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**ELEKTROBIT GROUP PLC. – INTERIM REPORT JANUARY TO SEPTEMBER 2005
(unaudited)**

SUMMARY

The figures presented in the interim report for the reporting and comparison periods have been stated in accordance with the international IFRS accounting standards.

The company's objective for 2005 is to continue its efforts towards long-term development by adding resources to sales, marketing and competence development, as well as to research and development.

Net sales in the third quarter of 2005 stood at 54.9 million euro. This was substantially at the same level as that of the third quarter of 2004 (57.8 million euro), and in line with earlier estimates. Operating profit in the third quarter of 2005 was 9.4 million euro. It was clearly at a lower level than that of the third quarter of 2004 (13.5 million euro), and in line with earlier estimates.

Comparisons between the figures of the third quarter of 2005 and the figures for the corresponding period in 2004:

- Net sales amounted to 54.9 million euro (57.8 million euro: a decrease of 2.9 million euro or 5.0%). Net sales of the Automotive business increased, net sales of the Testing business remained at the same level as previous year and net sales of the Contract R&D business and Automation Solutions business unit decreased.
- Operating profit amounted to 9.4 million euro (13.5 million euro: a decrease of 4.1 million euro or 30.6%). The operating profit of the Services business segment amounted to -0.7 million euro (1.8 million euro), of the Products business segment amounted to 10.1 million euro (14.8 million euro) and of the other businesses to 0.0 million euro (-3.1 million euro).
- Cash flow from operations amounted to 6.2 million euro (8.7 million euro).

Comparisons between the period from January to September 2005 and the figures for the corresponding period a year earlier:

- Net sales amounted to 157.6 million euro (142.5 million euro: an increase of 15.1 million euro or 10.6%). The net sales of the Testing business unit 77.5 million euro (62.4 million euro) and the net sales of the Automotive business unit 16.3 million euro (9.9 million euro for the period March 8 – September 30, 2004) increased from the level of January – September 2004. The net sales of the Automation Solutions business unit 17.0 million euro (19.3 million euro) and the net sales of the Contract R&D business unit 46.5 million euro (50.6 million euro) decreased from the level of January – September 2004.
- Operating profit amounted to 21.1 million euro (24.3 million euro). The operating profit of the Services business segment amounted to 0.9 million euro (7.9 million euro) and of the Products business segment amounted to 19.9 million euro (19.4 million euro)
- Cash flow from operations amounted to 12.6 million euro (27.8 million euro)
- The equity ratio was 59.3% (55.6%).

The quarterly distribution of the Group's overall net sales and profit was the following:

MEUR	7-9/05	4-6/05	1-3/05	10-12/04	7-9/04
Net sales	54.9	58.1	44.6	60.2	57.8
Operating profit	9.4	7.2	4.5	10.1	13.5
Profit before taxes	9.6	7.4	4.6	10.2	13.3
Net profit	6.6	5.2	3.2	7.2	11.6

Net sales by business unit have developed as follows:

MEUR	7-9/05	4-6/05	1-3/05	10-12/04	7-9/04
Contract R&D	13.4	15.9	17.2	21.4	14.9
Automotive	6.2	5.8	4.4	6.9	4.1
Services business total	19.6	21.7	21.6	28.3	19.0
Testing	29.9	31.0	16.7	25.9	29.2
Automation Solutions	5.4	5.4	6.3	5.9	9.4
Products business total	35.2	36.3	23.0	31.8	38.7
Group Total	54.9	58.1	44.6	60.2	57.8

Net sales by market area were as follows:

MEUR (%)	7-9/05	4-6/05	1-3/05	10-12/04	7-9/04
Asia	12.4 (23%)	7.2 (12%)	4.9 (11%)	9.1 (15%)	8.3 (14%)
Americas	12.6 (23%)	12.9 (22%)	5.4 (12%)	7.4 (12%)	16.2 (28%)
Europe	29.9 (55%)	38.0 (65%)	34.3 (77%)	43.6 (73%)	33.3 (58%)

Net sales (external) and earnings development by the business segment were the following during the period January – September (figures for the corresponding period last year in brackets):

	Services business	Products business	Common functions	Eliminations	Group total
Net sales, external	62.8 (60.5)	94.6 (81.7)	0.2 (0.2)	0.0 (0.0)	157.6 (142.5)
Operating profit	0.9 (7.9)	19.9 (19.4)	0.0 (-2.2)	0.3 (-0.8)	21.1 (24.3)

BUSINESS ENVIRONMENT

The predictable period in the business environment has remained short during the period under review. The sales volumes of the mobile devices on the global market are generally estimated to increase by approximately 15% during 2005, which supports the increase in sales during the first half of the year and the preliminary information on the third quarter mobile phone deliveries. The downward trend in the average price of mobile devices and a shorter time-to-market impose challenges on the improvement of product development efficiency. The amount of product development based on different product platforms is expected to increase, with the targets being an accelerated time-to-market and reduction of product development expenses. On the other hand, new product features and the introduction of 3G equipment are anticipated to have an increasing effect on product development during the current year. The delivery of smart phones is expected to continue to increase in 2005.

The growth of the wireless network equipment business is expected to remain under 10% during 2005. Operators are investing in network capacity and new network technologies and the optimization of the net works increases especially on developed markets. These factors have resulted in very positive developments in the wireless network testing equipment market in 2005.

Delivery times in production-related testing and automation markets will become shorter and cost efficiency will remain a crucial competitive factor. The share of electronics and software in cars, as well as the use of wireless technologies and the number of infotainment applications will increase.

According to the strategy updated during the period under review, Elektrobit Group's long-term targets include:

- To grow faster than the telecommunications industry on average;
- To expand the customer base in telecommunications, automotive and other industries;
- To enhance product development services based on our special competence and offer more extensive productization service packages
- To pursue a leading position among smartphone development partners through the company's ODE business model and, together with partners, through the ODM business model and by offering reference phones;
- To pursue a leading position in testing mobile phone devices and networks by widening the product and technology offering;
- To strengthen the market position in automotive infotainment applications, in real-time operating systems for body control applications and in electronic production automation;
- To strengthen the company through acquisitions and strategic alliances.

