,385
Operating profit (EBITA)	8,950	7,679	30,139

Organic/un-organic growth and growth in comparable currencies

Organic (revenue) growth is presented in addition to total revenue growth, because it improves the comparability of revenue growth between periods by presenting the revenue growth without the effects of the last 12 months' acquisitions. Organic growth is calculated by comparing revenue between comparison periods excluding revenue from acquisitions that have taken place in the past 12 months. The revenue growth created by the last 12 months' acquisitions is presented as un-organic growth. Revenue growth in comparable currencies is presented, because it improves the comparability of revenue growth between periods by presenting the revenue growth with comparable exchange rates. For the calculation of growth in comparable currencies, revenue for the current period is calculated by using the comparable period's exchange rates. The figure is presented for Group revenue and organic growth.

The share of revenue represented by Managed Services

Etteplan measures the share of revenue represented by Managed Services (MSI Index). Managed Services are service solutions, such as projects and continuous services, where the customer pays for results instead of resources. The share of revenue represented by Managed Services is presented, because it describes Etteplan's strategy implementation and explains, in part, the changes in profitability.

Formulas for key figures

IFRS key figures

Basic earnings per share =	$\frac{(\text{Profit for the review period attributable to equity holders of the parent company}) \times 100}{\text{Issue adjusted average number of shares during the review period}}$
Diluted earnings per share =	$\frac{(\text{Profit for the review period attributable to equity holders of the parent company adjusted with dilutive effect}) \times 100}{\text{Issue adjusted average number of shares during the review period adjusted with dilutive effect}}$

Non-IFRS key figures

Operating profit (EBITA) =	Operating profit (EBIT) + amortization on fair value adjustments in acquisitions
Organic growth =	$\frac{(\text{Revenue current year} - \text{Revenue comparison year} - \text{Revenue from acquirees current year}) \times 100}{\text{Revenue comparison year}}$
Revenue growth from key accounts =	$\frac{(\text{Revenue from key accounts current year} - \text{Revenue from key accounts comparison year}) \times 100}{\text{Revenue from key accounts comparison year}}$
The share of revenue represented by Managed Services =	$\frac{\text{Revenue from Managed Services} \times 100}{\text{Revenue}}$
Return on equity (ROE), %=	$\frac{\text{Profit for the review period} \times 100}{(\text{Equity, total}) \text{ average}}$
Return on capital employed (ROCE), before taxes, %=	$\frac{(\text{Profit before taxes} + \text{Financial expenses}) \times 100}{(\text{Total equity and liabilities} - \text{non-interest bearing liabilities}) \text{ average}}$
Equity ratio, %=	$\frac{\text{Equity, total} \times 100}{\text{Total equity and liabilities} - \text{Advances received}}$
Gross investments =	Total investments made to non-current assets including acquisitions and capitalized development costs
Net gearing, %=	$\frac{(\text{Interest-bearing liabilities} - \text{Cash and cash equivalents}) \times 100}{\text{Equity, total}}$
Equity per share =	$\frac{\text{Equity, total}}{\text{Adjusted number of shares at the end of the review period}}$
Market capitalization =	Number of outstanding shares at the end of the review period x last traded share price of the review period