



## STOCK EXCHANGE RELEASE

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**EB, ELEKTROBIT CORPORATION, INTERIM REPORT, JANUARY-JUNE 2011**

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### **OPERATING RESULT OF THE SECOND QUARTER IMPROVED COMPARED TO THE FIRST QUARTER. 1H 2011 OPERATING RESULT WAS NEGATIVE AS EXPECTED.**

#### SUMMARY 2Q 2011

- Net sales for the period amounted to EUR 39.7 million (EUR 44.7 million, 2Q 2010), representing a decrease of 11.2 % year-on-year. Net sales of the Automotive Business Segment grew to EUR 22.7 million (EUR 18.6 million, 2Q 2010), representing a 22.2% growth year-on-year. The Wireless Business Segment's net sales fell by 33.9% to EUR 17.1 million (EUR 25.9 million, 2Q 2010). The main reason for the decrease in net sales of the Wireless Business Segment was significantly lower volume in the satellite terminal business.
- Operating loss was EUR -0.5 million (EUR 0.1 million, 2Q 2010). Operating loss of the Automotive Business Segment was EUR -0.5 million (EUR -0.2 million, 2Q 2010). The Wireless Business Segment's operating profit was EUR 0.1 million (EUR 0.3 million, 2Q 2010). Operating result from Wireless Business Segment improved clearly compared to the first quarter of 2011 (EUR -4.6 million, 1Q 2011) due to the increased net sales and cost saving actions.
- EBITDA was EUR 2.2 million (EUR 2.3 million, 2Q 2010).
- Cash flow from operating activities was EUR 3.4 million (EUR -4.5 million, 2Q 2010). The net cash flow was EUR -0.3 million (EUR -7.1 million, 2Q 2010).
- Earnings per share were EUR -0.01 (EUR -0.01, 2Q 2010).

#### SUMMARY 1H 2011

- Net sales of the period amounted to EUR 76.1 million (EUR 86.2 million, 1H 2010), representing a decrease of 11.7 % year-on-year. Net sales of the Automotive Business Segment grew to EUR 46.3 million (EUR 37.1 million, 1H 2010), representing a 24.8 % growth year-on-year. The Wireless Business Segment's net sales fell by 38.7 % to EUR 29.8 million (EUR 48.7 million, 1H 2010).
- Operating loss was EUR -4.4 million (EUR 1.8 million, 1H 2010). The main reason for the decrease in the operating result was the Wireless Business Segment's operating loss during the first quarter of 2011. The operating profit of Automotive Business Segment was EUR 0.1 million (EUR 0.7 million, 1H 2010) and the operating loss of Wireless Business Segment was EUR -4.5 million (EUR 1.3 million, 1H 2010).
- EBITDA was EUR 0.6 million (EUR 6.1 million, 1H 2010)
- Cash flow from operating activities was EUR 4.8 million (EUR 6.1 million, 1H 2010). The net cash flow was EUR -2.7 million (EUR 0.9 million, 1H 2010).



- Cash and other liquid assets totaled EUR 17.8 million (EUR 60.0 million, 1H 2010). The decrease was mainly due to the distribution of EUR 25.9 million from the share premium fund on September 2, 2010.
- Equity ratio remained strong at 64.9% (55.4%, 1H 2010).
- Earnings per share were EUR -0.04 (EUR -0.01, 1H 2010).
- Earlier on October 19, 2010, EB's customer TerreStar Networks Inc. filed for voluntary petition for reorganization, and its parent company TerreStar Corporation filed for voluntary petition for reorganization on February 16, 2011. Under the review period there were no changes in valuation in EB's receivables from these companies.
- EB lowered the profit guidance for the first half of 2011 on March 29, 2011. EB expected a clearly negative operating result for the first half of 2011. Earlier in the Financial Statement Bulletin on February 17, 2011, EB announced for the first half of 2011 that it expected operating result to be lower than in the first half of 2010 (EUR 1.8 million). The main reason for the revised profit outlook was a lowered revenue forecast in the Wireless Business Segment due to slower than expected order book development in the new satellite communication service solutions and due to increased competition in the area of smart phones related R&D services.

EB'S CEO JUKKA HARJU:

"During the second quarter EB's operating result continued to improve quarterly after the decrease in the volume of the satellite terminal business during the third quarter 2010. The operating result of the first half of 2011 was clearly negative as expected mainly due to the operating loss of Wireless Business Segment in the first quarter of 2011.

Wireless Business Segment developed well during the second quarter. Its net sales grew clearly from the first quarter, and its operating result was positive.

The demand for EB's services and products in the Automotive Business Segment continued strong. During the second quarter the net sales grew by 22.2 % year-on-year and was at the same level as during the first quarter. Automotive Business Segment's operating result from the second quarter was slightly negative.

Improving the profitability remains our main short term objective. The continuing growth in demand in the Automotive Business Segment and the strengthened overall demand in Wireless Business Segment create a good potential for that during the second half of 2011."



## OUTLOOK FOR THE SECOND HALF OF 2011

The demand for software products and services is estimated to grow in the automotive industry and EB's net sales is expected to increase in the Automotive Business Segment. Due to the strengthened demand, the net sales of EB's Wireless Business Segment is expected grow.

EB expects for the second half of 2011 that net sales will be higher than in the second half of 2010 (EUR 75.6 million) and that the operating result will be positive (operating loss of EUR – 19.2 million, 2H 2010). Due to the cyclical nature of the EB's business and due to the holiday period during the third quarter, the net sales and operating result in the third quarter are expected to be lower than in the fourth quarter of 2011.

The profit outlook for the second half of 2011 is based on the assumption that there will be no further bookings of impairments of EB's accounts receivable from TerreStar Networks Inc. and TerreStar Corporation. It is possible that, based on later information related to reorganizations of TerreStar Networks and TerreStar Corporation, this outlook may need to be reconsidered. Due to the uncertainties related to the outcome of reorganization processes of TerreStar Networks and TerreStar Corporation, the credit risk may still grow during the second half of 2011. More specific market outlook is presented under the "Business Segments' development during April-June 2011 and market outlook" section, and uncertainties regarding the filings for reorganization of TerreStar Networks and TerreStar Corporation, the amount of receivables and collecting the receivables as well as other uncertainties regarding the outlook under "Risks and Uncertainties" section.