In February, Elektrobit announced that it will be the first design house to offer a range of smart phones based on its Series 60 reference design targeted at Series 60 licensees. Elektrobit offers the phones in accordance with the ODE (Original Design and Engineering) principle with optional contract manufacturing services. The reference phones change the environment of mobile phone development by reducing development costs and time-to-market of new products. With unique industrial designs and optional modifications to the mechanical design and the Series 60 Platform, mobile handset vendors can offer differentiated products based on Elektrobit's reference smart phones.

In June it was notified that the business units operating within the Products business segment; the Testing business unit and the Automation Solutions business unit, will be merged into a new Test and Automation business unit. The combining of the business units will strengthen the product business and enable the units to serve their common customers more comprehensively.

The development of the business environment supports our objective of continuing on a track of moderate net sales growth also in 2005. Increased competition and turbulent market conditions, particularly in Contract R&D, as well as added investments in product development and sales, are not favorable when aiming for the relative profitability level of 2004 in 2005. Net sales in the period under review fell short of and profitability outperformed the targets set for January to September 2005.

SERVICES BUSINESS SEGMENT FROM JANUARY TO SEPTEMBER 2005

Elektrobit's services business comprises:

- the Contract R&D business that mainly consists of product development services for the telecommunications industry, and
- the Automotive business that mainly consists of software development services for the automotive industry. The core of the Automotive business is 3SOFT GmbH, which became a part of the Group through acquisition in March 2004.

Net sales of the services business segment in the period under review amounted to 62.8 million euro (60.5 million euro) and the operating profit stood at 0.9 million euro (7.9 million euro).

CONTRACT R&D BUSINESS FROM JANUARY TO SEPTEMBER 2005

The Contract R&D business comprises design services and wireless products for mobile terminals and base stations, Security & Defence, industrial and other applications. Product sales make up less than 10% of the net sales of the Contract R&D business.

The business environment for Contract R&D, particularly with regard to mobile terminals, has been very turbulent and under intense competition compared to the corresponding period in 2004. Poor availability of advanced 3G smart phone platforms has made it difficult to respond to market needs. This has been reflected in issues such as extended periods of contract negotiations and added marketing efforts for the sale of product development projects. Net sales during the period amounted to 46.5 million euro (50.6 million euro), which was below the target.

During the period under review, Elektrobit carried out its strategy by continuing its effort in the development and marketing of Series 60 Platforms. During the period under review, Elektrobit released its own reference smart phone targeted at Series 60 licensees. Customer projects based on the Symbian operating system were carried out within the framework of the Symbian IDH (Independent Design House) contract.

Focal points during the period under review included the development of smart phone platforms and associated projects and design services. The volume of product development associated with mobile phone base stations increased in comparison to the previous year.

AUTOMOTIVE BUSINESS FROM JANUARY TO SEPTEMBER 2005

The Automotive business comprises design services for embedded software serving the needs of the automotive industry, medical electronics and industrial automation. Most of the business consists of development services for infotainment and body control applications.

Product sales make up less than 10% of the net sales of the Automotive business. The products include design tools and software components associated with our Tresos™ product range, used in the development of electrical control units (ECU) for passenger cars, as well as Street Director, a hybrid navigation system for smart phones and PDAs.

The Automotive business unit has been operating independently within the Elektrobit Group from the beginning of 2005. The main efforts during the reporting period focused on boosting sales to existing and new customers and expanding employee resources. Internationalization measures initiated in Japan and the USA have resulted in the first design projects commissioned by clients in these countries.

Generally, the market for automotive software solutions is expected to grow at an annual rate of 15% (Mercer study 2005, Impact of AUTOSAR on the Auto Software and Tools Market). This growth stems from safety and driver support systems, electronics designed to enhance comfort, in-vehicle communications networks, and the improvements in the quality of electronic vehicle components.

Net sales during the period under review amounted to 16.3 million euro (9.9 million euro), and on the whole, business operations developed according to plan. The net sales figure for the comparison

period in 2004 only includes 3SOFT GmbH's net sales as of March 2004, as Elektrobit acquired an 80% holding in 3SOFT GmbH in March 2004.

PRODUCTS BUSINESS SEGMENT FROM JANUARY TO SEPTEMBER 2005

Elektrobit's products business comprises:

- the Testing business that mainly includes testing equipment required for the product development, production and network operation of telecommunications devices, as well as
- the Automation Solutions business that includes equipment for the automation of production lines for telecommunications and other electronic devices.

In June, the Elektrobit Group announced that the Testing and Automation Solutions business units included in the Products business segment will be combined to create a new business unit called Test and Automation.

Elektrobit Group Plc. will continue to report sales for the Testing and Automation Solutions unit separately until the end of 2005.

Net sales of the products business amounted to 94.6 million euro (81.7 million euro), and the operating profit stood at 19.9 million euro (19.4 million euro).

TESTING BUSINESS FROM JANUARY TO SEPTEMBER 2005

The Testing business comprises equipment for production testing, system testing and network testing, developed, manufactured and sold mainly to the manufacturers of mobile terminals and networks, network operators, electronics contract manufacturers and research organizations. The products include production testing equipment, radio channel simulators and measuring instruments for system testing (PropSim and PropSound product families), as well as measuring, analysis and optimization products for network operators for network testing purposes (Nemo product family). The Testing business also includes services related to the product offering, such as the design of testing for mobile phones and base stations, as well as measurement services related to mobile phone networks.

