





Contents

Etteplan in 2009	4
Vision, Strategy, Values	5
CEO's review	6
Operational environment	8
Business review	10
Personnel	15
Review by the Board of Directors January 1 - December 31, 2009	16
Information for Shareholders	20

Financial Statements 2009	21
Consolidated Statement of Comprehensive Income	22
Consolidated Statement of Financial Position	23
Consolidated Statement of Cash Flows	24
Consolidated Statement of Changes in Equity	25
Notes to the Consolidated Financial Statements	26
Formulas for the Key Figures	45
Parent Company's Income Statement	46
Parent Company's Balance Sheet	46
Parent Company's Cash Flow Statement	47
Notes to Parent Company's Financial Statements	47
Shares and Shareholders	53
Board of Directors Dividend Proposal	56
Auditor's Report	56

Corporate Governance	57
Board of Directors, January 1, 2010	62
Management Group, January 1, 2010	63
Contact Information	

Etteplan in 2009

Etteplan Oyj's revenue for continuing operations was EUR 98.7 million (1-12/2008: EUR 134.2 million) in year 2009. Operating profit for continuing operations was EUR -3.6 million (EUR 13.8 million). Year 2009 was a year of adjustment and development for Etteplan. During the year Etteplan implemented operation adjustments that affected whole Group, updated its strategy for coming years 2010-2012, reorganised Group structure and operations.

STRENGTHENED MARKET SHARE IN CHALLENGING MARKET

Market for technical design and product information was challenging through the year 2009. Decline in the demand for services ceased dur-

Key figures from continuing operations

EUR million	2009	2008	change %
Revenue	98.7	134.2	-26.5 %
Operating profit	-3.6	13.8	-126.1 %
Earnings per share, EUR	-0.17	0.45	-137.5 %
Gross investments	4.8	12.1	-60.6 %
Net gearing %	20.8	54.6	
Personnel, average	1,765	1,763	0.1 %

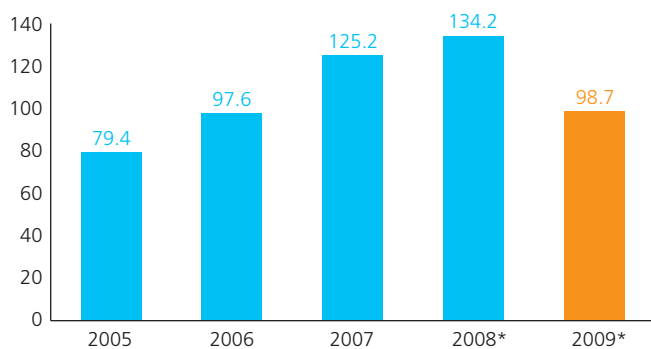
ing the year and stabilised on a lower than usual level. As customers continued to concentrate their design service procurement Etteplan succeeded in increasing its market share with a number of customers.

RENEWAL OF SERVICE AREAS

In order to offer the competence of whole Group even more effectively to the use of customers', Etteplan developed and intensified its operating and service principles in 2009.

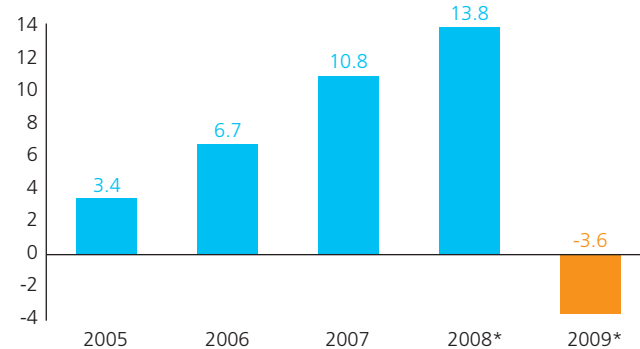
Etteplan successfully implemented operation adjustments that affected the whole Group to be able to improve its service ability and competitiveness as well as to adjust design capacity to the current market situation. The company continued investments to develop a global delivery model, which has already benefited a number of Etteplan's customers. In 2009 Etteplan updated its strategy for coming years in order to improve current strong market share and to ensure at least 10% average annual organic growth during the strategy period 2010-2012. At the same time Group structure was reorganised to correspond and support the updated strategy. ■

Revenue 2005-2009 (EUR million)



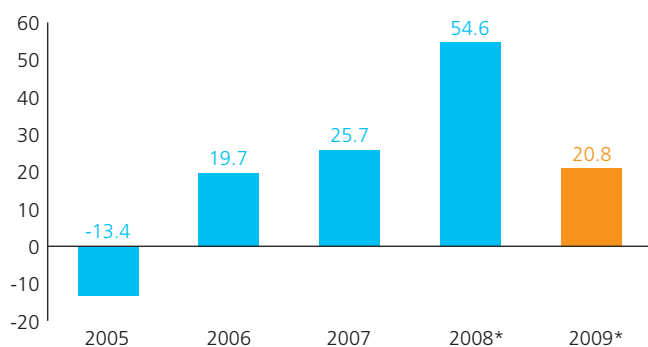
*) continuing operations

Operating profit 2005-2009 (EUR million)



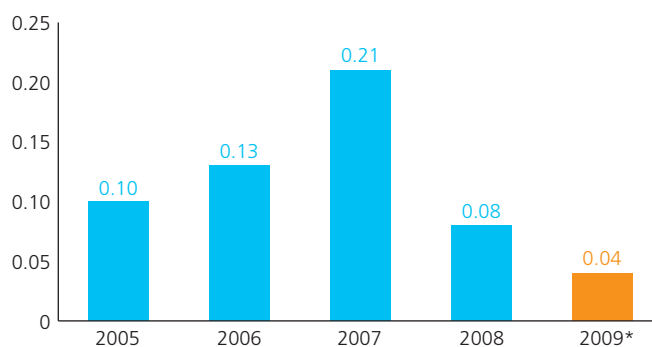
*) continuing operations

Net gearing %



*) continuing operations

Dividends 2005-2009 (EUR/share)



*) proposed by Board of Directors

Vision

Etteplan is the number one partner for each customer. ■

Strategy

Etteplan's clientele consists of global industrial companies that are leaders in their fields. Etteplan aims to offer competence of the whole company effectively to the use of the current and new customers. Etteplan seeks competitive advantage from its versatile cutting edge competence of engineering design areas, ability to manage engineering processes effectively and customer-oriented operational practice.

Etteplan serves its customers by providing technical design and product information solutions for all phases of the life cycle of customers' products. In the updated strategy, Etteplan's service offering is divided into two service areas, which are described by the value promise: **Smart way to smart products.**

OPERATIONAL SERVICES – SMART WAY

Operational services increase customers' technical design and product information management efficiency and enable customers to focus on their core activities.

EXPERTISE SERVICES – SMART PRODUCTS

Expertise services raise the competitiveness of customers' products' by offering flexible and proven leading edge technology services.

FOCUS AREAS OF STRATEGY

Etteplan develops its operational practices in three areas: customer-orientation, productization of service solutions and operational excellence.

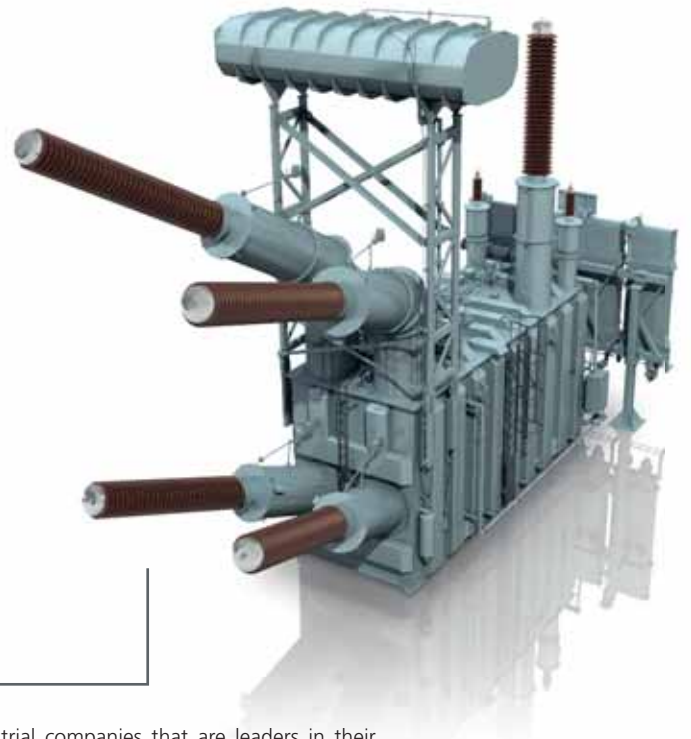
GROWTH

Strong clientele and new service solutions act as the sources of Etteplan Oyj's organic growth. In company acquisitions the aim, also in the future, is to concentrate on increasing competence capital and clientele. The company aims to improve its current strong market position and to ensure at least 10% average annual organic growth. ■

Values

Etteplan is a company of service-minded, enthusiastic, well conducted professionals whose values are:

- Customer satisfaction
- Personnel well-being
- Professional ways of working ■



Dear Shareholder,

The 2009 financial year was a time of opposites for Etteplan. On the one hand, we were able to strengthen our market share with a number of customers and maintain a positive cash flow in our business operations. On the other hand, the intense decline in the global economy and uncertainty in the financial markets reduced the demand for our customers' products. Demand for design services fell considerably, and a particularly strong decline in demand was experienced in automotive industry clientele in Sweden.

As demand began to fall early in 2009, we launched immediate measures to adjust our design capacity to the prevailing market situation. In Finland, the majority of the reductions in design capacity were accomplished through temporary layoffs. The current labor market legislation in Sweden is strict, which forced us to implement permanent layoffs in order to adjust our capacity to the marketplace.

The automotive industry in Sweden was driven into a crisis, which meant a sudden lack of demand for us. Furthermore, automotive-industry customers demanded significant discounts in service prices and relaxing of payment terms. We carried out a specific review of business potential in the automotive industry, and, as a consequence, the company's Board of Directors decided to withdraw from basic design engineering in that industry. We implemented this decision by selling a majority holding of Etteplan Tech AB to the company's management in September 2009.

The rearrangement of the operations in Sweden and the adjustment of capacity had significant effects on costs, which led to a decline in the profitability and balance sheet of our company. The Etteplan Board of Directors decided to strengthen the company's capital structure by issuing a hybrid loan worth EUR 10 million. The loan received a positive response in the market and was subscribed to in full. It was a delight to see that investors have faith in the company.

Our projects to cut costs and reduce net working capital were successful. Our company's full-year cash flow was positive and,

after investments, even better than in 2008. Considering the circumstances, we had a resounding success in the way we managed our cash flow.

