

# Financial Statement Release

January – December 2012

Revenue and operating profit grew clearly



ETTEPLAN OYJ FINANCIAL STATEMENT RELEASE  
FEBRUARY 14, 2013, AT 2:00 PM

## ETTEPLAN IN 2012: REVENUE AND OPERATING PROFIT GREW CLEARLY

Review period October-December 2012

- The Group's revenue grew by 6.7% and was EUR 34.9 million (10-12/2011: EUR 32.7 million).
- Operating profit decreased 6.0% and was EUR 1.9 million (EUR 2.0 million).
- The profit for the review period was EUR 1.2 million (EUR 1.4 million).
- Operating cash flow increased and was EUR 8.5 million (EUR 8.1 million).
- Earnings per share were EUR 0.06 (EUR 0.05).
- The Group had 1,776 employees at the end of the period (1,659).

Review period January-December 2012

- The Group's revenue grew by 12.6% and was EUR 134.5 million (1-12/2011: EUR 119.4 million).
- Operating profit increased by 26.6% and was EUR 8.7 million (EUR 6.9 million).
- The profit for the review period was EUR 5.6 million (EUR 4.6 million).
- Operating cash flow increased and was EUR 11.3 million (EUR 7.0 million).
- Earnings per share were EUR 0.29 (EUR 0.20).
- Etteplan acquired in March the entire share capital of Dutch-based Tedopres International B.V., a company focusing on technical product information solutions.
- The Board of Directors proposes a dividend of EUR 0.15 per share.

Outlook 2013

Market outlook

Changes in Etteplan's customers' order books quickly influence the development of Etteplan's revenue. At the end of the review period, the order books of Etteplan's major customers were, on average, at a lower level than in the corresponding period in 2011. We anticipate the demand for engineering design services in early 2013 to remain unchanged from the end of 2012 and subsequently improve towards the end of the year.

Financial guidance

We expect the revenue and operating profit for the year 2013 to grow compared to 2012. The operating profit will accumulate towards the end of the year.

## Key figures

(EUR 1 000)	10-12/2012	10-12/2011	1-12/2012	1-12/2011
Revenue	34,943	32,747	134,479	119,448
Earnings before interest, tax, depreciation and amortization and share of result of associates (EBITDA)	2,552 (7.3% )	2,426 (7.4% )	11,154 (8.3% )	8,478 (7.1% )
Operating profit (EBIT)	1,882 (5.4% )	2,003 (6.1% )	8,715 (6.5% )	6,885 (5.8% )
Basic earnings per share, EUR	0.06	0.05	0.29	0.20
Equity ratio, %	32.4	31.1	32.4	31.1
Return on capital employed (ROCE) before taxes, %	17.0	21.1	20.4	17.6
Personnel at end of the period	1,776	1,659	1,776	1,659

Juha Näkki, President and CEO of Etteplan Oyj comments the financial statement release:

Etteplan's business operations developed favorably in 2012. Our revenue and operating profit increased clearly and we achieved the highest cash flow in company's history. Our financial position strengthened and our possibilities to develop the Group further improved.

Demand for Etteplan's services was at a good level in the early part of 2012. Continued uncertainty in the markets was reflected in weaker demand later in the year, which led to growth slowing down, particularly in the fourth quarter. Faced with challenging market conditions, our customers sought to implement increasingly efficient operating models. Our service products allowed us to offer our customers substantial cost savings. As a result, our market share in global key customers grew and our revenue continued to increase also through the fourth quarter.

Our acquisition strategy is to increase company's competence. We continued to execute this strategy when we acquired the Dutch-based Tedopres International, a company specializing in technical product information solutions. With the acquisition, Etteplan now offers the leading service portfolio in its field and is among Europe's largest technical information service providers. Our innovative solutions, particularly those aimed at improving the efficiency of our customers' maintenance operations, will offer us significant growth opportunities in 2013.

The offshoring services of our Chinese units have become a well established part of Etteplan's service solutions. The appeal of offshoring services has increased under the prevailing market conditions. The ongoing changes in the Chinese labor market will have a positive effect on the development of the local market for engineering design services. We saw clear signs of this development in 2012 and, as the largest Nordic provider of engineering design services in China, we anticipate strong growth in the local market in 2013.

The demand for engineering design services in early 2013 has remained at the subdued levels seen in late 2012. Nevertheless, our business strategy is an excellent match with our customers' aim of increasing the cost-efficiency of engineering operations. For this reason, I am confident that our business will experience continued positive development in 2013.

## Accounting principles

The financial statement release has been prepared in accordance with IAS 34 (Interim Financial Reporting) standard and the preparation and accounting policies presented in the 2011 annual financial statements, but not all requirements of the IAS 34 standard for interim financial reporting have been followed in the accounting.