Information on TerreStar Networks' and TerreStar Corporation's reorganizations are presented in the October 20 and 25, November 20, December 30, 2010, and February 17, 2011, stock exchange releases as well as in EB's interim reports and financial statement at [www.elektrobit.com](http://www.elektrobit.com).

## INVITATION TO A PRESS CONFERENCE

EB will hold a press conference on the January-June interim report 2011 for media, analysts and institutional investors in Finland, Oulu, Tutkijantie 8, meeting room 1 on Friday, August 5, 2011, at 11.00 a.m. (CEST+1). The conference will also be held as a conference call and the presentation will be shown simultaneously in the Internet through WebEx. The conference will be held in English. For more information on joining the conference please go to [www.elektrobit.com/investors](http://www.elektrobit.com/investors).

### **EB, Elektrobit Corporation**

EB creates advanced technology and turns it into enriching end-user experiences. EB is specialized in demanding embedded software and hardware solutions for wireless and automotive industries. The net sales for the year 2010 totaled MEUR 161.8. Elektrobit Corporation is listed on NASDAQ OMX Helsinki. [www.elektrobit.com](http://www.elektrobit.com)

**EB, ELEKTROBIT CORPORATION, INTERIM REPORT, JANUARY-JUNE 2011****FINANCIAL PERFORMANCE DURING JANUARY-JUNE 2011**

(Corresponding figures are for January-June 2010 unless otherwise indicated)

EB's net sales during January-June 2011 declined by 11.7 per cent to EUR 76.1 million (EUR 86.2 million). Operating loss was EUR -4.4 million (EUR 1.8 million).

Net sales of the Automotive Business Segment grew to EUR 46.3 million (EUR 37.1 million), representing a 24.8% growth year-on-year. The operating profit for the Automotive Business Segment was EUR 0.1 million (EUR 0.7 million). The operating result of the Automotive Business Segment was lower than anticipated due the lower than expected operating result during the second quarter.

The Wireless Business Segment's net sales in January-June 2011 fell by 38.7% year-on-year to EUR 29.8 million (EUR 48.7 million). The operating loss was EUR -4.5 million (EUR 1.3 million). The main reason for the decrease in net sales of the Wireless Business Segment was significantly lower volume in the satellite terminal business.

The total R&D investments during the reporting period grew to EUR 12.3 million (EUR 10.1 million), representing 16.1 % of the net sales (11.7 %). EUR 3.2 million of R&D investments were capitalized (EUR 1.7 million).

<b>CONSOLIDATED INCOME STATEMENT (MEUR)</b>	<b>1-6 2011</b>	<b>1-6 2010</b>
	<b>6 months</b>	<b>6 months</b>
NET SALES	76.1	86.2
OPERATING PROFIT (LOSS)	-4.4	1.8
Financial income and expenses	-0.7	-1.8
RESULT BEFORE TAX	-5.1	0.0
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-5.1	-1.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-5.3	0.6
Result for the period attributable to:		
Equity holders of the parent	-5.3	-1.5
Non-controlling interests	0.1	0.3
Total comprehensive income for the period attributable to:		
Equity holder of the parent	-5.4	0.3
Non-controlling interests	0.1	0.3
Earnings per share EUR continuing operations	-0.04	-0.01



- Cash flow from operating activities was EUR 4.8 million (EUR 6.1 million).
- Equity ratio was 64.9% (55.4%).
- Net gearing was -10.4% (-50.7%).

#### QUARTERLY FIGURES

The distribution of the Group's overall net sales and profit, MEUR:

	2Q 11	1Q11	4Q10	3Q10	2Q10
Net sales	39.7	36.5	41.8	33.7	44.7
Operating profit (loss)	-0.5	-3.9	-7.7	-11.5	0.1
Operating profit (loss) without non-recurring costs	-0.5	-3.9	-3.2	-3.2	0.1
Result before taxes	-0.8	-4.3	-8.0	-10.6	-0.7
Result for the period	-0.8	-4.3	-5.4	-9.0	-0.9

Non-recurring items are exceptional gains and costs that are not related to normal business operations and occur only seldom. These items include capital gains or losses, significant changes in asset values such as write-downs or reversals of write-downs, significant restructuring costs, or other items that the management considers to be non-recurring. When evaluating a non-recurring item, the euro translation value of the item is considered, and in case of a change in an asset value, it is measured against the total value of the asset.

The distribution of net sales by Business Segments, MEUR:

	2Q 11	1Q11	4Q10	3Q10	2Q10
Automotive	22.7	23.6	23.1	19.9	18.6
Wireless	17.1	12.7	18.6	13.7	25.9
Corporation total	39.7	36.5	41.8	33.7	44.7

The distribution of net sales by market areas, MEUR and %:

	2Q 11	1Q11	4Q10	3Q10	2Q10
Asia	4.0 10.2%	2.7 7.4%	4.4 10.6%	1.8 5.4%	2.6 5.9%
Americas	5.5 14.0%	5.1 13.9%	10.8 25.8%	9.4 27.7%	17.4 39.0%
Europe	30.1 75.9%	28.7 78.7%	26.6 63.6%	22.5 66.8%	24.6 55.2%



Net sales and operating profit development by Business Segments and Other businesses, MEUR:

	2Q 11	1Q11	4Q10	3Q10	2Q10
Automotive					
Net sales to external customers	22.7	23.6	23.1	19.9	18.6
Net sales to other segments	0.0	0.0	0.0	0.0	0.0
Operating profit (loss)	-0.5	0.6	1.1	0.1	-0.2
Wireless					
Net sales to external customers	16.9	12.7	18.6	13.7	25.9
Net sales to other segments	0.2	0.0	0.0	0.0	0.0
Operating profit (loss)	0.1	-4.6	-8.8	-11.7	0.3
Other businesses					
Net sales to external customers	0.0	0.1	0.2	0.2	0.2
Operating profit (loss)	-0.1	0.1	0.1	0.1	0.0
Total					
Net sales	39.7	36.5	41.8	33.7	44.7
Operating profit (loss)	-0.5	-3.9	-7.7	-11.5	0.1

BUSINESS SEGMENTS' DEVELOPMENT DURING APRIL-JUNE 2011 AND MARKET OUTLOOK  
(Corresponding figures are for April-June 2010 unless otherwise indicated)

EB's reporting is based on two segments which are the Automotive and Wireless Business Segments.