We fine-tuned our company's strategy in late fall. Value promise "*Smart way to smart products*" crystallizes our company's promise – we have a smart way of designing smart products for our customers. The "smart way" describes our cost-efficient operational services, and smart machinery and equipment are generated as a result of our expertise services. In accordance with Etteplan's updated strategy, the company's service offering was divided into two service entities: operational services and expertise services. The company further developed its service structure in early 2010 by setting up a third new service unit, called Etteplan Enterprise Solutions, which focuses on selected global key customers.

The business environment of our customers has changed rapidly. Increasing competition and shifting of the focus in demand to Asia in many sectors have led, at an accelerating rate, to more decisions by our customers to renew their production structures and operating methods. Etteplan's customers acknowledge the company's services today as enablers of the renewal of their operating methods. Etteplan has new product solutions for these changed needs and an effective way of producing technical design and product information in Asia.

We are preparing ourselves for a recovery of demand in 2010, but, at the same time, fluctuations in demand are likely to be more intense than before. Providing flexible design capacity will be an essential requirement to achieve profitable results.

I wish to thank all of Etteplan's employees for the commitment with which they take part in the development of our company. I also want to thank our customers for good cooperation and our shareholders for continued confidence in our company. ■

Matti Hyttiäinen
President and CEO





Operational environment

The business environment in machinery and equipment design underwent an intense change in the course of 2009 as the uncertainty in the financial markets was reflected in the business operations of Etteplan's customers. The demand for machinery and equipment design services reacted quickly to customers' postponements of investment projects and weakened order books. As far as delivery design is concerned, the smaller order books were immediately visible in the demand for design services in the beginning of 2009. The demand for technical design services in ongoing investment projects and product development decreased more slowly as customers continued their investment projects and product development investments despite the more difficult market circumstances. Demand fluctuated from one sector to the next, weakening in most of Etteplan's customer industries. There was a particularly strong decline in demand in the Swedish automotive industry. In the energy and power transmission industries, on the other hand, the demand for technical design, particularly with regard to wind power projects, remained at a good level throughout the year.

The weaker market conditions generated overcapacity in the technical design and product information sector. The turnaround was quick, especially since 2008 was a peak year for demand for technical design and there was a shortage of qualified employees. Companies in the design sector reduced their overcapacity during 2009 mostly through personnel reductions.

The design sector is still fragmented in its structure and there are plenty of small, local companies in this field. The consolidation of the industry slowed down in 2009. Customers, however, continued to centralize their purchases, and the structure of the sector is changing slowly as a consequence.

The business environment of our customers has changed rapidly. Increasing competition and shifting of the focus in demand to Asia in many sectors have led to more decisions by our customers to renew their produc-

tion structures and operating methods. New demand for technical design services is being generated in Asia as a consequence of these changes in the business environment.

Our customers are developing their operations by concentrating on their core business and unifying their methods of operation. For technical design and product information services this leads to requirements to provide saving opportunities, flexibility, and services that are independent of time and place as well as operating procedures that meet strict data security requirements.

Cyclical fluctuations will control the demand for machinery and equipment design in the short term. Key factors guiding demand in the long term will be technological development, shortened life cycles of products, a growing need for data management in machinery and equipment, and increases in eco-efficiency.

The trend in demand for technical design and product information services in 2010 will depend on initiation of investment and product development projects by machinery and equipment manufacturers and also on changes in order books. These will manifest themselves rapidly in changes in the demand for design services. ■



Etteplan serves its customers by providing technical design and product information solutions for all phases of the life cycle of its customers' products. In addition to operational and expertise services, company's service areas include the new Enterprise Solutions unit.



Delivery model for technical design and product information

In 2009, Etteplan's service offering was divided into two areas: operational services and expertise services. The company further developed its service structure in the beginning of 2010 by setting up a third new service area, called Etteplan Enterprise Solutions.

Etteplan's customers are machinery and equipment manufacturers. The customer industries include:

- the energy and power transmission industry
- the aerospace and defense equipment industry
- manufacturers of elevators, escalators, hoists, and conveyors, as well as forest industry equipment manufacturers
- equipment manufacturers in the medical technology industry
- the steel and forest industries.

OPERATIONAL SERVICES

The purpose of operational services is to increase customers' technical design and product information management efficiency and enable customers to focus on their core activities. Forming the foundation of the services is Etteplan's extensive experience and customer references in development and management of design processes.

The operational services include productized technical design and product information outsourcing services, project deliveries, and supply of design capacity.

The operational services combine a cost-efficient design process, design resources, and all of Etteplan's versatile competence in the various technical design areas and technical product information into one competitive service. The service covers the delivery design process of a single product or an en-

tire product line as well as technical product information. The content of the productized service model is tailored specifically for each customer. Customer companies can use the service model to focus their operations on key strategic functions and let Etteplan take care of their daily, ongoing design activities in a flexible manner. Efficient design processes and a global delivery model offer the customer significant savings in design costs.

During the financial year, Etteplan invested in productization of new service solutions in its operational services. The objective of the new service solutions is to offer customers ever greater added value in services, combined with savings in design costs. Marketing and sales of the new service solutions started in early 2010.

EXPERTISE SERVICES

The purpose of the expertise services is to raise the competitiveness of customers' products by offering flexible and proven leading edge technology services.

Expertise services provide consulting, requirement specifications, design, calculation, and testing services in the field of machinery and equipment design. Expertise services support the customer in demanding product development projects whose objectives are to increase the efficiency of the product innovation process, enhance the usability of machinery and equipment, and boost the cost-efficiency of manufacturing. The services cover both development of new products and design services related to the modernization of old products. In addition to expertise services in the area of machinery and equipment design, Etteplan provides industrial and technical infrastructure design services that include, for example, plant engineering services.

LONG-TERM COOPERATION WITH ABB IN FINLAND

With its 30 years of experience, ABB serves wind power customers at every stage of the process. Its in-depth know-how, years of experience and thorough understanding of both wind turbine applications and power systems have made ABB the leading provider of products and services to the wind power industry.

ABB in Finland has been using Etteplan's engineers for wind power component product development projects from year 2004.

Etteplan's engineers have participated in a number of ABB's wind power product development projects in Finland. The branch is developing quickly and the demand for components is growing all the time. The amount of engineering work increases constantly as customers' requests need to be answered promptly.

ABB in Finland has purchased competence from Etteplan among others in mechanical, electrical and software engineering. Engineers that possess versatile competences have been a part of several development projects along ABB's own engineers.

Cooperation has brought flexibility and swiftness to engineering work. With the help of Etteplan's engineers ABB has been able to flexibly allocate resources to right projects. ABB recognises that the use of outside expertise has been a prerequisite for growth.

The customer thanks Etteplan's employees for excellent service minded attitude. This has made the cooperation smooth. An important basis for choosing a cooperation partner is the right people, who know the branch and with whom the cooperation is easy. Obviously also cost efficiency is crucial. ■





ETTEPLAN PARTICIPATES IN THE DEVELOPMENT OF EUROPEAN RAIL TRAFFIC MANAGEMENT SYSTEM

European Rail Traffic Management system (ERTMS) is a part of the European standardization and has a goal, to achieve a well functioning cross border train operation in Europe. One of the technical areas of standardization is the signaling safety system. The system enables trains to run smoothly and prevents them from collision and derailment. ERTMS is a set of specifications that have to be implemented in all European countries now and Etteplan has versatile competence within this area.

In 2009, Etteplan set up an organization, with the main task to gather resources that have the competences to support suppliers, railway administrators, railway operators, railway authorities, and European standardization authorities. Etteplan's designers with ERTMS competence were assigned to participate in the project during the year 2009. The designers worked with ERTMS in different assignments for:

- Bombardier as supplier
- Banverket as railway administrator in Sweden
- SJ (Statens Järnvägar) as railway operator in Sweden
- and EEIG ERTMS user group as support for European standardization authorities.

The assignments covered several different aspects such as feasibility studies, specifications, design, hazard analysis, and review. An internal ERTMS education effort was conducted to enhance the prospects of getting more assignments related to ERTMS development in the future, such as installation of ERTMS equipment and documentation.

After the first year with participation in different ERTMS projects, Etteplan has gained a reputation in the ERTMS area as a consultant company that can supply expert competence. During the year, Etteplan was also rewarded with a framework contract with Banverket to supply consultancy support in the field of ERTMS. ■

Expertise services include:

- energy-efficient solutions in machinery and equipment
- testing services
- innovation and product development services for equipment manufacturers in the medical technology industry
- requirement specifications and calculation services for machinery and equipment
- product development services for the aerospace and defense equipment industry
- design of embedded systems
- services related to the design and development of industrial infrastructure.

Utilization of internal synergies was a key area of focus for expertise services during the financial year. Previously, Etteplan had operated in accordance with a decentralized operating model. During the period under review, the company focused on consolidation of wider expertise service entities, provided across unit boundaries, so as to offer customers more added value.

entire innovation and design chain so that it is suited for the conditions in the end-user market. These services cover Etteplan's whole service offering, including, for example, quick innovation of a new product, system design and technical design of a product, specification of components to match the customer's procurement process, and the delivery design process. It is the task of the Etteplan Enterprise Solutions unit to prepare service packages that cover the global delivery of services tailored for each customer. Etteplan already has a large number of customer projects in these various sectors. In 2010, the company will focus on integration of these services in order to achieve greater benefits for the customers. ■



ENTERPRISE SOLUTIONS SERVICES

New Etteplan Enterprise Solutions unit concentrates on selected global key customers of Etteplan and aims to improve the competitiveness of its customers' business by providing, in the areas of technical design and product information, comprehensive expertise and operational service solutions that can be adapted to the international business environment.

Customers are increasingly focused on the core areas of their own business operations. Production is being moved close to the end users and includes assembly of products that have been localized for the relevant marketplace. There is a constant effort to increase the cost-efficiency of operations, and subcontracting networks are managed effectively. To this transition in the business environment Etteplan Enterprise Solutions brings service solutions that help customers launch new products in a cost-efficient manner, covering the localization of a product's

CASE: ERTMS

Development of business operations in 2009

Etteplan's Group structure and service model underwent intense development in the course of the financial year. The objective of the changes is to achieve a better operation and service structure that can meet customer needs more efficiently. The changes were also implemented due to the rapidly changing market conditions and overcapacity in the industry. During the period under review, in addition to rearrangement of the business structure and the operation adjustments, company invested in development of new service solutions and harmonization of operating processes in selected design areas. Development of the operations in China continued. The volume of design operations in China grew, and customers gave good feedback on the cost-efficient service model that encompasses technical design and product information.

CHANGE IN GROUP STRUCTURE

Etteplan's operations in Sweden were rearranged during the financial year. The changes in the Group structure were brought to a successful close by the end of 2009. The financial year saw significant changes in the automotive industry that caused Etteplan to focus on provision of testing and analysis services requiring special competence to customers in the industry and to withdraw from basic design engineering. Etteplan sold its majority holding of Etteplan Tech AB in the third quarter of the year. The effects of the transaction on goodwill, revenue, profitability, and the number of personnel have been presented in the financial statements section of the annual report. In future, Etteplan will focus on serving customers in the automotive industry with its own expertise services and by continuing its cooperation with Etteplan Tech AB.