This financial statement release 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.

REVIEW OCTOBER-DECEMBER 2012

Business review October-December 2012

## **Operating environment**

The declining growth in the demand for engineering design services and technical product information solutions, which began in the third quarter, continued. Growth in the demand declined further in the fourth quarter. The order books of, and orders received by, Etteplan's major customers decreased in the fourth quarter, resulting in a decline in the demand for services, particularly in Sweden.

Development continued to be heterogeneous. The demand from many major global engineering industry companies showed no signs of significant decline despite in average weakened demand. New investment projects were still started at a slow pace. However, Russian projects helped maintain a relatively good level of demand for engineering design services in investment projects. Demand during the review period showed signs of increased interest for offshoring solutions as customers sought to implement new operating methods to improve cost-efficiency.

Growth in the demand for engineering design services from mining equipment and lifting and hoisting equipment manufacturers leveled out already in the third quarter but on average, the demand remained good in the fourth quarter. The demand for engineering design services in the energy and power transmission industries was at a good level. The demand for engineering design services from forest industry equipment manufacturers remained low. However, the number of requests for quotations from forest industry equipment manufacturers grew substantially at the end of the year. The demand for engineering design services from aerospace and defense equipment manufacturers remained at a good level. The demand for engineering design services from medical equipment manufacturers varied considerably between manufacturers.

The overall demand for engineering design services from the automotive industry decreased from the previous quarter. Demand for testing and analysis services requiring special expertise continued to remain satisfactory, as Volvo Cars has concentrated its product development for automobile air conditioning in Gothenburg. Etteplan is the largest service provider in the Nordic market specializing in testing air conditioning systems.

## **Business review**

Etteplan's sales to key customers increased by 6.1 per cent in the review period. In almost all key customers, a part of the engineering design services and technical product information solutions were Managed Services with higher added-value. Offshoring from Etteplan's Chinese units was part of the services provided to the majority of key customers.

Increasing economic uncertainty was reflected in the assignments that Etteplan received from the SME sector. The share of engineering design services and product information solutions delivered to the SME sector of all services provided by Etteplan continued to decrease during the review period.

Several sizeable design assignments for investment projects were completed in the period under review.

On average, the utilization rate of engineering design capacity was at a satisfactory level during the review period. Slowed demand for engineering design services and the ongoing personnel negotiations at Etteplan's units in Northern and Central Finland had a negative effect on capacity utilization. The majority of the personnel negotiations were concluded during the review period, with approximately 50 employees affected. The reductions were implemented as temporary lay-offs.

In the fourth quarter, personnel turnover remained low in Finland and slowed down in Sweden.

In December, Etteplan sold its stake in Teknogram Signal AB to MRP Dalarna AB. The sale had a minor effect on profit.

Etteplan continued the harmonization of its business processes. The supporting preparations for the implementation of the ERP system, intended to cover the operations of the entire company in 2013, were completed in the review period.

In the review period customers continued to concentrate their service purchasing to an increasingly small group of suppliers. Etteplan responded to these developments successfully by renewing several framework agreements. The company received several new assignments and customers during the review period.

During the review period, Etteplan received an assignment from Krusman Emergency Showers AB. Under the terms of the assignment, Etteplan will redesign product components and have them manufactured in China. China Supply Chain service is used in the assignment.

Etteplan concluded a five-year contract with Volvo Car Corporation in the review period, according to which Etteplan will provide a comprehensive air condition (A/C) test system facility and testing services for Volvo's next generation A/C systems.

Etteplan's Dutch company made in the review period a co-operation agreement with a global North-American aircraft manufacturer Gulfstream Aerospace Corporation for technical product information solutions. Gulfstream will introduce Etteplan's software products to ensure high quality in their technical product information production.

## Financial development October-December 2012

Etteplan's revenue in October-December 2012 grew by 6.7 per cent and stood at EUR 34.9 million (10-12/2011: EUR 32.7 million). Organic growth was 0.9 per cent. The slower growth in revenue was due to declining growth in demand. The quarter had fewer working days than the comparison period 10-12/2011, which affected organic growth.

The operating profit was EUR 1.9 million (10-12/2011: EUR 2.0 million). The operating profit was affected by a decrease in the utilization rate of engineering design capacity.

Operating cash flow increased and was EUR 8.5 million (10-12/2011: EUR 8.1 million). The improvement in cash flow was affected by certain payments being moved from the third quarter to the final quarter of the year.