#### AUTOMOTIVE

The Automotive Business Segment's product offering consists of in-car software products, navigation software for after market devices and development services for the automotive industry with leading car manufacturers, car electronics suppliers and automotive chipset suppliers as customers. By combining its software products and R&D services EB is creating unique, customized solutions for its automotive customers.

During the second quarter of 2011 the net sales of the Automotive Business Segment amounted to EUR 22.7 million (EUR 18.6 million), representing a strong 22.2% growth year-on-year. The operating loss was EUR -0.5 million (EUR -0.2 million). The operating result was lower than anticipated due to the higher than expected project costs.

Solid overall market demand continued for EB's software products, services and solutions based on own automotive grade software products adapted and integrated to the customer specific requirements. EB continued to grow during the second quarter both in the infotainment and ECU (Electronic Control Unit) software markets.



EB continued its R&D investments in the automotive software products and tools, and released new product updates during the second quarter (i.e. EB Street Director, navigation software and EB tresos, product line for the development of ECU (electronic control units) software). EB also announced collaboration with Freescale and QNX to jointly develop a solution that addresses reconfigurable instrument clusters.

The development of the upcoming infotainment system by e.solutions (the joint venture between Audi Electronics Venture and EB) proceeded well, and it was announced that EB will provide the navigation and speech dialog system for the VW Group's new infotainment system.

#### Automotive Market Outlook

The majority of the innovation and differentiation in the automotive industry is brought about by software and electronics. The share of electronics and software in cars has grown significantly during the past years. It is expected that the use of software in automotives continues to increase. The estimated annual automotive software market long-term growth rate in passenger cars is some 15% (Frost & Sullivan). The underlying world automotive market is also expected to grow steadily with a yearly rate of about 6% between 2010 and 2015 (CSM).

The increasingly sophisticated and networked features and growing performance foster the complexity of automotive electronics. At the same time consumers expect the same richness of features and user experience they know from the internet and mobile devices also from within the car. These development trends are driving the industry towards gradual separation of software and hardware in electronics solutions. Hence it is necessary for managing the architectural software layer appropriately and to aim for efficiency in innovation and implementation. The use of standard software solutions is expected to increase in the automotive industry. This enables faster innovation, improves quality and development efficiency and reduces complexity related to deployment of software.

The fundamental industry migration and consequent growth of the automotive software market will continue. Cost pressures of the automotive industry are expected to accelerate the need of productized and efficient software solutions EB is offering.

EB's net sales cumulating from the automotive industry are currently primarily driven by the development of software and software platforms for new cars. Hence the dependency of EB's net sales on car production volumes is currently limited, however, the direct dependency is expected to increase as a result of the EB's transition towards software product business models over the forthcoming years.



## WIRELESS

The Wireless Business Segment offers development services, customized solutions and radio channel emulator products for industries and authorities utilizing wireless technologies.

Net sales of the Wireless Business Segment during the second quarter of 2011 was EUR 17.1 million (EUR 25.9 million), representing a decline of 33.9% year-on-year. The main reason for the decrease in net sales of the Wireless Business Segment was significantly lower volume in the satellite terminal business.

Operating profit was EUR 0.1 million (EUR 0.3 million). Operating result from the Wireless Business Segment improved clearly compared to the first quarter of 2011 (EUR -4.6 million, 1Q 2011) due to the increased net sales and cost saving actions.

On December 13, 2010 EB announced in a stock exchange release that as a result of personnel negotiations EB dismisses 60 employees and temporarily dismisses 85 employees in Wireless Solutions business and EB corporate functions based on financial and production-related reasons. In addition EB estimated that the cost savings resulting from the dismissals and temporary dismissals, if fully executed, would be approximately EUR 4 million and from other related measures approximately EUR 1 million by the end of the first half of 2011.

The dismissals were executed at the end of 2010, but in order to ensure the resources needed for project orders, temporary dismissals were not executed in full. Cost savings resulting from the announced dismissals, temporary dismissals and other cost saving measures stayed at approximately EUR 3.5 million.

During the second quarter of 2011 the demand in the EB's Wireless Business Segment improved well, especially in the security, defense and wireless infrastructure markets as well as in the radio channel test tool market.

Improving the cost efficiency and strengthening the sales activities were in particular focus. Personnel's training was continued with the focus on LTE and Linux technologies as well as on SCRUM master trainings.

EB continued its R&D investments in the radio channel test tools and next generation special terminals product platform.





## Wireless Market Outlook

In the mobile infrastructure market the use of LTE standard, which improves the performance of radio channel and mobile phone networks, is expected to continue to gain strength. EB's business driven by LTE is expected to increase. Mastering of multi-radio technologies and end-to-end system architectures covering both terminals and networks has gained importance in the complex wireless technology industry. Fast implementation of LTE technology and a wide spectrum of bandwidth needed are creating opportunities for EB.

The growth of demand for smart phones and transitions in the related software architectures and platforms are expected to continue during 2011. The R&D services market for smart phones continues to be challenging and the continuing price pressure drives increasing off-shoring in the industry. The overall demand for R&D services for smart phones is expected to decrease in the future due to changes in the market environment. However, OEMs are expected to continue relying on outsourcing in order to maintain their R&D flexibility which can create new business opportunities for EB.

The market for communications, interference and intelligence solutions targeted for public authorities is estimated to remain stable. EB's competence and long experience in software radio based solutions is expected to bring new business opportunities. The trend of adopting commercial technologies, such as LTE, is expected to continue on special verticals such as public safety. The networks used by public authorities often utilize dedicated spectrum blocks outside the commercial frequency bands, which generates the need for special user terminal variants for these networks.

The mobile satellite communication service industry is introducing new data and mobile communication services with new operators being formed and traditional ones upgrading their solutions and offerings. The Satellite-Terrestrial and Mobile Satellite Services (MMS) market demand has been expected to move from the current reference design phase towards the launch of commercial products and services during the next few years. The filing for reorganization of TerreStar Networks Inc. has, however, delayed and brought uncertainties to the market development and to the development of the demand for the satellite terrestrial "Genus" terminal that EB has developed for TerreStar. Based on the current understanding there is no reason to expect that the business relationship between the parties will continue.

The performance of radio channel is going to increase quickly when introducing new LTE technologies. This will create demand for advanced development tools during the next few years. The test tool market is expanding from the performance testing of LTE base stations to LTE terminals, where the over-the-air (OTA) technology will be widely used. EB provides world leading channel emulation tools for the development of MIMO based LTE, LTE-Advanced and other advanced radio technologies.