As part of the operation adjustments, the number of personnel in Sweden was adapted to correspond to the market demand. The company has 550 employees in Sweden after the Etteplan Tech AB transaction and the adjustment measures. After the changes in the Group structure, Etteplan will concentrate on industrial machinery and equipment design in Sweden, aiming to expand its business particularly in the service areas of technical product information and embedded systems. Sweden is an important market area for Group's operations. Following the change, Etteplan's clientele in Sweden include the energy and power

transmission industries as well as aerospace and defense industries, a train manufacturer, medical technology equipment manufacturers, and equipment manufacturers in the steel and metal industries as well as the mining industry.

As part of the development in its Group structure, Etteplan sold a majority holding of its business in Italy to that company's operative management in the last quarter of the year. The company employs 16 persons in Italy.

In addition to the changes in the Group structure, Etteplan rearranged its business operations such that the new organizational structure will support Etteplan's strategic objectives and implementation of its strategy even more efficiently. The purpose of the operation adjustments and the changes in the Group structure is to utilize the experts of the whole Group more effectively and across national and organizational boundaries, to better control the cost effects brought about by the variations in market demand.

A DECREASE IN DEMAND FOR DESIGN SERVICES

In many customer industries, the order books of Etteplan machinery and equipment design customers took a downward turn in the first quarter of the year. The decline ceased in the third quarter, and the order books ended up at levels approximately 25 percent lower than in 2008.

Even though the demand for design services fell, there was steady demand through the year for various design services related to improvement of eco-efficiency and the use of alternative energy sources. Etteplan can offer many different kinds of design, testing, and emission-verification services. During the financial year under review, Etteplan participated in, e.g., development of an electric car, verification of emissions, design of biofuel power plants, and power plant and equipment design projects involving the use of wind power.

There were no significant changes in Etteplan's customer base in 2009. Etteplan has long-term customer relationships in place. Established cooperation with customers continued and many design contracts were renewed. The majority of the customer base consists of the leading global machinery and equipment manufacturers in their respective fields. About three fourths of Etteplan's revenue comes from assignments ordered by the 30 largest customers.

GLOBAL ENGINEERING PARTNERSHIP WITH LAROX OYJ

Cooperation between Larox and Etteplan has been fruitful and successful over a number of years. During 2009, the multi-location global engineering service model with Larox Oyj was further developed and implemented.

Task was to commence engineering design services from Etteplan China to support Larox global engineering. This would be attained by developing mechanical and automation design services as well as technical product information services from Etteplan China to support Larox to achieve more cost competitive engineering services.

New processes were created between Etteplan and Larox in multi-locations (Larox Finland, Larox China, Etteplan Finland, Etteplan China) for design project creation and execution. Etteplan has organized European engineers in different competence areas such as mechanical, electric and automation and technical product information to work together with Etteplan's team in China, transfer competence, develop internal communication and implementing quality management systems. Today, a group of Etteplan China engineers are providing mechanical, electric and automation design services and technical product information for Larox global delivery, including Larox China.

With the new multi-location global cooperation model, Larox has been able to improve engineering flexibility and cost efficiency. This has helped both companies to further develop global process and internal cooperation within the Group and with its strategic partners. The new design team in Etteplan China also enabled Larox China to get timely engineering support.

"European quality... Agreed scope... Agreed time... Agreed price..." was the key principles set by Larox Vice President Mr. Louis Manie for the multi-location global cooperation in 2008. Through the joint effort of Etteplan and Larox teams, it started to bear fruits in 2009. Looking into 2010, the scope and design hours will further develop. ■



TARGET OF ZERO EMISSION ACCELERATES THE GREEN TECHNOLOGY DEVELOPMENT

Volvo Cars together with Etteplan is accelerating the development of an electric car with a target of "Zero Emission". The project is called Volvo C 30 PEV, Pure Electric Vehicle, and the car is based on the Volvo C 30 model with the same dimensions, functions, and safety features as the standard model. The car is charged by an electrical inlet which is placed in a discrete charging box in the grill. Etteplan has a central role in the technical solutions, which are extremely specific and crucial in order to develop and offer an attractive car for the consumers.

For consumers it is important that the electric car is not only good for the environment but also attractive to drive and own. To achieve this, Volvo's electric cars have to be as comfortable, safe, and have the same performance as regular cars. Basic driving properties are on the same level or better than a 1.6 litre petrol engine car. Top speed is electronically controlled to 130 km/h and acceleration from 0-100 km/h takes 10.5 seconds.

Range and charging time are important characteristics, typical for all electric cars. Anything that consumes energy decreases the car's range. This means that energy optimization of the car's systems is even more important than when you have a traditional engine. To solve these challenges many new technical solutions are needed and it is here Etteplan's spearhead competence with engine, powertrain, and climate control system comes in. Etteplan's responsibilities have primarily been in the fields of engine/powertrain installation, safety systems, vacuum support for the brakes, and involvement in the design of the new crash structure. Etteplan has also been involved in the battery climate control system, which is important for battery performance and durability. Additional work has been done for the climate control of the compartment and cooling of the engine/powertrain.

One interesting innovation is that the car regenerates energy to the battery while braking, which extends the range of the car. The car will be in low volume production in 2011.

Etteplan is participating in a number of electric car projects at the moment. ■

GROWTH OF MARKET SHARE

Etteplan's customers are reducing the number of their partners and consolidating their procurement of technical design and product information services with companies that can provide a broader offering of services. Several industrial customers centralized the procurement of their design services with Etteplan. For this reason, Etteplan's market share grew during the 2009 financial year although demand fell, and the reduction of overcapacity and operation adjustments had a negative impact on the company's revenue and profitability. Etteplan renewed framework agreements with its customers and concluded a

considerable number of new contracts. During the period under review, Etteplan made agreements with Westinghouse Electric Sweden AB, Bombardier Transportation Sweden AB, Saab AB, Vattenfall AB, Sandvik, Ovako, Metso Oyj, Rautaruukki Oyj, Banverket, and several other important industrial and public-service customers. Other significant customers in 2009 included KONE Oyj, Larox Oyj, Nokian Renkaat Oyj, and Winwind Oy.

Etteplan has good operating prospects in Russia, once the market recovers. In December 2009, Etteplan was granted a Self Regulating Organizations design permit in Russia, where the license covers all of Russia. ■

The focus for 2010

In 2010, Etteplan will focus on providing new service solutions for its customers and increasing the proportion of its sales represented by new solutions. The focus will be on supporting customers' business operations with comprehensive and global technical design and product information solutions through which the company aims to achieve organic growth.



Implementation of the strategy will continue in the selected areas: customer-orientation, new service solutions, and "One Etteplan." The objective of customer-orientation is to develop the company's service and sales culture and to provide current and new customers with all of Etteplan's competence. The service solutions are aimed at effectively shifting the business focus from resource sales to solution sales. The "One Etteplan" theme includes development of internal operating methods and information systems that support them.

At the start of 2010, the company has great clientele, an improved market position, new product solutions, and an ever more efficient service and Group structure. ■

CASE: VOLVO

Personnel

Personnel form the key success factor of business operations that are based on expertise. Etteplan's personnel consist of highly educated experts in various technical areas.

An essential part of their competence consists of knowledge of technical design and product information processes and the product lines of our customers. During the period under review, the company utilized its versatile competence in a great many demanding and multifaceted assignments.

The review period posed challenges for the personnel as the situation in the marketplace changed dramatically. Lack of personnel in the previous year quickly turned into an oversupply of design capacity in our main market in the Nordic countries. Etteplan carried out the personnel reductions required by the market situation mainly through temporary layoffs in Finland. In Sweden, operation adjustments meant that employment relationships had to be terminated due to Swedish legislation. Despite of the difficult situation, our employees have worked in an exemplary manner and the quality of the design work has remained steady. The number of sick days during the period under review remained at Etteplan's established, low level.

All of Etteplan's personnel have been included in electronic personnel information systems in the course of the review period. With these systems, information about the company's personnel structure and its changes, including turnover and progress of development discussions as well as other key information about personnel, is always up to date and at the disposal of supervisors and the Human Resources department. The information system will be supplemented to include the competence profiles of all employees. In 2009,

Etteplan completed the structure of its technical competence model and descriptions of assignments according to this structure – now they can be presented, for the first time, in a uniform manner for the whole Group.

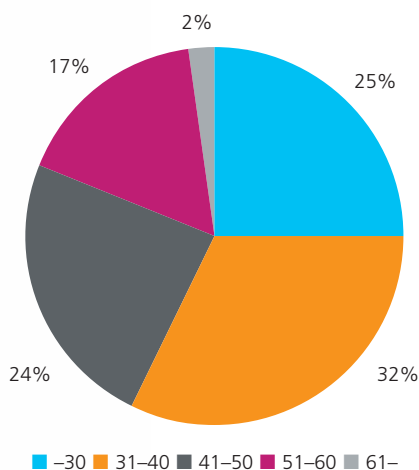
The number of development discussions completed is monitored at Etteplan on an annual basis, with the objective being to come to a situation where a discussion is held with each employee every year. The number of discussions held has grown steadily, and currently development discussions are held with approximately 80 percent of the personnel. The company has also focused on the quality of the development discussions. Supervisors have participated in development discussion training, and procedures related to the discussions have been improved.

Etteplan has offices in 28 locations in Finland and in 15 locations in Sweden. Due to the company's distributed operating structure, the most efficient way to reach all personnel is by means of electronic tools. In the period under review, the company focused on the development of electronic training materials. Use of these training materials began in late 2009, and publication of new training courses will continue in 2010. Completion of training will be monitored through electronic reporting.

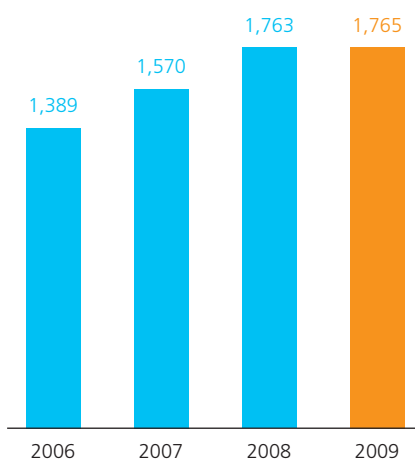
PERSONNEL STRUCTURE

At the end of the period under review, the company employed a total of 1,544 persons, 571 of them abroad. There are, in total, 125 employees in Etteplan's Shanghai office and in the joint venture in Kunshan, China. The number of personnel was reduced by 244 employees as Etteplan sold its majority holding in its Swedish subsidiary Etteplan Tech AB. The various age groups are represented in a balanced way in the age distribution of the personnel. ■

Age Distribution December 31, 2009



Average Number of Personnel*



*) continuing operations



HENRI LAINE

Engineering Manager, Etteplan Oyj, Vantaa, Finland

The past year brought changes to my job description. During the past years I have been working as a mechanical head designer for customer's product development projects. My duties have included among others engineering of frequency converters for wind turbines.