## REVIEW JANUARY-DECEMBER 2012

### Business review January-December 2012

#### **Operating environment**

Engineering design is a late-cycle industry, and within the cycle, there is variation owing to the diverse nature of Etteplan's client industries. Due to the late-cycle nature of the industry, the average demand for engineering design services and technical product information solutions remained at a good level, although the growth of the export sector slowed down gradually. The value of the order backlog of technology industry companies at the end of September 2012 was 10 per cent lower than at the same time in 2011 (The Federation of Finnish Technology Industries: Situation and Outlook 4/2012). The growth of industrial exports in Sweden has been slowing since summer 2011 (The Swedish Federation of Consulting Engineers and Architects: Sector Review December 2012). The growth of demand for engineering design services declined during the latter half of 2012 as a result of the slower growth of the world economy. The growing trend in the demand for engineering design services and technical product information solutions leveled out during the last quarter of the year. The level of demand in engineering design services and technical product information remained clearly below that of 2008, when it was at its height preceding the financial crisis.

Although the overall growth in demand for engineering design services declined at the year-end, on average the demand was kept at a good level in 2012 by mining equipment manufacturers, energy and power transmission industry customers, lifting and hoisting equipment manufacturers and the aerospace and defense industry. The demand for engineering design services in the paper machine industry remained low for the second year running. Investment projects were slow to take off partly because of the unfavorable development of raw material prices, which resulted in weak demand for engineering design services in the steel industry.

The demand for expert services in air conditioning technology and motor testing and optimization in the automotive industry remained good, although the overall demand from the automotive industry did not entirely recover from the low level of 2011. The Nordic markets in motor testing and optimization are not highly competitive, as the number of players is small.

Financial uncertainty was reflected in the demand for engineering design services from medical technology manufacturers and varied from one manufacturer to another.

The rise in energy prices in 2012 had a notable impact on engineering design. An increasing number of assignments were related to energy-saving methods and improved energy-efficiency.

As in previous years, engineering companies have continued to move their operations to emerging markets, which led to an increase in the demand for engineering design services in low-cost countries such as China, India and Eastern European countries.

The most significant changes in the Chinese market are related to regulatory changes in the labor market and the formation of the service purchasing culture. In addition to the tightening of labor market regulations, the emergence of new service culture is also affected by the aim of Chinese machine and equipment manufacturers to produce goods that meet Western quality standards. These changes give rise to new demand for engineering design companies operating in the Chinese market.

In 2012 new investment projects were started at a slow pace. However, Russian investment projects helped maintain a relatively good level of demand for engineering design services.

## **Business review**

The growth of Etteplan's key customers in 2012 was in line with the company's objective. Sales to key customers grew by 12.9 per cent.

The proportion of total revenue represented by Managed Services assignments with higher added value increased during the period as Etteplan implemented a new operating model focused on higher added value services. The share of business operations represented by Managed Services increased particularly in Finland, and was over one fifth of revenue. Customers purchasing Managed Services achieved significant cost savings and Etteplan's utilization rate of engineering design capacity was higher for Managed Services than for the company's operations on average. The move from resource hiring, typical for the engineering design industry, towards higher added value services was slower than expected in Etteplan's Swedish business operations. The first assignments based on service products in the Swedish market commenced later in the year.

In early March, Etteplan continued its investments in technical product information methods and expanded its operations in Europe by acquiring Tedopres International B.V. The acquisition makes Etteplan one of the largest and most progressive technical product information companies in Europe. The rapid integration of operations and the technical product information methods improving cost efficiency strengthened Etteplan's market position.

The latter half of 2012 saw the commencement of several technical product information assignments in Finland and China using the technical product information methods developed by Tedopres.

The turnover of personnel burdened the Swedish operations in 2012.

## Revenue

Etteplan's revenue grew by 12.6 per cent and was EUR 134.5 million (1-12/2011: EUR 119.4 million). Organic growth was 7.5 per cent. The factors contributing to the growth in revenue include strong demand for engineering design services and technical product information solutions as well as Etteplan's strong market position. The increase in revenue was also due to Etteplan's global customer base. Revenue from product design services aimed at customers' emerging markets increased well. The prevailing uncertainty in the markets late in the review period had a negative effect on Etteplan's growth in revenue, particularly in Sweden.

Etteplan's business is subject to periodic fluctuation. The periodic fluctuation is affected by holiday seasons and the timing of product development and investment projects in customer companies, mainly at the beginning of the year as well as in the fall. The revenue in the third quarter is typically lower than that of other quarters. Etteplan's revenue in the third quarter developed steadily when compared with normal periodic fluctuation. Taking periodic fluctuation into account, development in the fourth quarter was weaker than normal due to the decreasing growth in demand for engineering design services late in the year.