## RESEARCH AND DEVELOPMENT

EB continued its investments in R&D in the automotive software products and tools, in radio channel emulation products and in Wireless Solutions' product platforms.

The total R&D investments during the second quarter of 2011 were EUR 6.0 million (EUR 5.4 million, 2Q 2010), equaling 15.1% of the net sales (12.1%, 2Q 2010). EUR 1.6 million of R&D investments were capitalized (EUR 1.0 million, 2Q 2010).

## OUTLOOK FOR THE SECOND HALF OF 2011

The demand for software products and services is estimated to grow in the automotive industry and EB's net sales is expected to increase in the Automotive Business Segment. Due to the strengthened demand, the net sales of EB's Wireless Business Segment is expected grow.

EB expects for the second half of 2011 that net sales will be higher than in the second half of 2010 (EUR 75.6 million) and that the operating result will be positive (operating loss of EUR – 19.2 million, 2H 2010). Due to the cyclical nature of the EB's business and due to the holiday period during the third quarter, the net sales and operating result in the third quarter are expected to be lower than in the fourth quarter of 2011.

The profit outlook for the second half of 2011 is based on the assumption that there will be no further bookings of impairments of EB's accounts receivable from TerreStar Networks Inc. and TerreStar Corporation. It is possible that, based on later information related to reorganizations of TerreStar Networks and TerreStar Corporation, this outlook may need to be reconsidered. Due to the uncertainties related to the outcome of reorganization processes of TerreStar Networks and TerreStar Corporation, the credit risk may still grow during the second half of 2011. More specific market outlook is presented under the "Business Segments' development during April-June 2011 and market outlook" section, and uncertainties regarding the filings for reorganization of TerreStar Networks and TerreStar Corporation, the amount of receivables and collecting the receivables as well as other uncertainties regarding the outlook under "Risks and Uncertainties" section.

Information on TerreStar Networks' and TerreStar Corporation's reorganizations are presented in the October 20 and 25, November 20, December 30, 2010, and February 17, 2011, stock exchange releases as well as in EB's interim reports and financial statement at [www.elektrobit.com](http://www.elektrobit.com).



## RISKS AND UNCERTAINTIES

EB has identified a number of business, market and finance related risk factors and uncertainties that can affect the level of sales and profits. Those of the greatest significance on a short term are those affecting the utilization and chargeability levels and average hourly prices of R&D services. On the ongoing financial period the global economic uncertainty may affect the demand for EB's services, solutions and products and provide pressure on e.g. volumes and pricing. It may also increase the risk for credit losses.

On August 5, 2011, EB's receivables from TerreStar amounted to approximately USD 25.8 million (EUR 18.1 million as per exchange rate of August 3, 2011), which it has claimed in the Chapter 11 cases of both TerreStar Networks and TerreStar Corporation. In addition to the booked receivables, EB has also claimed additional costs in the amount of approximately USD 2.1 million (EUR 1.5 million as per exchange rate of August 3, 2011) and resulting mainly from the ramp down of the business operations between the parties. Thus, EB has asserted claims against each of the TerreStar entities in amounts totaling USD 27.9 million (EUR 19.5 million as per exchange rate of August 3, 2011). Due to uncertainties related to the accounts receivable, EB booked an impairment of the accounts receivable in the amount of EUR 8.3 million during the second half of 2010.

On October 19, 2010, TerreStar Networks and certain other affiliates of TerreStar Corporation and on February 16, 2011, the parent company TerreStar Corporation filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code to strengthen their financial position. Chapter 11 establishes a process for reorganizing or liquidating financially troubled companies such as TerreStar Networks or TerreStar Corporation. Generally in a Chapter 11 case, any distribution of cash or other assets by a debtor to satisfy pre-bankruptcy claims of its creditors must be made under a Chapter 11 plan of reorganization or liquidation. Such plans must be approved by the United States Bankruptcy Court and (with limited exceptions) an affirmative vote of all classes of creditors whose claims will not be paid fully and immediately after the plan is approved by the court and becomes effective by its terms. Despite of the TerreStar companies' efforts to reorganize, it is possible that the credit risk may still grow during the second half of 2011.

As previously published, on November 20, 2010 EB initiated legal proceedings against TerreStar Networks's parent company TerreStar Corporation to collect its receivables. EB's complaint was partly based on a guarantee issued by TerreStar Corporation for EB's accounts receivable from TerreStar Networks and partly based on TerreStar Corporation's direct contractual obligations towards EB. These legal proceedings against TerreStar Corporation were subsequently stayed when TerreStar Corporation filed its Chapter 11 bankruptcy case.

Within the first four months of its Chapter 11 case, TerreStar Networks filed, then withdrew, a proposed plan of reorganization. Subsequently, on July 7, 2011, the United States Bankruptcy Court approved the sale of substantially all TerreStar Networks' assets to Gamma Acquisition



L.L.C., an acquisition subsidiary formed by Dish Network Corporation for about USD \$1.375 billion. Other than payments to secured creditors in the amount of about USD 800 million, to be made from the sale proceeds, a sale of TerreStar Networks' assets will not result in an immediate distribution to creditors. EB's share of the TerreStar Networks' sale proceeds cannot be predicted with certainty at this time. Any such distribution must be provided for under a Chapter 11 plan of liquidation to be filed, voted on and submitted to the court for approval at a future time, after the sale is accomplished.

On July 22, 2011, TerreStar Corporation filed a reorganization plan with the Bankruptcy Court. Its plan contains only incomplete information on how EB's receivables will be treated in the reorganization. However, the plan suggests that unsecured claims (such as EB's) may be exchanged for new notes to be issued by a reorganized TerreStar Corporation in the face amount of each allowed claim. It is also possible that some part of an allowed unsecured claim may be exchanged for shares in a new class of preferred stock in the reorganized entity. The terms of these new notes and preferred stock are not available at this time. Further, it is premature to speculate regarding distributions to creditors under this plan because TerreStar Corporation has not yet formally sought approval of the plan, the plan it filed may or may not obtain the necessary approvals, and the terms of the plan may change through negotiation with creditors.