In 2009 the nature of my work changed to include more management of customer contacts and coordination of engineering projects. Engineering work was done in three places including our own premises. Information flow is important and I have concentrated on this. The change in the nature of my work has pleased me.

For our team the whole year has been good. There was steadily work and we even needed more mechanical engineers for our team. ■



GUMP CHEN

IT & Security; Software designer, Etteplan Vatable Technology Centre, China

Year 2009 was challenging but at the same time very rewarding. I was responsible for a significant data security project that succeeded extremely well. We have now a system that fulfils even the strictest data security requirements. Obviously the system is constantly updated to meet the new challenges.

During the year I received a lot of responsibility and opportunities to take on new challenges. This has been a year of strong development and there has been a lot of work. We will do our most that next year we would be even more competitive and attractive choice for our customers. ■

Review by the Board of Directors Jan 1 – Dec 31, 2009

BUSINESS OPERATIONS

Etteplan's customers' weakened order books reflected to the demand for design services through the year. The demand declined rapidly during the first half of the year and stabilized, in the third quarter, to 25% lower level compared to the same period in the previous year. Demand remained on this level until the end of the year. Decline in demand commenced, in the first quarter of year, with the decline in demand for design services among forest industry equipment manufacturers, and decline expanded to include most of Etteplan's customer industries during the review period. Energy and power transmission industry was an exception and demand continued on a steady level through the entire period under review.

Etteplan signed framework agreements with current and new customers steadily through the review period. Etteplan's customers' continued to concentrate their design services procurement and for Etteplan this meant improved market share.

During the review period, Etteplan renewed its Group structure and operational practices as well as adjusted operations to correspond with the declined demand.

Renewing of Group structure applied mainly to operations in Sweden. Etteplan sold its majority holding in Etteplan Tech AB and owns 19.9% of the company after the transaction. With the transaction Etteplan withdrew from automotive industry's basic design engineering.

The majority holding of business in Italy was sold to the operative management. The company has 16 employees. Etteplan continues as minority shareholder in the company with 19.0% share.

Etteplan Oyj published its updated strategy in the review period. As a result of the updated strategy, for years 2010-2012, Etteplan reorganised its operational and service principles.

With the help of the updated strategy company aims to improve its current strong market position. Etteplan's good current clientele creates a strong base for the growth.

Etteplan serves its customers by providing technical design and product information solutions for all phases of the life cycle of customers' products. In the updated strategy, Etteplan's service offering is divided into two

service areas, operational services and expertise services.

Renewing operational practices included the development of cost effective technical design and product information delivery models. Etteplan received a number of new assignments during the year where work is done in China units. Delivery models offer customers' substantial cost savings in technical design and product information.

The amount of personnel reductions grew quickly in the first half of the year and was approximately 250 employees in Finland and approximately 100 employees in continuing operation in Sweden. The reductions were mainly temporary lay offs in Finland and permanent lay offs in Sweden. There was no substantial change in the amount of personnel reductions in the second half of the year.

REVENUE

In 2009, Etteplan's revenue for continuing operations amounted to EUR 98.7 million (1-12/2008: EUR 134.2 million).

RESULT

Operating profit for continuing operations excluding non-recurring costs was EUR 0.1 million (1-12/2008: EUR 13.8 million). Operating profit for continuing operations was EUR -3.6 million (EUR 13.8 million). Operating profit for continuing operations includes EUR 3.7 million operation adjustment costs.

Profit for continuing operations before taxes for the financial year was EUR -4.3 million (1-12/2008: EUR 12.8 million). Taxes amounted to EUR -1.0 million (EUR 3.8 million). The income tax rate calculated on profit before taxes in the consolidated income statement was 23.5% (29.2%).

The profit for continuing operations for the financial year was EUR -3.3 million (1-12/2008: EUR 9.0 million). Earnings per share were EUR -0.17 (EUR 0.45). Equity per share was EUR 1.20 (EUR 1.37). Return on investment was -8.6% (31.8%).

Profit for the period for discontinuing operations was EUR -11.1 million (EUR 1-12/2008: EUR -1.0 million). This includes EUR 7.1 million goodwill write-down, which does not affect the cash flow.

Result for the review period was EUR -14.4 million (EUR 8.0 million).

NEW MANAGEMENT GROUP

As a part of the strategy process Etteplan published its new business structure in the period under review. The change aims to improve organisation's efficiency and simplicity. The change took effect on January 1, 2010. As of January 1, 2010 Etteplan Group's management group is composed of Matti Hyytiäinen, President and CEO; Pia Björk, Vice President, Operations Development and M&A; Niclas Gräns, Vice President, Etteplan Technology; Per-Anders Gådin, CFO; Outi-Maria Liedes, Vice President, HR and Communications and Juha Näkki, Vice President, Etteplan Engineering.

FINANCIAL POSITION AND CASH FLOW

Total assets on December 31, 2009, were EUR 61.7 million (December 31, 2008: EUR 78.9 million). Goodwill on the balance sheet was EUR 31.2 million (December 31, 2008: EUR 33.2 million). The goodwill includes estimated EUR 3.7 million additional purchase prices of companies purchased in 2008. The Group's cash and cash equivalents stood at EUR 6.7 million (December 31, 2008: EUR 1.9 million). The Group's financial liabilities amounted to EUR 11.6 million (December 31, 2008: EUR 16.6 million) at period end. The equity ratio was 38.5% (December 31, 2008: 34.2%). The cash flow before investments and financial items was positive and totalled EUR 2.1 million (1-12/2008: EUR 9.2 million). Cash flow after investments was EUR 0.1 million (1-12/2008: EUR -0.1 million).

Etteplan Oyj issued a EUR 10 million hybrid loan in November. The coupon rate of the loan is 9.50% per annum. The loan has no maturity but the company may call the loan after two years. The loan was sold to a limited number of investors. The loan strengthens Group's capital structure and the arrangement provides prerequisites for expanding the business among others with company acquisitions.

CAPITAL EXPENDITURE

The Group's gross investments in the period under review were EUR 4.8 million (1-12/2008: EUR 12.1 million). The investments consisted mainly of the additional purchase prices of companies purchased in 2008 that will be paid in 2010 and 2011.

PERSONNEL

The number of the Group's personnel averaged 1,765 (1-12/2008: 1,763) during the review period and was 1,544 (December 31, 2008: 1,749) at end of the year. Outside Finland, the Group employed 571 people (December 31, 2008: 676) at period end.

INCENTIVE PLAN FOR KEY PERSONNEL

The Etteplan Oyj Board of Directors decided on a share-based incentive plan for key personnel in March 2008. The plan includes three earnings periods: calendar years 2008, 2009 and 2010. The plan had a target group of 37 people in 2008 and 39 people in 2009. The remuneration paid from the plan corresponds to the value of about 720,000 Etteplan Oyj shares at maximum.

The Board of Directors of Etteplan Oyj has in its meeting held on February 11, 2009 made a resolution upon disposal of company-held shares pursuant to the authorization granted to it by the Annual General Meeting of Shareholders' held on March 28, 2008. The authorization was renewed in the Annual General Meeting on March 26, 2009.

In accordance with the decision by the Board of Directors, Etteplan Oyj has, on April 30, 2009, disposed 41,177 company-held shares as the remuneration for the 2008 earnings period for 36 employees who were part of share-based incentive plan in 2008. The price per share of the transferred shares was EUR 2.89, which was the volume weighted average quotation of Etteplan Oyj share on April 30, 2009. Accordingly, the total transaction price of the transferred shares was EUR 119,001.53. In addition, a monetary part and capital transfer tax, totalling at EUR 180,723.97, were paid out of the plan. The remuneration earned in 2008 was paid on April 30, 2009. 890 of the disposed shares have been returned to the company.

Pursuant to the authorization granted to it by the Annual General Meeting of Shareholders', held on March 26, 2009, the Board of Directors of Etteplan Oyj has in its meeting, on February 10, 2010, made a resolution that there will be no disposal of company-held shares for the 2009 earnings period.

ESTIMATE OF OPERATING RISKS AND UNCERTAINTY FACTORS

Etteplan's financial results are exposed to number of strategic, operational and financial risks. A detailed risk analysis can be found in Etteplan's annual report 2009.

EXTERNAL RISKS

During the period under review, economic development on the whole and unpredictable changes in customers' order books continued to be a significant risk. The customer related risks will continue to pose an increased risk for Etteplan's operations.

INTERNAL RISKS

Internally Etteplan does not foresee changes in its risk position compared to previously stated.

Reviews concerning financing risks are presented in the notes to the financial statements.

In addition to the write-down done during the review period, the current impairment test shows no reason for goodwill write-down.

ANNUAL GENERAL MEETING

The Etteplan Oyj Annual General Meeting was held in Lahti on March 26, 2009. The Board of Directors was confirmed to have six members. Tapio Hakakari, Heikki Hornborg, Tapani Mönkkönen, Pertti Nupponen, and Matti Virtaala were re-elected as members of the Board and Robert Ingman was elected as a new member of the Board. At its organizational meeting of March 26, 2009, the Board elected Heikki Hornborg as chairman and Tapani Mönkkönen as vice-chairman.

The Annual General Meeting approved the Financial Statements for the financial year 2008 and discharged the members of the Board of Directors and the CEO from liability.

The auditor elected was PricewaterhouseCoopers Oy, a firm of authorized public accountants, with Mika Kaarisalo APA as the auditor in charge. The fees for the auditor are paid according to invoice.

The Annual General Meeting authorized the Board of Directors to acquire company's own shares in one or more lots using the company's unrestricted equity. A maximum of 2,000,000 of the company's own shares can be acquired. The Board of Directors shall have the right to decide who the shares are acquired from or, the Board of Directors has the right to decide on a directed acquisition of own shares.

The authorization is valid for 18 months from the date of the decision of the Annual General Meeting starting on March 26, 2009 and ending on September 26, 2010. The authorization replaces the previous authorization.

DIVIDEND

The Annual General Meeting passed a resolution in accordance with the proposal of the Board of Directors to pay a dividend for the 2008 financial year of EUR 0.08 per share, or a total of EUR 1,573,586.30. The remaining profit was retained in non-restricted equity. The record date of the payment of dividend was March 31, 2009. The dividend was paid on April 7, 2009.

The Annual General Meeting authorized the Board of Directors to decide within their discretion on the payment of a possible additional dividend of EUR 0.07 per share, or a total maximum of EUR 1,376,888.00, should the economic situation of the company allow it. The authorization was valid until Decem-

ber 31, 2009. Etteplan Oyj's Board of Directors decided, in its meeting on October 28, 2009, that additional dividend will not be paid in year 2009.