## Result

Etteplan's operating profit grew by 26.6 per cent and was EUR 8.7 million (1-12/2011: EUR 6.9 million). The transfer to higher added value services had a positive impact on operating profit. Higher added value services generally involve continued engineering design services with a higher utilization rate of engineering design capacity than in other business operations. The operational costs increased by 11.2 per cent as a result of growth in operations. The operating profit percentage improved year-on-year and was 6.5 per cent (5.8 per cent). Earnings before interest, tax, depreciation and amortization and share of result of associates (EBITDA) improved and amounted to EUR 11.2 million (EUR 8.5 million). EBITDA increased more than the operating profit due to the amortization of intangible assets related to the acquisition of Tedopres International B.V.

Financial expenses were EUR 1.2 million (1-12/2011: EUR 0.9 million).

Taxes in the income statement amounted to 25.9 per cent (1-12/2011: 27.2 per cent) calculated of the result before taxes. The amount of taxes was EUR 2.0 million (EUR 1.7 million).

Profit before taxes for the review period was EUR 7.5 million (1-12/2011: EUR 6.3 million). Earnings per share were EUR 0.29 (EUR 0.20). Equity per share was EUR 1.27 (1.04). Return on capital employed (ROCE) before taxes was 20.4 per cent (17.6 per cent).

The profit for the review period was EUR 5.6 million (1-12/2011: EUR 4.6 million).

## Financial position and cash flow

Total assets on December 31, 2012 were EUR 76.4 million (December 31, 2011: EUR 65.6 million). Goodwill on the balance sheet was EUR 39.9 million (December 31, 2011: EUR 36.3 million). The increase in goodwill results from the acquisition of Tedopres International B.V. and from changes in currency rates. Goodwill resulting from the acquisition of Tedopres amounts to EUR 2.7 million.

The Group's cash and cash equivalents stood at EUR 5.4 million (December 31, 2011: EUR 3.0 million). The Group's financial liabilities amounted to EUR 20.9 million (December 31, 2011: EUR 20.2 million) at the end of the review period. The total of unused short-term credit facilities stands at EUR 12.3 million (December 31, 2011: EUR 11.8 million).

The equity ratio was 32.4 per cent (December 31, 2011: 31.1 per cent) and was influenced by the acquisition made in the first quarter. Operating cash flow reached a record level for the company at EUR 11.3 million (1-12/2011: EUR 7.0 million). Cash flow after investments was EUR 5.7 million (1-12/2011: EUR 3.8 million). Cash flow was enhanced by the improved processing and sales of sales receivables.

## Capital expenditures

The Group's gross investments during the review period were EUR 9.5 million (1-12/2011: EUR 3.2 million). The investments mainly consisted of the acquisition and license fees for design applications.

## Changes in management

In the beginning of May, Etteplan announced the appointment of Robert Berg as the Senior Vice President, Solutions and Business Development of the Etteplan Group and a member of Etteplan Oyj's management group as of August 1, 2012. Robert Berg came to Etteplan from Laird Technologies, where he has held the position of Vice President, Accounts & Business Development.

## Personnel

The Group employed 1,756 (1-12/2011: 1,625) people on average during the review period and 1,776 (December 31, 2011: 1,659) at the end of the review period. At the end of the review period, 682 people (December 31, 2011: 640) were employed by the Group abroad.

## Incentive plan for key personnel

The Board of Directors of Etteplan Oyj decided on a new share-based incentive plan for the Group's 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. 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).

During the earning period 2011, 16 people belonged to the target group of the plan. The earnings criteria of the earning period 2011 were the Etteplan Group's operating profit (EBIT) and revenue. The Board of Directors of Etteplan Oyj has in its meeting, on February 14, 2012, made a resolution that there will be no transfer of company-held shares for the 2011 earnings period.

At a meeting held on February 14, 2013, the Board of Directors of Etteplan Oyj decided to transfer company-held shares under an authorization given to the Board of Directors by the Annual General Meeting of March 30, 2012. According to the resolution of the Board of Directors, Etteplan Oyj will transfer 9,752 company-held shares to the 17 employees included in the incentive plan for key personnel as a reward for the 2012 earnings period. The shares will be transferred on April 30, 2013. In addition, the company will pay the key personnel concerned a cash component corresponding to the taxes and tax-like charges incurred as a result of the reward. The earnings criteria for the 2012 earnings period was Etteplan Group's operating profit (EBIT).

## Annual General Meeting

The Annual General Meeting of Shareholders of Etteplan Oyj was held at the premises of the Company in Vantaa on March 30, 2012. 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 2011 and discharged the 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 the 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 unrestricted equity.

The authorization is valid for 18 months from the date of the resolution of the Annual General Meeting starting on March 30, 2012 and ending on September 29, 2013. The authorization replaces the corresponding previous authorization. The Board has not exercised this authorization.