Net sales by the Testing business unit during the reporting period amounted to 77.5 million euro (62.4 million euro), and exceeded the target. The unexpectedly large increase in sales was due to the strong sales of network testing equipment (Nemo product family) that continued unabated, as well as due to the continued strong sales of production testing equipment. The sales of system testing equipment exceeded the sales of the corresponding period. The sales of the PropSim FE radio channel simulator started in the second quarter. The sales of Nemo Handy™, a portable mobile phone network measurement instrument based on the Symbian operating system, developed favorably, and the Nemo Outdoor network testing product created great demand thanks to the 3GG HSDPA technology added to the product. Pilot deliveries of a new functional production testing device started in the third quarter. Product development investments during the reporting period focused on new production testers for mobile phones, expansion of the radio channel simulator product range, as well as the development of measurement and analysis products for all key mobile phone network standards.

AUTOMATION SOLUTIONS BUSINESS FROM JANUARY TO SEPTEMBER 2005

The Automation Solutions business is divided into two parts: BAS (Board Assembly Systems) and FAS (Final Assembly Systems). BAS focuses on circuit board processes for automotive, consumer and industrial electronics and comprises both project sales and standard equipment sales. The most significant market area is Central Europe. FAS mainly comprises assembly systems for the telecommunications equipment industry. It focuses on selected key accounts on a global level and typically delivers complete systems as projects.

Net sales during the period under review amounted to 17.0 million euro (19.3 million euro) and fell short of targets. The business environment remained challenging, and the industry is still under intense competition and cost pressure. Deliveries of new material handling equipment, consisting of a tray handler, tray cleaning device and IMD film cleaning device, started in the third quarter. The focus of business shifted from customized projects to the sales of standard products and customer projects utilizing Elektrobit's testing and automation platforms. Sales and marketing efforts were initiated in North and South America in order to increase the sales of BAS products. The trend of outsourcing manufacturing, as well as the associated rearrangements of production, will create new business opportunities for Elektrobit Group in 2005.

BALANCE SHEET AND FINANCING

The figures presented in the balance sheet of September 30, 2005, have been compared with the balance sheet of December 31, 2004 (1000 euro).

	9/2005	12/2004
Non current assets	74 056	74 680
Inventories	21 267	15 410
Accounts and other receivables	58 144	49 137
Financing securities, cash and bank deposits	48 974	55 088
Current assets total	128 385	119 634
Total assets	202 442	194 314
Share capital	12 941	12 941
Other equity	103 419	95 688
Minority interest	2 001	2 271
Total shareholders' equity	118 361	110 900
Long term liabilities	31 751	34 733
Short term liabilities	52 330	48 680
Total shareholder's equity and liabilities	202 442	194 314

Cash flow from operations during the period under review was as follows:

+ net profit + depreciations + taxes - financial income	+ 29.0 million euro
+/- adjustment on accrual basis	
+ minority interest	+ 0.1 million euro
- increase in net working capital	- 9.6 million euro
- interest, taxes and dividends	-6.9 million euro
= cash generated from operations	+ 12.6 million euro
- net cash used in investing activities	- 6.8 million euro
- net cash used in financial activities	- 11.9 million euro
= net change in cash and cash equivalents	- 6.1 million euro

The amount of accounts and other receivables, booked in current receivables, was 58.1 million euro (49.1 million euro on December 31, 2004), while accounts and other payables, booked in interest free current liabilities, stood at 40.3 million euro (35.0 million euro on December 31, 2004).

The amount of non-depreciated consolidation goodwill at the end of September 2005 was 9.2 million euro (9.1 million euro on December 31, 2004), and depreciation on business acquisitions during the period under review amounted to a total of 1.5 (2.8 million euro during January- September 2004).

The amount of net investments in the period under review was 6.8 million euro, consisting entirely of replacement investments. The total amount of depreciation during the period under review was 7.9 million euro, including 1.5 million euro of depreciation owing to business acquisitions.

The Group's other long-term investments include an investment portfolio with a book value of approximately 10.1 million euro that mainly consists of long-term bonds. The portfolio is valued at market value on September 30, 2005.

The amount of interest-bearing debt at the end of the reporting period was 36.3 million euro. The distribution of net financing expenses on the income statement was the following:

interest, dividend and other financial income	+ 3.3 million euro
interest expenses	- 2.8 million euro
foreign exchange gains and losses	+ 0.0 million euro

The company's equity ratio at the end of the period was 59.3% (compared with 58.1% at the end of 2004).

The reporting period does not include any statutory reserves referred to in Chapter 5, Section 14 of the Accounting Act.

The Group follows a currency 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 principles of the currency strategy, the incoming 12-month net cash flow of the currency in question will be 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 20.5 million euro.

TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

Elektrobit adopted the International Financial Reporting Standards as of the beginning of 2005, and this interim report has been prepared in accordance with the said standards. The exceptions allowed in the IFRS1 first-time adoption standard with regard to retroactive application of individual standards have been utilized in the transition. The IFRS information presented has been prepared in accordance with the IFRS standards valid at the time of preparation. The transition to IFRS regulations reduced Elektrobit Group's consolidated shareholders' equity on the opening balance sheet January 1, 2004, by approximately 1.5 million euro (1.9%) and increased the balance sheet total by approximately 3.5 million euro (2.4%). More information and the detailed specifications of the effects of the transition on the balance sheet and financial reporting were provided in a bulletin released by the company on March 9, 2005. The bulletin is available on Elektrobit Group's Web site www.elektrobit.com.

CHANGES IN GROUP STRUCTURE

During the reporting period, the Group acquired all the shares in Elektrobit SAS, the company responsible for the Group's operations in France. The share purchase agreement was signed on January 21, 2005.

The steps to merge Ylinen Electronics Ltd with Elektrobit Microwave Oy were completed during the reporting period. The merger became effective as of June 30, 2005.

The two Group companies located in the United States, JOT Automation Inc. and Nemo Technologies Inc., were merged with Elektrobit Inc. on April 1, 2005.

A wholly owned subsidiary, Elektrobit DA Amazonia Ltda, was established in Brazil on June 6, 2005.

During the reporting period, the Group acquired all the shares in Elektrobit AG, the company responsible for the Group's operations in Switzerland. The share purchase agreement was signed on September 14, 2005.

The merger of Elektrobit Automation Ltd. and Elektrobit Testing Ltd. has been commenced with the intention to finalize the merger by December 31, 2005.