SHARES, SHARE PRICE DEVELOPMENT, AND SHARE BUY-BACK

The Etteplan share (ETT1V) is quoted in the Nordic NASDAQ OMX's Small Cap market capitalization group in the Industrials sector.

The company's share capital on December 31, 2009, was EUR 5,000,000.00, and the number of shares outstanding was 20,179,414. There were no changes in the share capital during the period under review. The company has one series of shares. All shares confer an equal right to dividends and the company's funds.

The number of Etteplan Oyj shares traded during the financial year was 2,604,232 to a total value of EUR 7.6 million. The share price low was EUR 2.58, the high EUR 3.40, the average EUR 2.94, and the closing price EUR 2.77. Market capitalization on December 31, 2009 was EUR 54.6 million, and there were 1,907 shareholders.

The company held 469,298 of its own shares on December 31, 2009. In January-December 2009, the company acquired 10,409 of its own shares. The company disposed of 40,287 company-held shares in January-December 2009.

NOTIFICATION OF CHANGES IN SHAREHOLDINGS

Evli Pankki Oyj's share in Etteplan Oyj's voting rights and share capital fell under 5% due to the trade of forward contracts that fell due, on December 18, 2009.

Oy Fincorp Ab's forward contracts fell due on December 18, 2009 and the holdings by Oy Fincorp Ab in Etteplan Oyj exceed 10%.

MAJOR EVENTS AFTER THE REVIEW PERIOD

Peter Jahn (45) was appointed as Vice President, Enterprise Solutions to Etteplan Group as of February 8, 2010. Jahn is a member of Etteplan Oyj's management group and reports to President and CEO Matti Hyytiäinen.

Peter Jahn came to Etteplan from Intertek Group Plc where he was Sales Director of Commercial & Electrical division in Europe. In this position Jahn was responsible for key accounts headquartered in Europe for the whole Intertek Group. Jahn has a profound knowledge of different industries' product development and design processes such as engineering industry, consumer electronics, medical technology equipment manufacturers and telecommunications.

New Enterprise Solutions unit concentrates

on Etteplan's global key customers with an aim to improve competitiveness of customers' operations by offering comprehensive technical design and product information expertise and operational services that are assorted to international business environment.

OUTLOOK FOR 2010

The commencement of Etteplans' customers' investment and product development projects as well as changes in order books reflect quickly to the demand for technical design and product information services and the development of Etteplan's revenue.

The revenue in 2010 is estimated to be approximately on the same level as in year 2009. Adjustments done in year 2009 improve company's profitability and operating profit is estimated to be positive. The revenue and operating profit estimates are based on Etteplan's current market outlook. Potential acquisitions in year 2010 are not included in the estimate.

BOARD'S PROPOSAL FOR DISTRIBUTION OF 2009 PROFITS

The parent company's distributable shareholders' equity according to the balance sheet on December 31, 2009, is EUR 9,331,564.08.

The Board of Directors will propose to the Annual General Meeting, which will convene on March 24, 2010, that on the dividend payout date a dividend of EUR 0.04 per share be paid on the company's externally owned shares and that the remaining profit be transferred to retained earnings. It is the Board's opinion that the proposed distribution of dividends will not endanger the company's solvency. In accordance with the Board's proposal, the record date for the dividend payout is March 29, 2010 and the date of dividend payout is April 7, 2010.

ANNUAL GENERAL MEETING IN 2010

Etteplan Oyj's 2010 Annual General Meeting will be held in Vantaa, Finland, on March 24, 2010, starting at 1 p.m. Summons to the AGM will be published as a separate release.

Etteplan Oyj
Board of Directors

Information for shareholders

GENERAL MEETING OF SHAREHOLDERS

The Etteplan Oyj Annual General Meeting will be held in Vantaa on March 24, 2010, starting at 1 p.m. A shareholder who on Friday March 12, 2010, is registered as a shareholder in the company's shareholder register maintained by Euroclear Finland Ltd (Finnish Central Securities Depository Ltd) is entitled to attend the Annual General Meeting.

A shareholder who wishes to attend in the Annual General Meeting must notify the company of his/her intention to do so by March 19, 2010 at 4 p.m. Finnish time either by mail to Etteplan Oyj, Yhtiökokous, Terveystie 18, 15860 Hollola, by telephone to number +358 10 307 2006 or by e-mail to registration@etteplan.com. Written notifications to participate in the Meeting must have arrived to the company prior to the expiry of the registration period.

In connection with the registration, a shareholder shall notify his/her name, personal identification number or business ID, address, telephone number and the name of a possible assistant. The personal data given to Etteplan Oyj is used only in connection with the Annual General Meeting and with the processing of related registrations.

Shareholders may attend the Annual General Meeting and exercise their rights at the Meeting by way of proxy representation. Proxy representatives must produce a dated letter of proxy or demonstrate in some other reliable manner their right to represent the shareholder at the Meeting. Any proxy forms, identified and dated, should be delivered to the company to be inspected to the address mentioned above before the deadline to notify the attending of the Meeting.

Documents of the General Meeting of Shareholders are available on Etteplan Oyj's website at www.etteplan.com.

PAYMENT OF DIVIDENDS

The Board of Directors will propose to Annual General Meeting that a dividend of EUR 0.04 per share be paid for the 2009 fiscal year. If the Annual General Meeting approves the Board's proposal on the payment of dividends, a dividend will be paid to each shareholder who on the record date of March 29, 2010, is registered in the list of shareholders maintained by Euroclear Finland Ltd. The dividend payout date proposed by the Board is April 7, 2010.

BASIC INFORMATION ON ETEPLAN SHARES

The Etteplan share (ETT1V) has been quoted in the NASDAQ OMX Helsinki's Small Cap market capitalization group in the Industrials sector since October 2, 2006. The total number of shares was 20,179,414 on December 31, 2009. Previously, the company was listed on the Main List of the Helsinki Exchanges.

FINANCIAL INFORMATION

Etteplan Oyj will publish three interim reports in 2010, as follows:

Interim report for 1–3/2010

on May 6, 2010

Interim report for 1–6/2010

on August 12, 2010

Interim report for 1–9/2010

on November 10, 2010

The interim reports will be made available for viewing and printing at www.etteplan.com immediately after publication. The reports will be published in Finnish and English.

ANNUAL REPORT

The annual report, interim reports, stock exchange releases, and other information about Etteplan Oyj are available at www.etteplan.com.

Shareholders must report address changes to the party maintaining the book-entry system (bank or banking company). ■

Financial Statements 2009

Consolidated Statement of Comprehensive Income	22
Consolidated Statement of Financial Position	23
Consolidated Statement of Cash Flows	24
Consolidated Statement of Changes in Equity	25
Notes to the Consolidated Financial Statements	26
Company profile & Accounting Policy Applied	26
Management of Financial Risks	30
Discontinuing Operations	32
Business Combinations	33
Notes to the Consolidated Income Statement	34
Notes to the Consolidated Balance Sheet	36
Other Notes	42
Key figures for financial trends	44
Key figures for shares	44
Formulas for the Key Figures	45
Parent Company's Income Statement	46
Parent Company's Balance Sheet	46
Parent Company's Cash Flow Statement	47
Parent Company's Accounting Policies	47
Parent Company's Notes to the Income Statement	48
Parent Company's Notes to the Balance Sheet	49
Parent Company's Liabilities and Quarantees	52
Shares and Shareholders	53
Board of Directors Dividend Proposal	56
Auditor's Report	56

Consolidated statement of comprehensive income

EUR 1 000	NOTE	1.1.-31.12.2009	1.1.-31.12.2008
CONTINUING OPERATIONS			
Revenue	5	98 700	134 215
Other operating income	7	392	947
Materials and services	8	-8 077	-11 314
Staff costs	9	-75 851	-87 745
Other operating expenses		-17 155	-20 626
Depreciation and amortisation	16,17	-1 596	-1 720
Operating profit		-3 587	13 757
		-3,6 %	10,2 %
Financial income	11	341	169
Financial expenses	12	-925	-1 129
Share of the result of associates		-134	0
Profit before taxes		-4 304	12 797
Income taxes	14	1 017	-3 752
Profit for the financial year continuing operations		-3 287	9 045
DISCONTINUING OPERATIONS			
Profit/loss for the financial year, discontinuing operations	3	-11 067	-1 030
Result for the financial year		-14 354	8 015
OTHER COMPREHENSIVE INCOME			
Currency translation differences		1 245	-4 365
Other comprehensive income for the year, net of tax		1 245	-4 365
Total comprehensive income for the year		-13 109	3 650
PROFIT ATTRIBUTABLE TO			
Equity holders of the company		-14 403	7 997
Minority interest		49	18
		-14 354	8 015
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO			
Equity holders of the company		-13 164	3 632
Minority interest		55	18
		-13 109	3 650
EARNINGS PER SHARE CALCULATED FROM THE RESULT OF PARENT COMPANY SHAREHOLDERS			
Continuing operations			
Basic earnings per share, EUR	15	-0,17	0,45
Diluted earnings per share, EUR	15	-0,17	0,45
Discontinuing operations			
Basic earnings per share, EUR	15	-0,56	-0,05
Diluted earnings per share, EUR	15	-0,56	-0,05

The notes are an integral part of the financial statements.

Consolidated statement of financial position

EUR 1 000	NOTE	31.12.2009	31.12.2008
ASSETS			
Non-current assets			
Tangible assets	16	1 458	2 485
Goodwill	18, 21	31 184	33 207
Other intangible assets	17	1 042	1 558
Shares in associated companies	19	0	17
Investments available-for-sale	20	691	411
Other long-term receivables		3	551
Deferred tax assets	31	950	191
Non-current assets, total		35 329	38 421
Current assets			
Trade and other receivables	22	18 645	37 242
Current tax assets	23	1 079	1 338
Cash and cash equivalents	24	6 650	1 879
Current assets, total		26 375	40 459
TOTAL ASSETS		61 704	78 880
EQUITY AND LIABILITIES			
Capital attributable to equity holders			
Share capital	25	5 000	5 000
Share premium account	25	6 701	6 701
Unrestricted equity fund	25	2 590	2 474
Own shares	25	-1 949	-2 025
Cumulative translation adjustment	25	-2 534	-5 188
Other reserves	25	10 000	0
Retained earnings	25	18 148	11 962
Profit for the financial year		-14 403	7 997
Capital attributable to equity holders, total		23 554	26 921
Minority interest		135	79
Equity, total		23 689	27 000
Non-current liabilities			
Deferred tax liability	31	150	1 537
Financial liabilities	27	7 626	9 981
Non-current liabilities, total		7 776	11 517
Current liabilities			
Financial liabilities	27	3 959	6 635
Trade and other payables	29	24 401	33 425
Reserves	32	1 435	0
Current income tax liabilities	30	445	303
Current liabilities, total		30 239	40 363
Liabilities, total		38 016	51 880
TOTAL EQUITY AND LIABILITIES		61 704	78 880

The notes are an integral part of the financial statements.