## Dividend

The Annual General Meeting on March 30, 2012 passed a resolution, in accordance with the proposal of the Board of Directors, that a dividend of EUR 0.10 per share be paid for the financial year 2011. The remaining funds shall be left to the unrestricted equity. The dividend was 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 4, 2012. The dividend was paid on April 13, 2012.

## Shares

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

The company's share capital on December 31, 2012 was EUR 5,000,000.00, and the total number of shares was 20,179,414. There were no changes in the share capital during the reporting period January 1-December 31, 2012. The company has one series of shares. All shares confer an equal right to a dividend and the company's funds.

The Annual General Meeting on March 24, 2010 granted the Board of Directors the authorization to decide upon an issue of no more than 4,000,000 shares with a share issue or by granting option rights or other specific rights, referred to in Chapter 10, Article 1 of the Companies Act, giving entitlement to shares in one or more lots. The authorization includes the right to decide to issue either new shares or company-held shares. The authorization is valid for five years from the time of the Annual General Meeting resolution – i.e. from March 24, 2010 through March 24, 2015. The authorization replaces the previous authorization. The Board has not exercised this authorization.

The company held 471,302 of its own shares on December 31, 2012, which corresponds 2.34 per cent of all shares and voting rights (December 31, 2011: 471,302). During the period under review, the company did not acquire nor transfer any company-held shares.

The number of Etteplan Oyj shares traded during the review period was 3,157,555, to a total value of EUR 8.0 million. The share price low was EUR 2.20, the high EUR 2.93, the average EUR 2.52, and the closing price EUR 2.68. Market capitalization on December 31, 2012 was EUR 52.8 million.

On December 31, 2012, the members of the company's Board of Directors and the President and CEO owned a total of 1,596,320 shares, or 7.91 per cent of the total share base.

Etteplan Oyj has qualified to the OMX GES Sustainability Finland index. The index is calculated by NASDAQ OMX in cooperation with GES Investment Services and is a benchmark index which comprises the 40 leading NASDAQ OMX Helsinki listed companies in terms of sustainability.

## Flaggings

In accordance with the Securities Markets Act, Chapter 2, Article 10, Etteplan Oyj issued two notifications of changes in shareholding during the financial year.

Ingman Group Oy Ab's share capital in Etteplan Oyj's share capital and voting rights exceeded 20% through a trade completed on March 15, 2012.

Ingman Group Oy Ab's share capital in Etteplan Oyj's share capital and voting rights exceeded 25 % level through trades completed on November 23, 2012.

## Operating risks and uncertainty factors

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

In 2011, Etteplan carried out a comprehensive risk assessment and developed a risk management system.

Etteplan's risk management review will be included in the 2012 Annual Report published in week 10/2013.

## Operating risks and uncertainty factors in the review period

The uncertainty caused by the general economic development increased in the latter half of 2012. The increase in economic uncertainty was reflected in weaker demand for engineering design services and technical product information.

The company's operations are based on skilled staff. The availability of competent professionals is an important factor for ensuring profitable growth and operations. During the review period, increased difficulties in obtaining professional staff in Sweden was an elevated business risk that materialized and burdened the revenue and operating profit in 2012.

## Estimate of operating risks and uncertainty factors in the near future

The uncertainty caused by the general economic development continues to be a risk for Etteplan's business operations. The possibility of unseen changes in customer operations continues to cause an increased risk for 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 company expects the risk to remain in Sweden in early 2013 at previous year's level.

Operating risks in early 2013 will remain at the elevated levels seen in late 2012.

## Outlook 2013

### Market outlook

Changes in Etteplan's customers' order books quickly influence the development of Etteplan's revenue. At the end of the review period, the order books of Etteplan's major customers were, on average, at a lower level than in the corresponding period in 2011. We anticipate the demand for engineering design services in early 2013 to remain unchanged from the end of 2012 and subsequently improve towards the end of the year.

### Financial guidance

We expect the revenue and operating profit for the year 2013 to grow compared to 2012. The operating profit will accumulate towards the end of the year.

## The Board's proposal for distribution of 2012 profits

The parent company's distributable shareholders' equity according to the balance sheet on December 31, 2012, is EUR 13,171,781.75.

The Board of Directors will propose to the Annual General Meeting, which will convene on March 27, 2013, that on the dividend payout date a dividend of EUR 0.15 per share be paid on the company's externally owned shares, for a total amount of EUR 3,026,912.10 at most, and that the remaining profit be transferred to retained earnings. It is the Board's opinion that the proposed distribution of dividends will not endanger the company's solvency. In accordance with the Board's proposal, the record date for the dividend payout is April 3, 2013, and the date of dividend payout is April 10, 2013.