COMBINATION OF SHARES

On March 17, 2005, the General Meeting of Shareholders of Elektrobit Group Plc. passed a resolution to reduce the number of shares in the company by combining five existing shares into one new share. The changes were reported to the Trade Register on April 9, 2005. Currently, the total number of shares in the Elektrobit Group Plc. is 129,412,690, the accounting par value of each share being 0.10 euro.

CHANGES IN THE GROUP EXECUTIVE BOARD

Eero Tervo, B.Sc. (Engineering), was appointed to the Group Executive Board as Executive Vice President, Logistics and Information Management, starting on February 1, 2005.

Juha Hulkko, M.Sc. (Engineering), eMBA, was appointed as CEO as of March 17, 2005. The areas of responsibility of corporate executives reporting to the CEO were regrouped in connection with this.

Chief Operating Officer Jukka Harju, M.Sc. (Engineering), M.Sc. (Economics) is responsible for operational business. He is still responsible for the Group's corporate arrangements as well. Executive Vice Presidents responsible for the Group's business units (Contract R&D, Testing, Automation Solutions and Automotive) report to Mr. Harju.

The sphere of responsibility of Seppo Laine, Chief Financial Officer, Authorized Public Accountant, was extended as of March 17, 2005, to include the Group's support functions with the exception of human resources. The directors responsible for these support functions report to Mr. Laine. Ritva-Liisa Niskanen, LL.M, trained on the bench, was appointed Executive Vice President, Human Resources. Ms. Niskanen, Mr. Harju and Mr. Laine report to Mr. Hulkko.

Johann Haas, M.Sc. (Engineering) was as of March 17, 2005, appointed to the Group Executive Board as Executive Vice President responsible for the Automotive business.

General Counsel Päivi Vasankari is on child-care leave up until July 31, 2006. Mr. Mikko Vartia, LL.M, will serve as her replacement.

As of March 17, 2005, the members of the Group Executive Board have included Juha Hulkko as Group CEO, Arto Pietilä as Executive Vice President responsible for the Contract R&D business, Hannu Hakalahti as Executive Vice President responsible for the Test and Automation business, Juha Reinikka as Executive Vice President responsible for the Integrated Test and Automation business area, Johann Haas as Executive Vice President responsible for the Automotive business, Eero Tervo as Executive Vice President responsible for Logistics and Information Management, Jukka Harju as Chief Operating Officer responsible for operational business, Seppo Laine as Chief Financial Officer, Ritva-Liisa Niskanen as Executive Vice President responsible for Human Resources and Päivi Vasankari as Executive Vice President responsible for legal affairs.

BOARD OF DIRECTORS' AUTHORIZATIONS BY THE END OF THE REPORTING PERIOD

The Board of Directors was authorised March 17, 2005 by the General Meeting of Shareholders to decide on a new issue or to take convertible loans, in one or more instalments. In the new issue or taking of convertible loans a right can be given to subscribe for a maximum total of 126,105,100 shares, the accounting par value equivalent of which is EUR 0.02 per share, and from which a maximum of 5,000,000 shares may be used to create incentives for the personnel. On the basis of the authorisation the share capital may be increased by a maximum of EUR 2,522,102. The total proposed amount corresponds to approximately 20 per cent of the currently registered share capital and the total voting rights. The authorisation is valid until the next following Annual General Shareholders' Meeting, however not later than until March 17, 2006.

The authorisation contains a right to deviate from the shareholders pre-emptive right of subscription of new shares and convertible loans rights set out in Chapter 4, Section 2 of the Companies Act as well as a right to decide on the persons entitled to subscription, the terms of subscription and the terms of the convertible loans. In addition the authorisation contains a right to decide on subscription prices. Deviation from the shareholders' pre-emptive subscription rights requires that there is a weighty financial reason for this such as arrangement connected with development of the Company's business or capital structure or financing acquisitions or to encouragement of the personnel. Resolution to this effect shall not, however, be made for the benefit of a party belonging to the inner circle of the company as defined in Chapter 1, Section 4, Subsection 1 of the Companies' Act. When the share capital is increased in another way than on the basis of a convertible loan, the Board of Directors is authorised to decide that the shares may be subscribed against a contribution in kind, by means of set-off or otherwise with specific terms.

The Board of Directors does not have authorization to repurchase the Company's shares or to transfer such repurchased shares.

Further to the authorization granted by the General Meeting of Shareholders on March 17, 2005, the Board of Directors passed a resolution on April 29, 2005 to revise the said authorization to reflect the current number of shares in the company now decimated to one fifth.

Following the amendment the Board of Directors is authorised to decide on a new issue or to take convertible loans, in one or more instalments. In the new issue or taking of convertible loans a right can be given to subscribe for a maximum total of 25,221,020 shares, the accounting par value equivalent of which is EUR 0.10 per share, and from which a maximum of 1,000,000 shares may be used to create incentives for the personnel. On the basis of the authorisation the share capital may be increased by a maximum of EUR 2,522,102. The total proposed amount corresponds to approximately 20 per cent of the currently registered share capital and the total voting rights. The authorization remains wholly unexercised.

Option Program

The Board of Directors was authorized March 17, 2005 by the General Meeting of Shareholders to decide on the granting of options. In accordance with the authorization the Board of Directors has on April 29, 2005 amended the authorization to correspond the new reduced number (5 shares to 1) of shares of Elektrobit Group Plc.

Following the amendment the Board of Directors is authorized to grant a maximum of 4,500,000 option rights, based on which, the share capital of Elektrobit Group Plc. may increase by a maximum of 450,000 euro and the number of shares may increase by a maximum of 4,500,000 new shares. Other terms of the option program remain unchanged.

INCENTIVE SCHEMES

Personnel fund

A personnel fund was established on April 27, 2005. In the first stage the members of the fund will consist of the Group's personnel working in Finland, but the intention is that as many Elektrobit Group employees as possible could belong to the personnel fund in the future. The Group's top management will not belong to the fund.