Consolidated statement of cash flows

EUR 1 000	1.1.-31.12.2009	1.1.-31.12.2008
OPERATING CASH FLOW		
Cash receipts from customers	129 302	158 974
Operating expenses paid	-126 232	-143 861
Operating cash flow before financial items and taxes	3 070	15 113
Interest and payment paid for financial expenses	-632	-1 131
Interest received	197	228
Income taxes paid	-557	-5 055
Operating cash flow (A)	2 078	9 155
INVESTING CASH FLOW		
Purchase of tangible and intangible assets	-139	-1 774
Disposals of subsidiaries	93	0
Acquisition of subsidiaries	-966	-7 582
Proceeds from sale of tangible and intangible assets	30	60
Loan receivables, increase	-977	0
Proceeds from sale of investments	3	47
Investing cash flow (B)	-1 956	-9 249
Cash flow after investments (A + B)	122	-94
FINANCING CASH FLOW		
Purchase of own shares	-44	-2 523
Short-term loans, increase	0	3 437
Short-term loans, decrease	-3 251	0
Long-term loans, increase	2 528	2 544
Hybrid loan, increase	10 000	0
Long-term loans, decrease	-3 112	-4 007
Dividend paid and other profit distribution	-1 574	-4 225
Financing cash flow (C)	4 547	-4 774
Variation in cash (A + B + C) increase (+) / decrease (-)	4 669	-4 868
Assets in the beginning of the period	1 879	7 243
Exchange gains or losses on cash and bank equivalents	102	-496
Assets at the end of the period	6 650	1 879

The notes are an integral part of the financial statements.

Consolidated statement of changes in equity

EUR 1 000	Share Capital	Share Premium Account	Unrestricted Equity fund	Own shares	Cumulative Translation Adjustment	Other reserves	Retained Earnings	Total	Minority Interest	Equity total
Equity 1.1.2008	5 000	6 701	2 601	-962	-823	0	16 187	28 704	597	29 301
Dividends							-4 225	-4 225		-4 225
Purchase of own shares				-2 523				-2 523		-2 523
Disposal of own shares			-127	1 401				1 274		1 274
Shares to be issued				59				59		59
Changes in ownership								0	-536	-536
Comprehensive income for the financial year					-4 365		7 997	3 632	18	3 650
Equity 31.12.2008	5 000	6 701	2 474	-2 025	-5 188	0	19 959	26 921	79	27 000

EUR 1 000	Share Capital	Share Premium Account	Unrestricted Equity fund	Own shares	Cumulative Translation Adjustment	Other reserves	Retained Earnings	Total	Minority Interest	Equity total
Equity 1.1.2009	5 000	6 701	2 474	-2 025	-5 188	0	19 959	26 921	79	27 000
Dividends							-1 574	-1 574		-1 574
Purchase of own shares				-44				-44		-44
Shares to be issued			116	120			-179	57		57
Hybrid loan						10 000	-59	9 941		9 941
Change in translation difference								0	6	6
Changes in ownership					1 410			1 410		1 410
Comprehensive income for the financial period					1 245		-14 403	-13 159	49	-13 109
Equity 31.12.2009	5 000	6 701	2 590	-1 949	-2 534	10 000	3 745	23 554	135	23 689

The notes are an integral part of the financial statements.

COMPANY PROFILE

The parent company of Etteplan Group is Etteplan Oyj ("the Company"), a Finnish public limited company established under Finnish law. The Company is domiciled in Hollola. Its shares are listed on the NASDAQ OMX Helsinki exchange.

Etteplan Oyj and its subsidiaries provide high-quality industrial technology design services. The Group's main market area is Europe. In serving core customers, Etteplan offers services that extend worldwide.

A copy of the consolidated financial statements can be obtained from our Web site at www.etteplan.com or from the head office of the Group's parent company at the address Terveystie 18, 15860 Hollola, Finland.

The Etteplan Oyj Board of Directors approved these financial statements for publication at its meeting on February 10, 2010.

According to the Finnish Limited Liability Companies Act, the shareholders have the opportunity to approve or reject the financial statements at the Annual General Meeting held after their publication. Furthermore, the Annual General Meeting can decide on the modification of the financial statements.

1. ACCOUNTING POLICY APPLIED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Basis for preparation

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) system and in conformity with the international accounting standards (IAS/IFRS) in force on December 31, 2009 as well as the interpretations of the International Financial Reporting Interpretations Committee (SIC and IFRIC). In the Finnish Accounting Act and the regulations based on it, "International Financial Reporting Standards" refers to the standards and the interpretations issued regarding them that have been approved for application within the EU in accordance with the procedure prescribed in EU regulation (EC) 1606/2002. The notes to the consolidated financial statements also comply with Finnish accounting and company legislation. Figures in the financial statement are presented in thousands of euros and, unless otherwise stated in the accounting policy, based on historical costs.

Standards and interpretations that came into force in 2009 and have been adopted. They did not have an effect on the Group's result of operations or balance sheet position.

- IAS 1: Presentation of Financial Statements (revised)
- IFRS 2: Share-based payment
- IAS 23: Borrowing Costs (revised)
- IFRS 7: Financial instruments – Disclosure (amendment)

The following standards and interpretations have been published and were in force in the financial year beginning on January 1, 2010. In the view of the Company's management, they do not have a significant effect on the Group's result or balance sheet position:

- IFRIC 17: Distribution of non-cash assets to owners
- IAS 27: Consolidated and separate financial statements (revised)
- IAS 38: Intangible Assets (amendment)
- IFRS 5: Measurement of non-current assets (or disposal groups) classified as held-for-sale.
- IAS 1: Presentation of financial statements (amendment)
- IFRS 2: Group cash-settled and share-based payment transactions (amendments)

The Company has not applied IFRS 3 Business Combinations (revised) standard in 2009. The standard will be applied from the beginning of the financial year starting January 1, 2010 which will change calculations regarding new acquisitions from that financial year onwards. According to the standard, acquisitions made before the standard is applied will not be amended retrospectively. Therefore, application of the standard will not affect the income statement or balance sheet of this financial year.

In preparing the consolidated financial statements in accordance with the IFRS system, the Company's management must make estimates and assumptions that have an effect on the amounts of assets and liabilities in the balance sheet as well as on income and expenses for the financial year. The estimates are based on the management's current best knowledge, and therefore the outcomes may deviate from these estimates. Information about the matters in which the management has exercised judgment in the application of the Group accounting principles, and which have the greatest impact on the figures disclosed in the financial statements, is presented under "Critical accounting judgments and key sources of uncertainty."

Subsidiaries

The consolidated financial statements include the financial statement information of Etteplan Oyj and subsidiaries belonging to the Group, from which all intra-Group transactions, internal receivables, and liabilities as well as internal distribution of profit have been eliminated. The accounting policies applied in the financial statements of the subsidiaries have been adjusted, as necessary, in accordance with the accounting policies of Etteplan Oyj. Subsidiaries are companies in which the Group has a controlling interest. Controlling interest is generated when the Group has more than half of the voting power or otherwise holds a

controlling interest. Control means the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Etteplan Oyj has one associated company.

Intra-Group share ownership has been eliminated according to the acquisition cost method.

Subsidiaries acquired during the financial year have been included in the consolidated financial statements from the time when the Group obtained control. The transferred assets and direct costs originating from the acquisition are measured at the fair value at the time of the acquisition and included in the acquisition cost. Identifiable assets and liabilities of the acquired business operations have been measured at fair value. The amount by which the acquisition cost exceeds the fair value of the net assets of acquired business operations has been recorded in the balance sheet as goodwill. If the fair value of the acquired net assets is higher than their acquisition cost, the difference has been recorded in the income statement.

Subsidiaries divested during the financial year are reported as discontinuing operation, if they are real separate businesses or geographically separated businesses, in the consolidated financial statements up to the date of sale. This includes all revenues, costs, translation differences and the losses if the booked value is higher than the selling price.

In the consolidated financial statements, the minority interest in subsidiaries has been stated as a separate item. The allocation of profit for the financial year to equity-holders of the parent and to minority interest is presented in the income statement, and the minority interest is shown in the consolidated balance sheet under equity, separately from the parent shareholders' equity. Earn outs have been recorded directly to goodwill.

Associated companies have been consolidated using the equity method. If the Group's share of associates' losses exceeds the carrying amount, Group's share will be booked to zero value in balance sheet and losses in excess of the carrying amount are not consolidated unless the Group has committed to fulfilling the obligations of the associates. The Group's share of the associated companies' result is disclosed separately after operating profit.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

Etteplan provides services for all phases of the life cycle of its customers' products, from product development to product maintenance. For this reason, in year 2008 Etteplan reorganized its operations such that services are provided on a key customer basis and not by design phase. As a result, the Company has ceased reporting for two separate segments and transferred to one segment, which better depicts the current operations.

Foreign currency translation

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in euros, the currency of the business environment and the presentation currency of the Group's parent company. Foreign-currency transactions have been translated into the functional currency at the exchange rate effective on the date of the transaction. Foreign-currency-denominated receivables and liabilities in the balance sheet on the balance sheet date have been translated into euros at the exchange rate for the balance sheet date. Exchange differences resulting from business transactions denominated in a foreign currency are recorded in the corresponding accounts in the income statement above operating profit. Exchange differences in resulting from financing transactions are recorded in financial income and expenses.

The balance sheet items of subsidiaries outside the euro zone have been translated into euros at the exchange rate for the balance sheet date and their income statement items at the average exchange rate for the month in question. Translating the profit for the financial year with different rates in the income statement and the balance sheet leads to a translation difference that is recorded in equity. Cumulative translation differences on post-acquisition equity items, which have arisen on the elimination of the acquisition cost of foreign subsidiaries, are recorded in equity.

Property, plant, and equipment

The property, plant, and equipment items have been measured for the balance sheet at cost less accumulated depreciation and impairment. Property, plant, and equipment items are depreciated on a straight-line basis over the estimated useful life. Land areas are not depreciated, because they are not considered to have a carrying period. The useful lives of property, plant, and equipment items are:

Computers	3 years
Vehicles	5 years
Office furniture and fixtures	5 years
Renovation of premises	5/7 years

Maintenance and repair costs are expensed when they are incurred. Major basic improvement investments are capitalized and depreciated in the income statement over their useful life. The useful lives of assets are checked in each financial statement. Capital gains and losses from the retirement and sale of property, plant, and equipment items are included in either other operating income or expenses.