## Financial information in 2013

Etteplan Oyj's interim reports will be published as follows:

First quarter results, 3 months	Friday, May 3, 2013
Second quarter results, 6 months	Thursday August 15, 2013
Third quarter results, 9 months	Wednesday October 30, 2013

## Annual General Meeting 2013

Etteplan Oyj's 2013 Annual General Meeting will be held in Vantaa, Finland, on March 27, 2013, starting at 1 p.m. Summons to the AGM will be published as a separate release.

Hollola, February 14, 2013

Etteplan Oyj

Board of Directors

Additional information:

Juha Näkki, President and CEO, tel. +358 400 606 372

## 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

The information presented herein has not been audited.

Releases and other corporate information are available on Etteplan's Web site at [www.etteplan.com](http://www.etteplan.com).

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1 000)	10-12/2012	10-12/2011	1-12/2012	1-12/2011
<b>Revenue</b>	<b>34 943</b>	<b>32 747</b>	<b>134 479</b>	<b>119 448</b>
Other operating income	269	131	512	347
Materials and services	-3 050	-2 651	-10 935	-8 465
Staff costs	-24 474	-22 864	-92 696	-84 550
Other operating expenses	-5 136	-4 937	-20 207	-18 302
Depreciation and amortization	-670	-424	-2 439	-1 593
<b>Operating profit (EBIT)</b>	<b>1 882</b>	<b>2 003</b>	<b>8 715</b>	<b>6 885</b>
Financial income	44	168	180	304
Financial expenses	-238	-228	-1 226	-866
Share of the result of associates	-92	-10	-127	24
Profit before taxes	1 597	1 932	7 542	6 347
Income taxes	-407	-508	-1 957	-1 724
<b>Profit for the financial year</b>	<b>1 190</b>	<b>1 424</b>	<b>5 585</b>	<b>4 623</b>
<b>Other comprehensive income</b>				
Foreign subsidiary net investment hedges	110	-225	-279	-148
Currency translation differences	-424	900	1 039	-28
Change in fair value of investments available-for-sale	0	12	10	1
Other comprehensive income, net of tax	-314	687	770	-175
<b>Total comprehensive income for the year</b>	<b>876</b>	<b>2 111</b>	<b>6 355</b>	<b>4 448</b>
<b>Income attributable to</b>				
Equity holders of the parent company	1 221	1 430	5 767	4 660
Non-controlling interest	-31	-6	-182	-37
	1 190	1 424	5 585	4 623
<b>Total comprehensive income attributable to</b>				
Equity holders of the parent company	902	2 117	6 533	4 500
Non-controlling interest	-26	-6	-179	-52
	876	2 111	6 355	4 448
Earnings per share calculated from the result attributable to equity holders of the parent company				
Basic earnings per share, EUR	0,06	0,05	0,29	0,20
Diluted earnings per share, EUR	0,06	0,05	0,29	0,20

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR 1 000)	31.12.2012	31.12.2011
<b>ASSETS</b>		
<b>Non-current assets</b>		
Tangible assets	1 755	1 685
Goodwill	39 930	36 331
Other intangible assets	6 546	1 394
Shares in associated companies	83	331
Investments available-for-sale	604	593
Other long-term receivables	0	4
Deferred tax assets	13	164
<b>Non-current assets, total</b>	<b>48 931</b>	<b>40 503</b>
<b>Current assets</b>		
Trade and other receivables	22 035	22 028
Cash and cash equivalents	5 402	3 023
<b>Current assets, total</b>	<b>27 438</b>	<b>25 051</b>
<b>TOTAL ASSETS</b>	<b>76 369</b>	<b>65 554</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital attributable to equity holders of the parent company</b>		
Share capital	5 000	5 000
Share premium account	6 701	6 701
Unrestricted equity fund	2 584	2 584
Own shares	-1 936	-1 958
Cumulative translation adjustment	661	-96
Other reserves	151	140
Retained earnings	6 123	3 433
Profit for the financial year	5 767	4 660
Capital attributable to equity holders of the parent company, total	25 051	20 466
Non-controlling interest	-373	-195
<b>Equity, total</b>	<b>24 678</b>	<b>20 271</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1 179	237
Financial liabilities	13 243	13 429
Other non-current liabilities	3 224	0
<b>Non-current liabilities, total</b>	<b>17 646</b>	<b>13 667</b>
<b>Current liabilities</b>		
Financial liabilities	7 665	6 811
Trade and other payables	25 380	24 337
Current income tax liabilities	1 000	467
<b>Current liabilities, total</b>	<b>34 045</b>	<b>31 615</b>
<b>Liabilities, total</b>	<b>51 691</b>	<b>45 282</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>76 369</b>	<b>65 554</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