A profit-related pay scheme, in accordance with the Act on Personnel Funds, was implemented in the Elektrobit Group in the beginning of 2005, pursuant to which a predetermined proportion of the Group's result will be paid to the personnel fund as a profit-related payment. The Board of Directors will decide upon the grounds for the profit-related pay scheme annually.

Stock options

The Board of Directors of Elektrobit Group Plc. decided on June 23, 2005 on the distribution of stock options to Elektrobit Group Plc's Group managers and to its wholly-owned subsidiary, serving as a reserve company in the stock option plan. The distributed stock options commit managers to long-term shareholding in the Elektrobit Group. The objective of the new plan is to encourage participating managers to work with a long-term focus to increase shareholder value and to commit them further to their employer.

A total of 612.000 2005A- stock options were distributed to Group management. The rest, 288.000 stock options 2005A, 1.200.000 stock options 2005B, 1.200.000 stock options 2005C and 1.200.000 stock options 2005D were granted to Elektrobit Technologies Ltd, a wholly-owned subsidiary of Elektrobit Group Plc., to be further distributed to the present and future managers of the Group at a later date. In accordance with the terms and conditions of the stock options, the prerequisite for receiving 2005A- stock options was that the participating managers purchase a predetermined number of Elektrobit Group shares, as decided by the Board of Directors.

In accordance with the share ownership plan, associated with this stock option plan, the participating managers are committed to acquire further company's shares with a considerable portion of the future income from the distributed stock-options.

NOTIFICATIONS IN ACCORDANCE WITH CHAPTER 2, SECTION 9 OF THE SECURITIES MARKET ACT

There were no changes in ownership during the reporting period that would have caused an obligation of disclosure in accordance with Chapter 2, Section 9 of the Securities Market Act.

BOARD OF DIRECTORS AND AUDITOR

The Annual General Shareholders' Meeting was held on March 17, 2005. The meeting re-elected Tapio Tammi, Eero Halonen and Matti Lainema to the company's Board of Directors and appointed Juha Sipilä, M.Sc (Eng.) as a new member of the Board. The Board of Directors elected on its assembly meeting held on March 17, 2005 Juha Sipilä as Chairman of the Board.

The authorized accounting firm Ernst & Young Oy was elected as the company's auditor, with Rauno Sipilä, Authorized Public Accountant, as the primarily responsible auditor.

DIVIDEND IN 2004

The Shareholders' Meeting, held on March 17, 2005, resolved that in accordance with the Board of Directors' proposal dividend of EUR 0.012 per share, i.e a total of EUR 7,764,761.40 be distributed for the financial period of 2004.

EVENTS AFTER THE REPORTING PERIOD

Mr. Juha Reinikka, M. Sc (Eng.), has notified that he will resign from Elektrobit Group as of October 31, 2005. His last position has been Executive Vice President, Integrated Test and Automation Business Area.

OUTLOOK FOR THE FINANCIAL YEAR 2005 AND ITS FOURTH QUARTER

The overall business environment is expected to be similar to 2004 for the entire duration of the current year. The most significant factor affecting the Contract R&D business environment is the number of new smart phone models, as well as the competitive success of mobile phone models based on the Series 60 software platform and the Symbian OS operating system. The increase in volume of low-end mobile phones forces to improvement of operational efficiency within product development as well as in production testing and automation. The growth in the volume of software and electronics in vehicles is expected to continue. This will probably have a positive effect on the development of the automotive software business. The main factors affecting the production testing business environment are the number of new phone models and the degree of automation in testing solutions. The business environment associated with mobile phone networks is expected to continue improving slightly. The business environment for Automation Solutions is expected to remain similar to that of 2004, while replacement investments and product-specific automation solutions will dominate demand.

The Group is aiming for moderate growth in net sales in 2005 and intends to maintain its good level of profitability and strong balance sheet. During the first quarter of 2005, the Group decided to put more effort into the development of new products. Operating profit for 2005 is expected to be clearly below the level achieved in 2004. Since a number of deliveries within the Product business segment were completed earlier than expected, accumulated net sales and profits were, to some extent, transferred from the second to the first half of the year. The company will continue its efforts towards long-term development by adding resources to sales, marketing and competence development, as well as to research and development.

Owing to the nature of the Group's business, major fluctuations are still to be expected between quarters. The Group estimates that net sales in the fourth quarter of 2005 will be at the same or at a slightly lower level as that of the fourth quarter of 2004, and the operating profit in the fourth quarter of 2005 is expected to remain substantially at a lower level than that of the fourth quarter of 2004. The decline in relative profitability compared with the previous year is due to the increased product development effort and the addition of resources to match the net sales level corresponding to the targeted growth.

In Oulunsalo, November 2, 2005

Elektrobit Group Plc.

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INVITATION TO PRESS AND TELEPHONE CONFERENCES

PRESS CONFERENCES

Elektrobit will hold press conferences for media, analysts and institutional investors concerning interim report January-September 2005 on November 2, 2005 as follows:

In Oulunsalo at 8.00 am. (EET)

Elektrobit Group Plc.
Automaatitietie 1
Oulunsalo

In Helsinki at 2.00 pm. (EET)

Restaurant Savoy
Eteläesplanadi 14
Salikabinetti, 7. floor
Helsinki

The material presented during the press conferences (pdf files) will be available from 8.00 am. (EET) on November 2, 2005 on the company's website, www.elektrobit.com/investors

TELEPHONE CONFERENCE

A telephone conference regarding the financial statement will be held on November 2, 2005 at 3.30 pm. (EET). To participate in the conference, please call +358 203 65955. The direct web casting from the event and its recording can be seen at <http://212.213.47.160/live2/elektrobit/webcast>

CONSENSUS ESTIMATES

Elektrobit Group Plc's consensus estimates made by the analysts who observe the Group is updated about four weeks before the release of the next financial report. The previous estimate is available on the Company's website www.elektrobit.com/investors

ELEKTROBIT GROUP PLC'S INTERIM REPORT JANUARY-SEPTEMBER 2005

(unaudited)