Assets leased under agreements that are classified as finance leases have been capitalized under property, plant, and equipment in the consolidated balance sheet at the fair value of the leased asset or the present value of the minimum lease payments, whichever is lower. Lease obligations arising from finance lease agreements are presented in non-current and current liabilities. Finance leases lead to depreciation and interest expenses on assets that are capitalized during the relevant financial periods. Assets acquired under a finance lease agreement are depreciated over their useful life. If the Group does not assume ownership of the asset at the end of the lease period, depreciation is recorded over the lease period or the useful life, whichever is shorter.

Intangible assets

Goodwill

Goodwill corresponds to that part of the acquisition cost which exceeds the Group's share of the fair value, on the date of purchase, for the net asset value of an acquire. The goodwill arising from the combination of businesses prior to January 1, 2004 corresponds to the carrying amount according to the FAS system, used previously, which has been used as the deemed cost. Neither the classification of these acquisitions nor their treatment in the financial statements has been adjusted in preparation of the Group's opening IFRS balance sheet. Goodwill is measured at historical cost less impairment. Goodwill is not amortized but is tested for impairment annually and whenever there is objective evidence of goodwill impairment. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Other intangible assets

Intangible assets include software licenses and intangible rights. Intangible assets are recorded in the balance sheet at historical cost. Assets with limited useful lives are amortized on a straight-line basis over their useful lives. The depreciation periods of other intangible assets are:

Software	3 to 7 years
----------	--------------

Impairment of assets

Goodwill is not amortized but is tested for impairment annually and whenever there is objective evidence of goodwill impairment. If there is objective evidence of goodwill impairment, the recoverable amount is determined for that cash-generating unit to which the goodwill relates. That cash-generating unit is the smallest possible independent cash-generating group of assets. The recoverable amount is the utility value of the capital, the estimated future net cash flow discounted to present value from the cash-generating unit in question. The essential assumptions for impairment tests are presented in Note 21 to the financial statements ("Impairment testing"). Material acquisitions of companies and goodwill arising from them are presented in Note 4 ("Business combinations").

The assets from which amortization has been recognized are always tested for impairment if there is objective evidence of goodwill impairment. On each balance sheet date, it is evaluated whether there is objective evidence of goodwill impairment in the financial assets recognized in the balance sheet. The recoverable amount for financial assets is either their fair value or the present value of future cash flows.

Lease agreements

Lease agreements in which all risks and rewards incident to ownership remain with the lessor are treated as other lease agreements (operating leases). Contractual lease payments are entered as expenses in the income statement over the lease period.

Leases that transfer essentially all risks and rewards incident to ownership are classified as finance leases. The fair value of leased assets is recorded, at the inception of the lease, under assets in the balance sheet and as a finance lease liability on the liabilities side. If the fair value cannot be determined, the value is calculated as the present value of minimum lease payments. In calculation of the present value, the discount rate applied is either the internal rate of return in the lease or, if this cannot be determined, the interest rate on incremental borrowing as determined by the management. Assets acquired under finance leases are depreciated over their useful life or the lease period, whichever is shorter.

Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale, and

1. Represents a separate major line of business or geographical area of operations
2. Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations,

or

3. Is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the consolidated comprehensive income statement. Assets held for sale, disposal groups that are classified as held for sale, amounts related to assets held for sale and recognised in other comprehensive income statement and the liabilities included in disposal groups held for sale are presented separately on the face of the balance sheet.

Receivables

Receivables are entered in the balance sheet at cost or at the lower fair value. Receivables are assessed regularly in terms of collectability and available collateral. If a credit loss is observed on a trade receivable, the credit loss is recorded in other operating expenses in the income statement.

Recognition of income

Revenue includes income from design activities and sales of materials and supplies for projects, adjusted for indirect taxes, discounts, and exchange differences on currency-denominated sales.

Income from services

As a rule, services are recognized when the service is rendered.

Income from sales of materials

Sales of materials are recognized when the risks and rewards incident to ownership have been transferred to the buyer. Generally this takes place on assignment of materials.

Government grants

Government grants that are intended to compensate costs, are recognized as income over the same period as the related costs are recognized. These government grants are presented in other operating income.

Fixed –price/long-term projects

Contracts whose outcome can be assessed reliably are recognized as income and expenses on the basis of the percentage of completion at the time of calculation. A contract's percentage of completion is evaluated on the basis of project progress, which, in turn, is determined from the ratio of the costs that have materialized to the estimated total cost of the contract. In the case of contracts whose outcome cannot be assessed reliably, project expenditure is expensed for the period in which it arises. Likewise, the amount of income recognized from a project does not exceed expenditure. The total loss on a contract that will probably result in a loss is expensed immediately.

Interests and dividends

Interest income has been recorded according to the effective interest rate method. Dividend income is recognized when the shareholder gains the right to receive payment.

Employee benefits

Pension obligations

The Group's pension arrangements are defined contribution plans. In such plans, the Group makes fixed payments to an external insurance company. The Group does not have a legal or constructive obligation to make additional payments if the recipient cannot pay the pension benefits in question. The payments for defined contribution plans are expensed in the accounting period to which they are allocated.

Termination benefits

Termination benefits are recorded as a liability and an expense when employment is terminated before the normal retirement of the employee or when the employee is paid compensation as a consequence of voluntary redundancy. Termination benefits are recorded when the Company is demonstrably committed to the termination of employment in accordance with a detailed formal plan or has made a compensation proposal to the employee to promote voluntary redundancy. Benefits falling due later than 12 months from the balance sheet date are discounted to their present value.

Profit-sharing and bonus plans

The group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Share-based incentive plan

In 2008, the Etteplan Oyj Board of Directors decided on a new a share-based incentive plan for senior management and other key employees. The plan, launched at the beginning of 2008, comprises 37 people in 2008 and 39 in 2009. The share-based incentive plan offers the target group the opportunity to receive Etteplan Oyj shares as remuneration.

The plan includes three earnings periods: calendar years 2008, 2009, and 2010. The amount of remunerations paid is tied to objectives that are set annually. At the beginning of each earnings period, the Board of Directors reviews the target group and specifies the maximum number of shares per person that can be earned. Remunerations paid out from the incentive plan are paid in three install-

ments, as company shares and partly in cash. The part paid in cash covers the taxes and tax-like fees paid for the remuneration. An earnings period is followed by a mandatory two-year ownership period. During three earnings periods, the remunerations correspond to the value of about 720,000 Etteplan Oyj shares at maximum.

If employment is terminated during the earnings or ownership period, the key person is not entitled to shares.

In accounting, share-based incentive plans are treated as arrangements that are settled partly as shares and partly as cash. The part of a remuneration earned that the participants receive as Etteplan Oyj shares is treated as an arrangement that is settled as shares and recorded in shareholders' equity; the part of a remuneration earned that is paid in cash to pay off taxes and other levies is recorded in liabilities. Debt on the balance sheet is measured at fair value on the balance sheet date.

The Group has hedged against a potential share price risk between the date of granting and the date of payment related to share remunerations granted. The plan is hedged through buyback of treasury shares.

Income taxes

The taxes in the consolidated income statement include the current tax for Group companies, taxes from previous financial periods, and the change in deferred taxes. Current tax is calculated on taxable income according to the tax rate in force in each country concerned. In the case of items entered directly in shareholders' equity, the tax effect is recognized in equity.

Deferred taxes are recognized on all temporary differences between carrying amounts and their taxable values. The most significant temporary differences arise from the amortization of property, plant, and equipment, and from lease agreements and the provisions of foreign subsidiaries. Deferred taxes are determined by using the tax base in force on the balance sheet date or the enacted tax base at the time of tax base transition.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Shareholders' equity

Shareholders' equity includes the share capital, the share premium fund, the unrestricted shareholders' equity fund and other equity items in accordance with the legislation of the relevant countries. When Etteplan Oyj buys back its own shares, the compensation paid for the shares and the buyback costs reduce shareholders' equity. Etteplan Oyj has one series of shares.

Hybrid loan

A hybrid loan is an equity bond that is subordinated to company's other debt instruments but is senior to other equity instruments. The loan is unsecured and unguaranteed. The loan is perpetual and has no specific maturity date. The company decides if and when to repay the loan. The interest on a hybrid loan is paid if the Annual General Meeting decides to pay a dividend. If a dividend is not paid, the company decides separately on whether to pay interest. Unpaid interest accumulates. Hybrid loan holders have no control over the company and no right to vote at shareholders' meetings.

Financial assets and liabilities

The Group's financial assets and liabilities are classified into the following categories in accordance with IAS 39, Financial Instruments: financial assets at fair value through profit or loss, loans and receivables, and available-for-sale.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss include financial assets classified as available-for-sale maturing within 12 months. Those assets are measured at fair value on the basis of published price quotations in well-functioning markets. Both realized and unrealized profits and losses due to changes in fair value are recognized in the income statement in the financial year in which they have arisen.

Other receivables are financial assets with fixed or measurable payments that are not quoted on well-functioning markets and are not held for trading. They are measured at the periodized cost and included under "Trade receivables and other receivables" in the balance sheet. If a receivable falls due no later than within 12 months, it is recorded in current financial assets; if it is payable in more than 12 months, it is recorded in non-current financial assets.

Available-for-sale financial assets are assets that have not been classified in another category.

They are included in non-current assets unless the Company intends to hold them for less than 12 months from the balance sheet date, in which case they are presented in current assets. Available-for-sale financial assets comprise shares that are measured at historical cost because their fair value cannot be measured reliably and shares are not intended to be actively traded on the active markets.

Cash and cash equivalents include cash in hand and deposits held at call with banks. Items included under cash and cash equivalents have maturities of three months or less from the date of acquisition. Cash and cash equivalents are derecognized when the Group's contractual right to receive cash flows has expired or essentially all of the risks and rewards incident to ownership have been transferred from the Group.

Financial liabilities are classified as financial liabilities recognized at fair value through profit or loss or as other financial liabilities. Financial liabilities are recognised at fair value on the basis of the compensation originally received. Transaction costs have been included in the original book value of financial liabilities.

Financial liabilities recognised at fair value through profit or loss are liabilities from derivative contracts which do not fulfil the terms of hedge accounting. Other financial liabilities are measured at amortised cost using the effective interest method. Financial debts are included in current and non-current debts and may be either interest-bearing or non-interest-bearing.

Derivative contracts are originally entered in the books under purchase costs representing their fair value. Following the acquisition, derivative contracts are measured at fair value. Group uses derivatives to hedge against interest rate and currency risks. Interest rate swaps are used to hedge against changes in market rates of interest. Currency forward contracts are used to hedge receivables and debts in foreign currencies. Group does not currently comply with the hedging policies of IAS 39. The changes in the fair values of derivatives are entered under financial income and expenses. Detailed specification is disclosed in Note 33.

On the balance sheet date, the Group determines where there is evidence of impairment of a financial asset item or group. An impairment loss is recognized on trade receivables if there is evidence that the receivables cannot be recovered in full.