Recoveries by holders of claims against TerreStar Networks and TerreStar Corporation are to be funded by separate pools or streams of assets. Timing or amount of any payment either by TerreStar Networks or TerreStar Corporation cannot be predicted with certainty at this time. However, subject to a great number of assumptions, EB anticipates that creditors of TerreStar Networks may expect to receive cash payment corresponding to a relatively small percentage of their allowed claims. Creditors of TerreStar Corporation are to receive new promissory notes to be issued notes and possibly preferred stock, with a face value equivalent to their allowed claims. Payment of the note obligations and any distributions to holders of preferred stock are to be funded by future revenues and profits of reorganized TerreStar Corporation. For the reasons noted in the above chapter, it is premature to comment on the extent of EB's potential recovery. Additionally, as part of the process of reconciling accounts in preparation for making distributions under a plan, Chapter 11 debtors often challenge the amount or validity of some creditor claims, and it is possible that either TerreStar Networks or TerreStar Corporation will object to EB's claims filed in their respective bankruptcy cases. EB expects to vigorously defend any such objections to its claims, but speculation regarding the likely outcome of any such future dispute is premature at this time. Further, it is possible that, as part of the Chapter 11 process, either TerreStar Networks or TerreStar Corporation may seek to recover payments previously made to their creditors pursuant to various provisions of the Bankruptcy Code. The risk that TerreStar Networks may attempt to recover payments from EB, or that such recovery actions, if attempted, may be successful, cannot be ruled out at this time.

Based on the current understanding it is unlikely that the business relationship between TerreStar Networks and EB will continue. In March, 2011, TerreStar Networks and TerreStar Corporation



obtained Bankruptcy Court orders authorizing them to cease performing any further contractual obligations towards EB, and also terminating EB's further obligations under the contracts between them. These orders did not affect EB's status as a creditor of the TerreStar companies. At worst, the progress of the TerreStar Chapter 11 cases may result in significant further credit losses for EB. Should the accounts receivable not be collected at all, either from TerreStar Networks or TerreStar Corporation, an impairment loss and costs related to the collection process would additionally lower EB's operating result on a non-recurring basis by approximately EUR 10 million, at maximum (USD-nominated items as per exchange rate of August 3, 2011). However, this would not have any significant negative effect on the EB's cash flow.

Based on EB's current understanding, there is no reason to believe that there would be further impairment losses on EB's account receivable from TerreStar Networks and TerreStar Corporation. EB aims to collect the amounts owed to it in full through the Chapter 11 cases of TerreStar Networks and TerreStar Corporation, and/or for example through selling of the earlier mentioned accounts receivable. It is possible that based on later information related to the TerreStar Networks' and TerreStar Corporation's Chapter 11 cases, the above views may need to be reconsidered.

As the EB's customer base consists mainly of companies operating in the fields of automotive and telecommunications, the company is exposed to market changes in these industries. EB believes that expanding the customer base will reduce dependence on individual companies and that the company will thereby be mainly affected by the general business climate in automotive and telecommunication industries. However, some parts of EB's business are more sensitive to customer dependency than others. Respectively, this may translate as accumulation of risk with respect to outstanding receivables and ultimately with respect to credit losses. The more specific market outlook is presented under the "Business Segments' development during the second quarter 2011 and market outlook" section.

EB's operative business risks are mainly related to following items: uncertainties and short visibility on customers' product program decisions, their make or buy decisions and on the other hand, their decisions to continue, downsize or terminate current product programs, ramping up and down project resources, availability of personnel in labour markets (in particular in Germany and Finland), timing and on the other hand successful utilization of the most important technologies and components, competitive situation and potential delays in the markets, timely closing of customer and supplier contracts with reasonable commercial terms, delays in R&D projects, activations based on customer contracts, obsolescence of inventories and technology risks in product development causing higher than planned R&D costs. In addition there are typical industry warranty and liability risks as well as risks related to management of intellectual property rights involved in selling EB's services, solutions and products.

Product delivery business model includes such risks as high dependency on actual product volumes, development of the cost of materials and production yields. The above-mentioned risks



may manifest themselves as higher cost of product delivery, and ultimately, as lower profit. Revenues expected to come from new products for existing and new customers include normal timing risks.

More information on the risks and uncertainties affecting EB can be found on the Company's website at [www.elektrobit.com](http://www.elektrobit.com)

#### STATEMENT OF FINANCIAL POSITION AND FINANCING

The figures presented in the statement of financial position of June 30, 2011, are compared with the statement of the financial position of December 31, 2010 (MEUR). The figures for the period under review contain provision of EUR 1.5 million.

	<b>6/2011</b>	<b>12/2010</b>
Non-current assets	41.3	41.2
Current assets	67.7	83.7
Total assets	108.9	124.9
Share capital	12.9	12.9
Other equity	52.2	58.3
Non-controlling interests	1.4	1.3
Total shareholders' equity	66.6	72.5
Non-current liabilities	9.0	11.6
Current liabilities	33.4	40.8
Total shareholders' equity and liabilities	108.9	124.9

Net cash flow from operations during the period under review:

+ net profit +/- adjustment of accrual basis items	EUR -2.3 million
+ decrease in net working capital	EUR +4.4 million
- interest, taxes and dividends	EUR +2.7 million
= cash generated from operations	EUR +4.8 million
- net cash used in investment activities	EUR -5.1 million
- net cash used in financing	EUR -2.4 million
= net change in cash and cash equivalents	EUR -2.7 million

The amount of accounts and other receivables, booked in current receivables, was EUR 47.7 million (EUR 61.3 million on December 31, 2010). Accounts and other payables, booked in interest-free current liabilities, were EUR 28.4 million (EUR 35.7 million on December 31, 2010). The



amount of non-depreciated consolidation goodwill at the end of the period under review was EUR 18.5 million (EUR 18.5 million on December 31, 2010).

The amount of gross investments in the period under review was EUR 5.7 million, consisting of replacement investments. Net investments for the reporting period totaled EUR 5.4 million. The total amount of depreciation during the period under review was EUR 5.0 million, including EUR 1.1 million of depreciation owing to business acquisitions.

The amount of interest-bearing debt at the end of the reporting period was EUR 10.9 million. The distribution of net financing expenses on the income statement was as follows:

interest, dividend and other financial income	EUR 0.1 million
interest expenses and other financial expenses	EUR -0.3 million
foreign exchange gains and losses	EUR -0.5 million

EB's equity ratio at the end of the period was 64.9% (62.6% at the end of 2010).

EB follows a hedging strategy, the objective of which is to ensure the margins of business operations in changing market circumstances by minimizing the influence of exchange rates. In accordance with the hedging strategy, the agreed customer commitments net cash flow of the currency in question is hedged. The net cash flow is determined on the basis of sales receivables, payables, the order book and the budgeted net currency cash flow. The hedged foreign currency exposure at the end of the review period was equivalent to EUR 14.5 million.