ELEKTROBIT GROUP INCOME STATEMENT (MEUR)	IFRS 1-9/2005 9 months	IFRS 1-9/2004 9 months	IFRS 1-12/2004 12 months
NET SALES	157.6	142.5	202.6
Other operating income	1.2	2.1	3.1
Change in work in progress and finished goods	5.4	3.5	0.7
Manufacture for own use	0.2	0.3	0.3
Expenses	-135.3	-115.4	-157.8
Depreciation and reduction in value	-7.9	-8.7	-14.5
OPERATING PROFIT	21.1	24.3	34.4
Financial income and expenses	0.4	-0.5	-0.4
Share of the results of associated companies	0.0	-0.2	-0.1
PROFIT BEFORE TAXES	21.5	23.7	33.9
Income tax	-6.5	-4.4	-7.5
NET PROFIT	15.1	19.3	26.4
Distribution			
Owners of parent company	15.0	19.3	26.4
Minority interest	0.1	0.0	0.0
Basic earnings per share, EUR	0.12	0.15	0.21
Diluted earnings per share, EUR	0.12	0.15	0.21

ELEKTROBIT GROUP BALANCE SHEET (MEUR)	IFRS 30.9.2005	IFRS 30.9.2004	IFRS 31.12.2004
ASSETS			
Non-current assets			
Intangible assets	23.0	26.6	24.3
Tangible assets	36.9	36.9	37.4

Investments	11.0	9.9	10.1
Deferred tax assets	3.2	1.7	2.9
Non-current assets total	74.1	75.2	74.7
Current assets			
Inventories	21.3	17.9	15.4
Accounts and other receivables	58.1	56.3	49.1
Financing securities	16.8	0.0	5.5
Cash and bank deposits	32.2	37.5	49.6
Current assets total	128.4	111.7	119.6
TOTAL ASSETS	202.4	186.9	194.3

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity			
Share capital	12.9	12.9	12.9
Other equity	103.4	87.0	95.7
Minority interest	2.0	2.5	2.3
Total shareholders' equity	118.4	102.3	110.9
Long-term liabilities			
Interest-bearing liabilities	24.2	27.1	26.7
Other long-term liabilities	0.0	0.0	0.0
Deferred tax liabilities	7.5	5.3	8.0
Long-term liabilities total	31.8	32.4	34.7
Short term liabilities			
Short-term interest-bearing liabilities	12.0	14.7	13.7
Accounts payable and other liabilities	40.3	37.5	35.0
Short term liabilities total	52.3	52.2	48.7
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	202.4	186.9	194.3

CALCULATION OF CHANGES IN NET PROFIT (MEUR)	7-9/2005	1-9/2005	1-12/2004
	3 months	9 months	12 months
Net profit (FAS)	8.2	16.2	23.3

Effects of adopting IFRS

IFRS 3 Business Combinations	2.1	2.6	4.6
IAS 2 Inventories	0.0	-0.7	-0.7
IAS 11 Construction contracts	0.0	0.1	0.1
IAS 12 Income taxes	1.6	1.9	2.1
IAS 17 Leases	-0.1	-0.2	-0.4
IAS 36 Impairment of assets	-0.6	-0.7	-3.0
IAS 39 Financial instruments	0.2	0.2	0.4
IAS 40 Investment property	-0.0	-0.0	-0.1
Other IFRS -standards	0.1	-0.1	0.0
Total effects of adopting IFRS	3.4	3.1	3.1
Net profit (IFRS)	11.6	19.3	26.4

**CALCULATION OF CHANGES IN
SHAREHOLDER'S EQUITY (MEUR)**

A = Share capital

B = Share premium account

C = Share-related compensation

D = Retained earnings

E = Net profit for the period

F = Minority interest

G = Total equity

	A	B	C	D	E	F	G
Shareholders' equity 31.12.2003 (FAS)	12.6	54.9	0.0	12.9		1.9	82.3
Effects of adopting IFRS							
IAS 2 Inventories				0.6			0.6
IAS 12 Income taxes				-1.3			-1.3
IAS 17 Leases				0.2			0.2
IAS 36 Impairment of assets				-2.3			-2.3
IAS 39 Financial instruments				0.9			0.9

Other IFRS- standards				0.3		-0.2	0.1
Total effects of adopting IFRS				-1.5		-0.2	-1.8
Shareholders' equity 1.1.2004 (IFRS)	12.6	54.9	0.0	11.4		1.7	80.6
Shareholders' equity 31.12.2004 (FAS)	12.9	64.6	0.0	6.4	23.3	0.9	108.1
Effects of adopting IFRS							
IFRS 3 Business combination					4.6		4.6
IAS 2 Inventories				0.6	-0.7		-0.1
IAS 11 Construction contracts					0.1		0.1
IAS 12 Income taxes				-1.2	2.1		0.8
IAS 17 Leases				-0.0	-0.4		-0.4
IAS 36 Impairment of assets				-2.3	-3.0		-5.3
IAS 39 Financial instruments				0.9	0.4		1.3
IAS 40 Investment property					-0.1		-0.1
Other IFRS- standards				0.3	0.0	1.4	1.7
Total effects of adopting IFRS				-1.7	3.1	1.4	2.8
Shareholders' equity 31.12.2004 (IFRS)	12.9	64.6	0.0	4.7	26.4	2.3	110.9
Shareholders' equity 1.1.2004 (IFRS)	12.6	54.9	0.0	11.4		1.7	80.6
Increase of share capital	0.3	8.2					8.5
Profit for the period					3.3		3.3
Dividend distribution				-6.4			-6.4
Translation difference				-0.2		1.0	0.8
Others				-0.2			-0.2
Shareholders' equity 31.3.2004 (IFRS)	12.9	63.1	0.0	4.5	3.3	2.7	86.5
Increase of share capital							0.0
Profit for the period					4.3		4.3
Translation difference				0.1		-0.2	-0.1
Shareholders' equity 30.6.2004 (IFRS)	12.9	63.1	0.0	4.6	7.7	2.5	90.7
Increase of share capital							0.0
Profit for the period					11.6		11.6
Translation difference				0.0		0.0	0.0