<b>(EUR 1 000)</b>	<b>1-12/2012</b>	<b>1-12/2011</b>
<b>Operating cash flow</b>		
Cash receipts from customers	139 835	120 629
Operating expenses paid	-125 858	-110 548
Operating cash flow before financial items and taxes	13 977	10 081
Interest and payment paid for financial expenses	-1 044	-1 758
Interest received	79	83
Income taxes paid	-1 674	-1 374
<b>Operating cash flow (A)</b>	<b>11 339</b>	<b>7 032</b>
<b>Investing cash flow</b>		
Purchase of tangible and intangible assets	-1 543	-245
Acquisition of subsidiaries	-4 615	-2 981
Disposal of associates	229	0
Proceeds from sale of tangible and intangible assets	23	22
Loan receivables, decrease	299	1
Proceeds from sale of investments	13	0
<b>Investing cash flow (B)</b>	<b>-5 593</b>	<b>-3 203</b>
<b>Cash flow after investments (A+B)</b>	<b>5 745</b>	<b>3 829</b>
<b>Financing cash flow</b>		
Short-term loans, increase	756	951
Short-term loans, decrease	-5 015	0
Long-term loans, increase	4 000	10 147
Long-term loans, decrease	0	-4 187
Hybrid loan, decrease	0	-10 000
Payment of finance lease liabilities	-1 043	-811
Dividend paid and other profit distribution	-1 971	-1 971
<b>Financing cash flow (C)</b>	<b>-3 273</b>	<b>-5 871</b>
<b>Variation in cash (A+B+C) increase (+) / decrease (-)</b>	<b>2 472</b>	<b>-2 042</b>
Assets in the beginning of the period	3 023	5 017
Exchange gains or losses on cash and cash equivalents	-93	48
Assets at the end of the period	5 402	3 023

## 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 interest
- J) Equity total

(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
<b>Equity 1.1.2011</b>	<b>5 000</b>	<b>6 701</b>	<b>2 584</b>	<b>10 139</b>	<b>-1 958</b>	<b>63</b>	<b>6 734</b>	<b>29 264</b>	<b>101</b>	<b>29 365</b>
<b>Comprehensive income</b>										
Profit for the financial year	0	0	0	0	0	0	4 660	4 660	-37	4 623
Fair value reserve available-for-sale assets	0	0	0	1	0	0	0	1	0	1
Foreign subsidiary net investment hedges	0	0	0	0	0	-148	0	-148	0	-148
Cumulative translation adjustment	0	0	0	0	0	-11	-3	-14	-14	-28
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>-159</b>	<b>4 657</b>	<b>4 500</b>	<b>-52</b>	<b>4 448</b>
<b>Transactions with owners</b>										
Dividends	0	0	0	0	0	0	-1 971	-1 971	0	-1 971
Hybrid loan	0	0	0	-10 000	0	0	-713	-10 713	0	-10 713
Changes in ownership	0	0	0	0	0	0	-614	-614	-244	-858
<b>Transactions with owners, total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-10 000</b>	<b>0</b>	<b>0</b>	<b>-3 298</b>	<b>-13 298</b>	<b>-244</b>	<b>-13 542</b>
<b>Equity 31.12.2011</b>	<b>5 000</b>	<b>6 701</b>	<b>2 584</b>	<b>140</b>	<b>-1 958</b>	<b>-96</b>	<b>8 093</b>	<b>20 466</b>	<b>-195</b>	<b>20 271</b>

(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
<b>Equity 1.1.2012</b>	<b>5 000</b>	<b>6 701</b>	<b>2 584</b>	<b>140</b>	<b>-1 958</b>	<b>-96</b>	<b>8 093</b>	<b>20 466</b>	<b>-195</b>	<b>20 271</b>
<b>Comprehensive income</b>										
Profit for the financial year	0	0	0	0	0	0	5 767	5 767	-182	5 585
Fair value reserve available-for-sale assets	0	0	0	10	0	0	0	10	0	10
Foreign subsidiary net investment hedges	0	0	0	0	0	-279	0	-279	0	-279
Cumulative translation adjustment	0	0	0	0	0	1 036	0	1 036	3	1 039
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>756</b>	<b>5 767</b>	<b>6 534</b>	<b>-179</b>	<b>6 355</b>
<b>Transactions with owners</b>										
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
<b>Transactions with owners, total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>-1 971</b>	<b>-1 948</b>	<b>0</b>	<b>-1 948</b>
<b>Equity 31.12.2012</b>	<b>5 000</b>	<b>6 701</b>	<b>2 584</b>	<b>150</b>	<b>-1 936</b>	<b>660</b>	<b>11 889</b>	<b>25 051</b>	<b>-374</b>	<b>24 678</b>

## NOTES TO THE FINANCIAL STATEMENT RELEASE

### 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. Etteplan's engineering expertise and service products cover the entire life cycle of the client's products. Our customers are global leaders in their fields and operate in areas like the automotive, aerospace and defense 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 2012, Etteplan had turnover of EUR 134.5 million. The company currently has close to 1,800 experts in Finland, Sweden, China and the Netherlands. Etteplan's shares are listed on NASDAQ OMX Helsinki Ltd under the ETT1V ticker.