#### PERSONNEL

EB employed an average of 1,539 people between January and June 2011. At the end of June, EB had 1,525 employees (1,539 at the end of 2010). A significant part of EB's personnel are product development engineers.

#### FLAGGING NOTIFICATIONS

There were no changes in ownership during the period under review that would have caused flagging notifications which are obligations for disclosure in accordance with Chapter 2, section 9 of the Securities Market Act.



#### EVENTS AFTER THE REVIEW PERIOD

On August 1, 2011 EB announced that Mr. Alexander Kocher (M. Sc., Electrical Engineering), 50, has been appointed President of the Automotive Business Segment and Managing Director of Elektrobit Automotive GmbH, effective latest November 1, 2011. Mr. Kocher will transfer to EB from Wind River GmbH, a subsidiary of Intel Inc, where he has worked as Vice President and General Manager of Automotive Business Unit. Kocher will report to the Board of Directors of Elektrobit Automotive GmbH. The board is chaired by Jukka Harju, CEO of EB.

Oulu, August 5, 2011

EB, Elektrobit Corporation

The Board of Directors

Further Information:

Jukka Harju

CEO

Tel. +358 40 344 5466

Distribution:

NASDAQ OMX Helsinki

Major media





**EB, ELEKTROBIT CORPORATION,**  
**CONDENSED FINANCIAL STATEMENTS AND NOTES JANUARY- JUNE 2011**  
(unaudited)

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting.

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (MEUR)</b>	<b>1-6/2011</b>	<b>1-6/2010</b>	<b>1-12/2010</b>
	<b>6 months</b>	<b>6 months</b>	<b>12 months</b>
NET SALES	76.1	86.2	161.8
Other operating income	1.6	1.4	2.4
Change in work in progress and finished goods	0.3	0.0	-0.2
Work performed by the undertaking for its own purpose and capitalized	0.1	0.1	0.2
Raw materials	-5.8	-6.5	-15.4
Personnel expenses	-47.6	-49.1	-97.7
Depreciation	-5.0	-4.3	-8.5
Other operating expenses	-24.1	-26.1	-59.8
OPERATING PROFIT (LOSS)	-4.4	1.8	-17.3
Financial income and expenses	-0.7	-1.8	-1.3
RESULT BEFORE TAXES	-5.1	0.0	-18.6
Income taxes	-0.0	-1.3	2.9
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-5.1	-1.2	-15.7
Other comprehensive income:			
Exchange differences on translating foreign operations	-0.1	1.9	0.8
Other comprehensive income for the period total	-0.1	1.9	0.8
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-5.3	0.6	-14.9
Result for the period attributable to			
Equity holders of the parent	-5.3	-1.5	-16.1
Non-controlling interests	0.1	0.3	0.5
Total comprehensive income attributable to			
Equity holders of the parent	-5.4	0.3	-15.4
Non-controlling interests	0.1	0.3	0.5
Earnings per share EUR continuing operations			
Basic earnings per share	-0.04	-0.01	-0.12
Diluted earnings per share	-0.04	-0.01	-0.12



Average number of shares, 1000 pcs	129 413	129 413	129 413
Average number of shares, diluted, 1000 pcs	130 187	130 382	130 277

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MEUR)</b>	<b>June 30, 2011</b>	<b>June 30, 2010</b>	<b>Dec. 31, 2010</b>
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**ASSETS**

Non-current assets

Property, plant and equipment	9.2	10.8	10.5
Goodwill	18.5	18.5	18.5
Intangible assets	13.4	9.1	11.6
Other financial assets	0.1	0.1	0.2
Receivables	0.0	0.4	0.3
Deferred tax assets	0.1	0.1	0.1
Non-current assets total	41.3	39.1	41.2

Current assets

Inventories	2.2	2.5	1.9
Trade and other receivables	47.7	65.6	61.3
Financial assets at fair value through profit or loss	0.0	45.5	7.7
Cash and short term deposits	17.8	14.4	12.9
Current assets total	67.7	128.0	83.7
<b>TOTAL ASSETS</b>	<b>108.9</b>	<b>167.1</b>	<b>124.9</b>

**EQUITY AND LIABILITIES**

Equity attributable to equity holders of the parent

Share capital	12.9	12.9	12.9
Invested non-restricted equity fund	38.7	38.7	38.7
Translation difference	0.5	1.7	0.6
Retained earnings	13.1	33.3	19.0
Non-controlling interests	1.4	1.1	1.3
Total equity	66.6	87.8	72.5

Non-current liabilities

Deferred tax liabilities	1.1	1.7	1.4
Pension obligations	1.2	1.1	1.2
Provisions	0.8	0.6	1.0
Interest-bearing liabilities	5.9	10.5	8.0
Non-current liabilities total	9.0	13.9	11.6

Current liabilities

Trade and other payables	27.7	59.3	33.3
Financial liabilities at fair value through profit or loss		0.0	
Provisions	0.7	1.1	2.4
Interest-bearing loans and borrowings	5.0	5.0	5.1



Current liabilities total	33.4	65.4	40.8
Total liabilities	42.4	79.3	52.4
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>108.9</b>	<b>167.1</b>	<b>124.9</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
(MEUR)**

	<b>1-6/2011</b>	<b>1-6/2010</b>	<b>1-12/2010</b>
	<b>6 months</b>	<b>6 months</b>	<b>12 months</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Result for the period	-5.1	-1.2	-15.7
Adjustment of accrual basis items	2.8	7.9	17.5
Change in net working capital	4.4	3.1	3.5
Interest paid on operating activities	-0.8	-2.5	-2.3
Interest received from operating activities	0.1	0.3	0.6
Other financial income and expenses, net received	0.0	0.0	0.0
Income taxes paid	3.4	-1.5	-2.2
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>4.8</b>	<b>6.1</b>	<b>1.5</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of business unit, net of cash acquired	-0.8	-0.2	-0.3
Purchase of property, plant and equipment	-1.0	-0.4	-1.7
Purchase of intangible assets	-3.5	-1.9	-6.2
Purchase of other investments	-0.0	-0.0	-0.0
Sale of property, plant and equipment	0.1	0.1	0.1
Sale of intangible assets		0.0	0.0
Proceeds from sale of investments	0.0	0.2	0.1
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>-5.1</b>	<b>-2.4</b>	<b>-7.9</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowing	0.2		
Repayment of borrowing	-1.2	-1.2	-2.8
Payment of finance liabilities	-1.5	-1.7	-3.4
Distribution of funds from the share premium fund			-25.9
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>-2.4</b>	<b>-2.8</b>	<b>-32.1</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-2.7</b>	<b>0.9</b>	<b>-38.5</b>
Cash and cash equivalents at beginning of period	20.5	59.1	59.1
Cash and cash equivalents at end of period	17.8	60.0	20.5