Shareholders' equity 30.9.2004 (IFRS)	12.9	63.1	0.0	4.7	19.3	2.5	102.3
Increase of share capital	0.1	1.5					1.6
Profit for the period					7.2		7.2
Translation difference				0.0		-0.2	-0.2
Shareholders' equity 31.12.2004 (IFRS)	12.9	64.6	0.0	4.7	26.4	2.3	110.9
Shareholders' equity 1.1.2005 (IFRS)	12.9	64.6	0.0	31.1		2.3	110.9
Profit for the period					3.2		3.2
Dividend distribution				-7.8			-7.8
Translation difference				0.1		0.0	0.1
Shareholders' equity 31.3.2005 (IFRS)	12.9	64.6	0.0	23.4	3.2	2.3	106.4
Profit for the period					5.2		5.2
Dividend distribution							0.0
Translation difference				0.2		-0.0	0.1
Shareholders' equity 30.6.2005 (IFRS)	12.9	64.6	0.0	23.6	8.4	2.3	111.7
Profit for the period					6.6		6.6
Dividend distribution							0.0
Share-related compensation			0.1				0.1
Translation difference				0.2		-0.2	0.0
Shareholders' equity 30.9.2005 (IFRS)	12.9	64.6	0.1	23.8	15.0	2.0	118.4

CONSOLIDATED CASH FLOW STATEMENT (MEUR)	IFRS	IFRS	IFRS
	1-9/2005	1-9/2004	1-12/2004
	9 months	9 months	12 months
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit for the accounting period	15.0	19.3	26.4
Adjustment of accrual basis items	14.1	13.9	22.5
Cash flow before change in net working capital	29.1	33.1	49.0
Change in net working capital	-9.6	1.2	8.4
Cash flow before financial items and taxes	19.5	34.4	57.4
Interest paid on operating activities	-2.8	-3.0	-5.1
Interest received from operating activities	3.2	2.7	4.6

Other financial income and expenses, net received	0.1	0.1	0.3
Income taxes paid	-7.3	-6.3	-9.5
CASH GENERATED FROM OPERATIONS	12.6	27.8	47.6
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible and intangible assets -	-6.8	-21.3	-24.3
Proceeds from sale of tangible and intangible assets +	0.9	0.6	0.6
Purchase of investments -	-3.0	-1.6	-3.2
Proceeds from sale of investments +	2.2	1.6	3.0
NET CASH USED IN INVESTING ACTIVITIES	-6.8	-20.6	-23.8
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital +	0.0	8.5	10.1
Proceeds from short-term borrowings +	1.4	2.5	3.2
Repayment of short-term borrowings -	-1.6	-6.8	-6.9
Proceeds from long-term borrowings +	3.2	0.5	0.6
Repayment of finance leases	-3.3	-1.6	-2.3
Repayment of long-term borrowings -	-3.9	-3.5	-4.1
Dividends paid -	-7.8	-6.4	-6.4
NET CASH USED IN FINANCING ACTIVITIES	-11.9	-6.9	-5.9
NET CHANGE IN CASH AND CASH EQUIVALENTS			
	-6.1	0.3	17.9
Cash and cash equivalents at beginning of period			
	55.1	37.2	37.2
Cash and cash equivalents at end of period			
	49.0	37.5	55.1
Change in cash and cash equivalents in balance sheet			
	-6.1	0.3	17.9

SEGMENT INFORMATION, MEUR	IFRS	IFRS
	1-9/2005 9 months	1-9/2004 9 months
Service segment		
Net sales to external customers	62.8	60.5
Net sales to other segments	8.0	3.4
Net sales total	70.9	63.9
Operating profit	0.9	7.9
Product segment		
Net sales to external customers	94.6	81.7
Net sales to other segments	0.2	0.3
Net sales total	94.7	82.0
Operating profit	19.9	19.4
Common functions		
Net sales to external customers	0.2	0.2
Net sales to other segments	4.4	4.4
Net sales total	4.6	4.6
Operating profit	0.0	-2.2
Eliminations		
Net sales to external customers	0.0	0.0
Net sales to other segments	-12.6	-8.0
Net sales total	-12.6	-8.0
Operating profit	0.3	-0.8
Group total		

Net sales to external customers	157.6	142.5
Operating profit	21.1	24.3

In the interim reports January to March 2005 and January to June 2005 are the strategic development expenses (including several segments) showed in the sections of Common functions and Eliminations. These expenses are now included in the operating profit of the business segments. In the period from January to March 2005 these expenses were -0.4 million euro (-0.1 million euro January – March 2004) and from January to June 2005 the expenses were -0.1 million euro (-0,5 million euro January – June 2004).

Net sales of geographical segments, MEUR	IFRS	IFRS
	1-9/2005	1-9/2004
	9 months	9 months
Net sales		
Europe	102.2	95.8
Americas	31.0	29.4
Asia	24.4	17.3
Net sales total	157.6	142.5

ELEKTROBIT GROUP QUARTERLY FIGURES (MEUR)	IFRS	IFRS	IFRS	IFRS	IFRS
	7-9/2005	4-6/2005	1-3/2005	10- 12/2004	7-9/2004
	3 months	3 months	3 months	3 months	3 months
NET SALES	54.9	58.1	44.6	60.2	57.8
Other operating income	0.3	0.3	0.5	1.0	0.8
Change in work in progress and finished goods	2.1	0.6	2.7	-2.7	2.3
Manufacture for own use	0.0	0.2	0.0	0.0	0.0
Expenses	-45.3	-49.0	-41.0	-42.5	-44.0
Depreciation and reduction in value	-2.6	-2.9	-2.4	-5.9	-3.4
OPERATING PROFIT	9.4	7.2	4.5	10.1	13.5