The Etteplan Oyj Board of Directors approved the financial statement release for publication at its meeting of February 14, 2013.

### Basis for preparation

The financial statement release 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, but not all requirements of the IAS 34 standard for interim financial reporting have been followed in the accounting.

Monetary figures in the financial statement release 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 financial statement release the accounting principles used were the same as for the 2011 annual financial statements. The annual financial statements are available at <http://www.etteplan.com/investors/annual-and-interim-reports/2012.aspx> and the accounting policy is detailed on pages 38-44 of the annual report 2011. Formulas for the key figures are detailed at the end of this financial statement release.

### Use of estimates

This financial statement 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 financial statement.

### 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 26.0% (26.9%).

### Risks

Etteplan's financial results are exposed to number of strategic, operational and financial risks. Etteplan's risk management review will be included in the 2012 Annual Report published in week 10/2013. A detailed financial risk analysis can be found in Etteplan's annual report 2011 on page 44.

## KEY FIGURES

(EUR 1 000)	1-12/2012	1-12/2011	Change to prev. year
Revenue	134 479	119 448	12,6 %
Earnings before interest, tax, depreciation and amortization and share of result of associates (EBITDA)	11 154	8 478	31,6 %
EBITDA, %	8,3	7,1	
Operating profit (EBIT)	8 715	6 885	26,6 %
EBIT, %	6,5	5,8	
Profit before taxes	7 542	6 347	18,8 %
Profit before taxes, %	5,6	5,3	
Return on equity, %	24,8	18,6	
Return on capital employed (ROCE) before taxes, %	20,4	17,6	
Equity ratio, %	32,4	31,1	
Gross interest-bearing debt	20 909	20 240	3,3 %
Net gearing, %	62,8	84,9	
Balance sheet, total	76 369	65 554	16,5 %
Gross investments	9 508	3 221	195,2 %
Earnings per share, EUR	0,29	0,20 *	45,0 %
Diluted earnings per share, EUR	0,29	0,20 *	45,0 %
Equity per share, EUR	1,27	1,04	22,1 %
Personnel, average	1 756	1 625	8,1 %
Personnel at end of the period	1 776	1 659	7,1 %

\*Includes hybrid loan interest

## REVENUE AND OPERATING PROFIT (EBIT) QUARTERLY

(EUR 1 000)	1-3/2012	4-6/2012	7-9/2012	10-12/2012
Revenue	35 626	35 002	28 909	34 943
Operating profit (EBIT)	2 609	2 353	1 871	1 882
% of revenue	7,3	6,7	6,5	5,4

## RESERVES

(EUR 1 000)	Reorganization provision
Reserves 1.1.2012	0
<b>Reserves 31.12.2012</b>	<b>0</b>
Reserves 1.1.2011	106
Unused amount reversed	-106
<b>Reserves 31.12.2011</b>	<b>0</b>

## FORMULAS FOR THE KEY FIGURES

### Return on equity (ROE)

$$\frac{(\text{Profit before taxes and non-controlling interest} - \text{taxes}) \times 100}{(\text{Shareholders' equity} + \text{minority interest}) \text{ average}}$$

### Return on capital employed (ROCE), before taxes

$$\frac{(\text{Profit before taxes and non-controlling interest} + \text{interest and other financial expenses}) \times 100}{(\text{Balance sheet total} - \text{non-interest bearing debts}) \text{ average}}$$

### Equity ratio, %

$$\frac{(\text{Shareholders' equity} + \text{non-controlling interest}) \times 100}{\text{Balance sheet total} - \text{advances received}}$$

### Net gearing, %

$$\frac{(\text{Interest-bearing debts} - \text{cash and cash equivalents and marketable securities}) \times 100}{\text{Shareholders' equity} + \text{non-controlling interest}}$$

### Earnings per share

$$\frac{(\text{Profit before taxes and non-controlling interest} - \text{taxes} - \text{non-controlling interest} - \text{hybrid loan interest adjusted with tax effect})}{\text{Average number of shares during the financial year}}$$

### Equity per share

$$\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares at the end of the financial year}}$$