**CONSOLIDATED STATEMENT OF  
CHANGES IN EQUITY (MEUR)**

A = Share capital  
B = Share premium  
C = Invested non-restricted equity fund  
D = Retained earnings  
E = Non-controlling interests  
F = Total equity

	A	B	C	D	E	F
Equity on January 1, 2010	12.9	64.6		34.9	0.4	112.8
Distribution of funds from the share premium fund		-25.9				-25.9
Transfer from the share premium fund		-38.7	38.7			0.0
Share-related compensation				0.3		0.3
Total comprehensive income for the period				0.3		0.3
Other items				-0.5	0.7	0.2
Equity on June 30, 2010	12.9	0.0	38.7	35.1	1.1	87.8
Equity on January 1, 2011	12.9		38.7	19.6	1.3	72.5
Share-related compensation				0.2		0.2
Total comprehensive income for the period				-5.4		-5.4
Other items				-0.8	0.1	-0.7
Equity on June 30, 2011	12.9		38.7	13.6	1.4	66.6

**NOTES TO THE FINANCIAL STATEMENT BULLETIN**

**Accounting principles for the Financial Statement Bulletin:**

The same accounting policies and methods of computation are followed in the financial statement bulletin as compared with annual financial statements.

**Explanatory comments about the seasonality or cyclicity of reporting period operations:**

The Company operates in business areas which are subject to seasonal fluctuations.

**Payment of dividend:**

The General Meeting held on March 31, 2011 decided in accordance with the proposal of the Board of Directors that no dividend shall be distributed.

**SEGMENT INFORMATION (MEUR)**

OPERATING SEGMENTS	1-6/2011 6 months	1-6/2010 6 months	1-12/2010 12 months
Automotive			
Net sales to external customers	46.3	37.1	80.1
Net sales to other segments	0.0	0.0	0.0
Net sales total	46.3	37.1	80.1
Operating profit (loss)	0.1	0.7	1.9
Wireless			
Net sales to external customers	29.6	48.7	80.9
Net sales to other segments	0.2	0.0	0.0
Net sales total	29,8	48.7	81.0
Operating profit (loss)	-4.5	1.3	-19.3
OTHER ITEMS			
Other items			
Net sales to external customers	0.1	0.4	0.8
Operating profit (loss)	-0.0	-0.1	0.1
Eliminations			
Net sales to other segments	-0.2	-0.0	-0.0
Operating profit (loss)	0.0	0.0	0.0
Group total			
Net sales to external customers	76.1	86.2	161.8
Operating profit (loss)	-4.4	1.8	-17.3



<b>Net sales of geographical areas (MEUR)</b>	<b>1-6/2011</b>	<b>1-6/2010</b>	<b>1-12/2010</b>
	<b>6 months</b>	<b>6 months</b>	<b>12 months</b>
Net sales			
Europe	58.8	47.6	96.8
Americas	10.6	33.2	53.4
Asia	6.7	5.3	11.6
Net sales total	76.1	86.2	161.8

**Material events subsequent to the end of the interim period not reflected in the financial statements for the interim period:**

There are no such material events subsequent to the end of the interim report period that have not been reflected in this report.

<b>Related party transactions:</b>	<b>1-6/2011</b>	<b>1-6/2010</b>	<b>1-12/2010</b>
Employee benefits for key management and stock option expenses total	0.9	1.0	2.2

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY QUARTER (MEUR)</b>	<b>4-6/2011</b>	<b>1-3/2011</b>	<b>10-12/2010</b>	<b>7-9/2010</b>	<b>4-6/2010</b>
	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>
NET SALES	39.7	36.5	41.8	33.7	44.7
Other operating income	0.9	0.7	0.6	0.4	0.8
Change in work in progress and finished goods	0.1	0.2	-0.5	0.2	-0.1
Work performed by the undertaking for its own purpose and capitalized	0.0	0.1	0.0	0.1	0.1
Raw materials	-3.0	-2.8	-6.1	-2.8	-3.2
Personnel expenses	-23.3	-24.3	-26.1	-22.5	-24.9
Depreciation	-2.7	-2.4	-2.1	-2.2	-2.2
Other operating expenses	-12.2	-11.9	-15.3	-18.4	-15.0
OPERATING PROFIT (LOSS)	-0.5	-3.9	-7.7	-11.5	0.1
Financial income and expenses	-0.3	-0.4	-0.3	0.9	-0.8
RESULT BEFORE TAXES	-0.8	-4.3	-8.0	-10.6	-0.7
Income taxes	-0.0	0.0	2.6	1.6	-0.2
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-0.8	-4.3	-5.4	-9.0	-0.9
Other comprehensive income for the period total	-0.1	-0.1	0.3	-1.4	1.2



TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-0.9	-4.4	-5.1	-10.4	0.3
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Result for the period attributable to:

Equity holders of the parent	-0.8	-4.4	-5.5	-9.0	-0.9
Non-controlling interests	0.0	0.1	0.1	0.0	0.0

Total comprehensive income  
for the period attributable to:

Equity holders of the parent	-0.9	-4.5	-5.2	-10.5	0.3
Non-controlling interests	0.0	0.1	0.1	0.0	0.0

<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MEUR)</b>	<b>June 30, 2011</b>	<b>March 31, 2011</b>	<b>Dec. 31, 2010</b>	<b>Sept. 30, 2010</b>	<b>June 30, 2010</b>
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#### ASSETS

##### Non-current assets

Property, plant and equipment	9.2	9.8	10.5	10.6	10.8
Goodwill	18.5	18.5	18.5	18.5	18.5
Intangible assets	13.4	12.2	11.6	10.0	9.1
Other financial assets	0.1	0.1	0.2	0.1	0.1
Receivables	0.0	0.3	0.3	0.4	0.4
Deferred tax assets	0.1	0.1	0.1	0.1	0.1