Financial income and expenses	0.2	0.2	0.1	0.1	-0.2
Share of the results of associated companies	0.0	0.0	0.0	0.0	-0.0
PROFIT BEFORE TAXES	9.6	7.4	4.6	10.2	13.3
Income tax	-2.9	-2.2	-1.4	-3.1	-1.7
NET PROFIT	6.7	5.2	3.2	7.2	11.6
Distribution					
Owners of parent company	6.6	5.2	3.2	7.2	11.6
Minority interest	0.1	-0.0	0.0	-0.0	0.0

	IFRS	IFRS	IFRS	IFRS	IFRS
ELEKTROBIT GROUP	30.9.2005	30.6.2005	31.3.2005	31.12.	30.9.2004
BALANCE SHEET (MEUR)				2004	

ASSETS
Non-current assets

Intangible assets	23.0	23.2	24.2	24.3	26.6
Tangible assets	36.9	37.2	37.5	37.4	36.9
Investments	11.0	10.6	10.4	10.1	9.9
Deferred tax assets	3.2	3.9	3.1	2.9	1.7
Non-current assets total	74.1	74.9	75.1	74.7	75.2

Current assets

Inventories	21.3	18.6	18.1	15.4	17.9
Accounts and other receivables	58.1	56.4	46.9	49.1	56.3
Financing securities	16.8	16.7	18.6	5.5	0.0
Cash and bank deposits	32.2	30.2	27.4	49.6	37.5
Current assets total	128.4	121.8	110.9	119.6	111.7
TOTAL ASSETS	202.4	196.8	186.0	194.3	186.9

**SHAREHOLDERS' EQUITY
AND LIABILITIES**
Shareholders' equity

Share capital	12.9	12.9	12.9	12.9	12.9
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Other equity	103.4	96.5	91.2	95.7	87.0
Minority interest	2.0	2.3	2.3	2.3	2.5
Total equity	118.4	111.7	106.4	110.9	102.3
Long-term liabilities					
Interest-bearing liabilities	24.2	25.0	25.4	26.7	27.1
Other long-term liabilities	0.0	0.0	0.0	0.0	0.0
Deferred tax liabilities	7.5	7.6	7.7	8.0	5.3
Long-term liabilities total	31.8	32.6	33.2	34.7	32.4
Short term liabilities					
Short-term interest-bearing liabilities	12.0	12.8	13.3	13.7	14.7
Accounts payable and other liabilities	40.3	39.6	33.1	35.0	37.5
Short term liabilities total	52.3	52.5	46.5	48.7	52.2
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	202.4	196.8	186.0	194.3	186.9

ELEKTROBIT GROUP FINANCIAL PERFORMANCE RELATED RATIOS	IFRS	IFRS	IFRS
	1-9/2005	1-9/2004	1-12/2004
	9 months	9 months	12 months

INCOME STATEMENT (MEUR)

Net sales	157.6	142.5	202.6
Operating profit	21.1	24.3	34.4
Operating profit, % of net sales	13.4	17.1	17.0
Profit before taxes	21.5	23.7	33.9
Profit before taxes, % of net sales	13.7	16.6	16.7
Net profit	15.0	19.3	26.4

PROFITABILITY AND OTHER KEY FIGURES

Return on equity % (ROE)	17.5	28.1	27.6
Return on investment % (ROI)	21.2	27.0	28.8
Interest-bearing net liabilities, (MEUR)	-12.7	4.4	-14.7
Net gearing, %	-10.7	4.3	-13.2

Equity ratio, %	59.3	55.6	58.1
Gross investments, (MEUR)	9.8	22.8	27.5
Gross investments, % of net sales	6.2	16.0	13.6
Average personnel during the period	1630	1337	1385
Personnel at the period end	1689	1459	1536

AMOUNT OF SHARE ISSUE ADJUSTMENT (1000 pcs)	30.9.2005	30.9.2004	31.12.2004
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At the end of period	129 413	128 750	129 413
Average for the period	129 413	128 006	128 289
Average for the period diluted with stock options	129 428		

ELEKTROBIT GROUP STOCK-RELATED FINANCIAL RATIOS (EUR)	IFRS 1-9/2005 9 months	IFRS 1-9/2004 9 months	IFRS 1-12/2004 12 months
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Basic earnings per share	0.12	0.15	0.21
Diluted earnings per share	0.12	0.15	0.21
Equity per share	0.90	0.78	0.84

ELEKTROBIT GROUP MARKET VALUES OF SHARES (EUR)	1-9/2005	1-9/2004	1-12/2004
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Highest	3.15	3.45	3.45
Lowest	2.44	2.15	2.15
Average	2.73	2.85	2.85
At the end of period	2.52	2.70	2.80

Market value of the stock, (MEUR)	326.1	347.6	362.4
Trading value of shares, (MEUR)	66.9	55.6	79.9
Number of shares traded, (1000 PCS)	24 490	19 598	28 071
Related to average number of shares %	18.9	15.3	21.9

ELEKTROBIT GROUP SECURITIES AND CONTINGENT LIABILITIES (MEUR)	30.9.2005	30.9.2004	31.12.2004
AGAINST OWN LIABILITIES			
Floating charges	28.8	29.9	29.8
Mortgages	19.7	19.7	19.7
Pledges	7.4	11.3	7.6
Mortgages are pledged for liabilities totalled	23.7	28.6	26.1
OTHER DIRECT AND CONTINGENT LIABILITIES			
Rental liabilities			
Falling due in the next year	2.0	1.9	1.8
Falling due after one year	3.4	2.2	2.7
Repurchase commitments	0.3	1.3	1.3
ELEKTROBIT GROUP NOMINAL VALUE OF CURRENCY DERIVATIVES (MEUR)			
30.9.2005			
30.9.2004			
31.12.2004			
Foreign exchange forward contracts			
Market value	0.0	0.3	0.5
Nominal value	19.7	21.5	17.1
Purchased currency options			
Market value	0.0		0.0
Nominal value	2.0		0.0
Sold currency options			
Market value	-0.1		0.0
Nominal value	2.0		0.0