##### Non-current assets total

41.3	40.9	41.2	39.7	39.1
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##### Current assets

Inventories	2.2	1.6	1.9	2.9	2.5
Trade and other receivables	47.7	52.9	61.3	53.8	65.6
Financial assets at fair value through profit or loss	0.0	6.2	7.7	15.8	45.5
Cash and short term deposits	17.8	12.4	12.9	15.0	14.4

##### Current assets total

67.7	73.1	83.7	87.5	128.0
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##### TOTAL ASSETS

108.9	114.0	124.9	127.2	167.1
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#### EQUITY AND LIABILITIES

Equity attributable to equity holders  
of the parent

Share capital	12.9	12.9	12.9	12.9	12.9
Invested non-restricted equity fund	38.7	38.7	38.7	38.7	38.7
Translation difference	0.5	0.5	0.6	0.3	1.7
Retained earnings	13.1	14.6	19.0	24.3	33.3
Non-controlling interests	1.4	1.3	1.3	1.2	1.1

##### Total equity

66.6	68.2	72.5	77.4	87.8
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Non-current liabilities					
Deferred tax liabilities	1.1	1.2	1.4	1.2	1.7
Pension obligations	1.2	1.2	1.2	1.2	1.1
Provisions	0.8	0.9	1.0	0.6	0.6
Interest-bearing liabilities	5.9	7.2	8.0	8.9	10.5
Non-current liabilities total	9.0	10.5	11.6	11.8	13.9
Current liabilities					
Trade and other payables	27.7	29.0	33.3	32.1	59.3
Financial liabilities at fair value through profit or loss					0.0
Provisions	0.7	2.0	2.4	0.8	1.1
Interest-bearing loans and borrowings (non-current)	5.0	4.3	5.1	5.1	5.0
Current liabilities total	33.4	35.3	40.8	38.0	65.4
Total liabilities	42.4	45.9	52.4	49.9	79.3
TOTAL EQUITY AND LIABILITIES	108.9	114.0	124.9	127.2	167.1

CONSOLIDATED STATEMENT OF CASH FLOWS BY QUARTER	4-6/	1-3/	10-12/	7-9/	4-6/
	2011	2011	2010	2010	2010
	3 months	3 months	3 months	3 months	3 months
Net cash from operating activities	3.4	1.4	-4.9	0.2	-4.5
Net cash from investing activities	-2.8	-2.3	-2.9	-2.6	-1.4
Net cash from financing activities	-0.8	-1.6	-1.5	-27.8	-1.1
Net change in cash and cash equivalents	-0.3	-2.4	-9.3	-30.1	-7.1

FINANCIAL PERFORMANCE RELATED RATIOS	1-6/2011	1-6/2010	1-12/2010
	6 months	6 months	12 months

#### STATEMENT OF COMPREHENSIVE INCOME (MEUR)

Net sales	76.1	86.2	161.8
Operating profit (loss)	-4.4	1.8	-17.3
Operating profit (loss), % of net sales	-5.8	2.1	-10.7
Result before taxes	-5.1	0.0	-18.6
Result before taxes, % of net sales	-6.7	0.0	-11.5
Result for the period	-5.1	-1.2	-15.7

#### PROFITABILITY AND OTHER KEY FIGURES

Interest-bearing net liabilities, (MEUR)	-6.9	-44.5	-7.4
Net gearing, -%	-10.4	-50.7	-10.2
Equity ratio, %	64.9	55.4	62.6





Gross investments, (MEUR)	5.7	4.2	10.7
Average personnel during the period	1539	1548	1561
Personnel at the period end	1525	1572	1539

<b>AMOUNT OF SHARE ISSUE ADJUSTMENT (1,000 pcs)</b>	<b>June 30, 2011</b>	<b>June 30, 2010</b>	<b>Dec. 31, 2010</b>
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At the end of period	129 413	129 413	129 413
Average for the period	129 413	129 413	129 413
Average for the period diluted with stock options	130 187	130 382	130 277

<b>STOCK-RELATED FINANCIAL RATIOS (EUR)</b>	<b>1-6/2011 6 months</b>	<b>1-6/2010 6 months</b>	<b>1-12/2010 12 months</b>
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Basic earnings per share	-0.04	-0.01	-0.12
Diluted earnings per share	-0.04	-0.01	-0.12
Equity *) per share	0.50	0.67	0.55

\*) Equity attributable to equity holders of the parent

<b>MARKET VALUES OF SHARES (EUR)</b>	<b>1-6/2011 6 months</b>	<b>1-6/2010 6 months</b>	<b>1-12/2010 12 months</b>
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Highest	0.76	1.25	1.25
Lowest	0.50	0.93	0.66
Average	0.66	1.09	0.92
At the end of period	0.50	0.96	0.67

Market value of the stock, (MEUR)	64.7	124.2	86.7
Trading value of shares, (MEUR)	2.4	8.2	16.8
Number of shares traded, (1,000 pcs)	3 585	7 575	18 190
Related to average number of shares %	2.8	5.9	14.1



<b>SECURITIES AND CONTINGENT LIABILITIES (MEUR)</b>	<b>June 30, 2011</b>	<b>June 30, 2010</b>	<b>Dec. 31, 2010</b>
<b>AGAINST OWN LIABILITIES</b>			
Floating charges	8.1	3.1	3.1
Pledges	2.3	0.8	2.3
Mortgages are pledged for liabilities totaled	5.4	7.5	6.3
<b>AGAINST OTHER LIABILITIES</b>			
Guarantees	2.8	2.4	2.0
Other liabilities	10.0	10.0	10.1
<b>OTHER DIRECT AND CONTINGENT LIABILITIES</b>			
<b>Rental liabilities</b>			
Falling due in the next year	4.3	5.4	6.0
Falling due after one year	15.9	16.1	15.0
<b>Other contractual liabilities</b>			
Falling due in the next year	3.2	3.4	3.9
Falling due after one year	1.8	0.5	2.1
<b>NOMINAL VALUE OF CURRENCY DERIVATIVES (MEUR)</b>			
<b>Foreign exchange forward contracts</b>			
Market value	0.0	-0.0	-0.0
Nominal value	14.5	7.0	11.0
<b>Purchased currency options</b>			
Market value		0.4	0.1
Nominal value		13.0	5.0
<b>Sold currency options</b>			
Market value		-0.4	-0.1
Nominal value		21.0	10.0