Operating profit

Operating profit is an item in the income statement that is obtained by adding other operating income to revenue, then deducting operational expenses, depreciation, and impairment losses. Operating profit includes exchange rate differences on items related to operations.

Critical accounting judgments and key sources of uncertainty

Forward-looking estimates and assumptions are made in preparation of the financial statements. The outcomes may deviate from these estimates and assumptions. In addition, judgment must be exercised in the application of the accounting policy. The estimates are based on the management's best knowledge on the balance sheet date. Any changes to estimates and assumptions are entered in the accounts in the financial period when the estimate or assumption is amended.

The key assumptions concerning the future and uncertainties concerning the estimates made on the balance sheet date that cause a risk of changes in the carrying amounts of assets and liabilities during the next financial period are as follows.

Fair value measurement

In business combinations, tangible assets have been compared with the market prices of equivalent assets, and decline in the value of acquired assets due to various factors has been estimated. The fair value measurement of intangible assets is based on estimates of asset-related cash flows. The management believes that the estimates and assumptions are sufficiently precise for use as the basis for fair value measurement. Any indications of impairment of tangible and intangible assets are reviewed annually.

Customer agreements and accounts in acquisitions

Acquirees in general have a limited number of major customer accounts and agreements. In the management's view, these customer accounts and agreements cannot as a rule be considered to constitute an asset item that is to be recorded in the balance sheet, because the customer agreements are by nature non-binding framework agreements and thus cannot be treated or sold separately. With respect to customer agreements and accounts, it must also be taken into account that they are valid until further notice and a probable useful life cannot be reliably set for them.

Impairment testing

The Group tests goodwill and intangible assets with unlimited useful lives for impairment annually. Indications of impairment are evaluated in the manner described above. Recoverable amounts for cash-generating units are based on value-in-use calculations. Estimates are required in making these calculations.

Values of goodwill recorded in the balance sheet in the end of the financial year are EUR 31,184 thousand (2008: EUR 33,207 thousand). Sensitivity analysis is disclosed in Note 21 ("Impairment testing").

2. MANAGEMENT OF FINANCIAL RISKS

In its business operations, Etteplan Group is exposed to several types of financial risks: interest, foreign-currency, financing and liquidity, counterparty and credit risks.

The objective of financial risk management is to protect the Group from unfavorable changes in the financial market and thus contribute as much as possible to guaranteeing the Company's profit and shareholders' equity, and to guarantee sufficient liquidity in a cost-efficient manner. In management of financial risks, various financial instruments are used within the framework of authorizations issued by the Group's Board of Directors. Etteplan Group uses only such instruments whose market value and risk profile can be monitored constantly and reliably.

Management of financial risks has been centralized with the Group's financial department, which is responsible for identification and evaluation of, and protection against, the Group's financial risks. Furthermore, the financial department is responsible, in a centralized fashion, for funding of the Group, and it provides the management with information about the financial situation of the Group and the business units.

Foreign-currency risk

The Group is exposed to foreign-currency risks related to different currencies, which come about as a result of foreign-currency-denominated commercial transactions and from translation of foreign-currency-denominated balance sheet items into the reporting currency. The most significant of the foreign-currency risks are related to the Swedish krona.

Transaction risk

The majority of Etteplan Group's business operations are handled in the currency of the project country of the respective Group company. In the period under review, the Group did not have significant transaction risks generated from the currency flow in foreign currencies. The Group did not take steps to protect itself against transaction risks during the review period.

Translation risk

The Group is exposed to a translation risk caused by fluctuations in foreign currency exchange rates, when it translates balance sheet items of subsidiaries based outside the euro area into its reporting currency. In the period under review, the Group did not protect itself from the currency risks related to the shareholders' equity of these companies.

Interest risk

Etteplan Group is exposed to interest risk in

two ways: because of changes in value for balance sheet items (i.e., a price risk) and cash flow risk caused by changes in market interest rates.

The Group manages the interest risk by diversifying its loan portfolio to include loans with fixed and variable interest rates, and with interest rate derivative contracts. On the balance sheet date, the total amount of interest-bearing debt was EUR 10,762 thousand of which EUR 4,062 thousand was in the form of fixed-interest loans and EUR 4,500 thousand was covered with a contract in which the interest range is between 3.56 and 4.45 percent.

Financing and liquidity risk

Etteplan Group aims to guarantee solid liquidity in all market conditions through efficient cash management and by investing liquid funds in only those targets that have low risk and can be sold for cash easily.

The Group uses credit limits tied to cash-pool arrangements for short-term financing. On the balance sheet date, the Group had EUR 18,000 thousand of agreed credit limits, of which EUR 207 thousand was in use.

The Group aims to minimize its refinancing risk by applying a balanced maturity schedule for its loan portfolio, ensuring sufficient maturity of loans, and using several banks as sources of financing.

The company has two different kind of financial covenants related to different loans. Breaching 25% equity ratio linked covenant calls for renegotiations of the loan terms (mainly interest) with the bank. According to financial statements in 2009 this term of covenant was not breached.

Breaching interest-bearing debt/EBITDA (excluding onetime costs) covenant has an affect on margin level of debts. Breaching the limit of 2.5 would increase margin level to 0.2% - 0.4% and breaching the limit of 3.5 calls for renegotiations of the loan terms (mainly interest) with the bank. According to financial statements in 2009 the lower limit of 2.5 will be broken not the upper of 3.5 leading to an increase in interest of 0.4% for a EUR 2.2 million loan.

Counterparty and credit risk

Financial instrument contracts that Etteplan Group has concluded with banks have the associated risk of the counterparty being unable to fulfill its obligations under the contract. Credit risk related to business operations arises out of a customer's inability to perform its contractual obligations.

In order to minimize the counterparty risk, the Group has concluded its significant financing contracts with leading Nordic banks that have a good credit rating.

A considerable proportion of the Group's business operations focus on large, financially solid companies that operate internationally. The largest individual customer accounts for less than 10 percent of the Group's revenue. Credit risk is also reduced by the customer companies being divided among several different sectors of operation.

The Group aims to guarantee that services are sold to only those with an appropriate credit rating. The Group controls credit risk systematically, and overdue sales receivables are assessed on a monthly basis. The Company strives to control the effects of increased financial uncertainty by actively monitoring its receivables and by working to enhance its debt collection processes.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowings less cash and cash equivalents.

To ensure sufficient flexibility, the goal is to keep the net gearing ratio within 20-100%

The following table sets out the Group's net gearing ratio:

	2009	2008
Total borrowings	11 585	16 615
Less: cash and cash equivalents	-6 650	-1 879
Net debt	4 935	14 736
Total equity	23 689	27 000
Net gearing ratio	20.8%	54.6%

FINANCIAL INSTRUMENTS BY CATEGORY

EUR 1 000	Note	Loans and receivables	Fair value through P&L	Available-for-sale	Other financial liabilities	Total
31.12.2009						
Assets as per balance sheet						
Available-for-sale financial assets	20			691		691
Trade and other receivables	22,23	18 629				18 629
Cash and cash equivalents	24	6 650				6 650
Financial assets total		25 279	0	691	0	25 970
Liabilities as per balance sheet						
Borrowings (excluding finance lease liabilities)	27				10 969	10 969
Finance lease liabilities	28				615	615
Derivatives (non-hedge accounting)*	33		146			146
Trade and other payables	29,30				24 538	24 538
Financial liabilities total		0	146	0	36 122	36 268
31.12.2008						
Assets as per balance sheet						
Available-for-sale financial assets	20			411		411
Trade and other receivables	22,23	38 256				38 256
Cash and cash equivalents	24	1 879				1 879
Financial assets total		40 135	0	411	0	40 546
Liabilities as per balance sheet						
Borrowings (excluding finance lease liabilities)	27				15 718	15 718
Finance lease liabilities	28				896	896
Derivatives (non-hedge accounting)*	33		103			103
Trade and other payables	29,30				33 001	33 001
Financial liabilities total		0	103	0	49 615	49 718

The fair values of the financial assets and liabilities are not materially different from their book values.

* IFRS 7 fair value hierarchy level 2; fair values are determined by using valuation techniques.

MATURITY ANALYSIS OF FINANCIAL LIABILITIES

31.12.2009	LESS THAN 1 YEAR	1-5 YEARS
Borrowings (excluding finance lease liabilities)	3 542	7 427
Finance lease liabilities	416	199
Interest payments	185	172
Derivatives	146	0
Trade and other payables	24 255	0

3. DISCONTINUING OPERATIONS

The selling of majority holdings in Etteplan Tech AB that provides mainly design services for automotive industry in Sweden (September 18, 2009), and business in Italy (December 11, 2009) are treated as discontinuing operations starting from time of sale.

The result of sold units, losses on disposals and effect to cash flow were following:

EUR 1 000	2009	2008
INCOME STATEMENT		
Incomes	15 322	26 716
Expenses	-18 724	-28 368
Result before taxes	-3 401	-1 652
Income taxes	442	622
Result after taxes	-2 960	-1 030
Loss on disposal before taxes	-8 234	0
Income taxes	127	0
Loss on disposal after taxes	-8 107	0
Total loss for discontinuing operations	-11 067	-1 030
CASH FLOW STATEMENT		
Operating cash flow	-2 484	-117
Investing cash flow	1 275	-119
Financing cash flow	1 080	-559
Change in cash	-129	-795
EFFECT OF DISCONTINUING OPERATIONS TO ETTEPLAN'S FINANCIAL POSITION		
Assets		
Property, plant and equipment	74	0
Other intangible assets	7 155	0
Receivables	3 751	0
Cash and cash equivalents	-131	0
Assets total	10 849	0
Liabilities		
Financial liabilities	233	0
Trade and other payables	3 282	0
Liabilities total	3 515	0

4. BUSINESS COMBINATIONS

In year 2009 no acquisitions were realized but additional purchase prices from previous acquisitions were booked because management estimates that payments are probable and additional purchase prices can be estimated in a reliable way. The fair values of the asset and liability items booked on the acquisitions in year 2008 did not differ materially from the book values prior to the business combinations.

DETAILS OF NET ASSETS ACQUIRED AND GOODWILL ARE AS FOLLOWS:

EUR 1 000	2009	2008
Purchase consideration:		
-Cash paid		8 747
-Fair value of shares distributed		1 274
-Booked additional purchase price	3 699	
Total purchase consideration	3 699	10 020
Fair value of net assets acquired		2 626
Goodwill	3 699	7 395

THE ASSETS AND LIABILITIES ARISING FROM THE ACQUISITION ARE AS FOLLOWS:

Minority interest	541
Cash and cash equivalents	1 185
Intangible assets	100
Property, plant and equipment	193
Trade receivables	2 394
Other receivables	562
Current payables	-2 349
Net assets	2 626
Fair value of net assets acquired	2 626
Purchase consideration settled in cash	8 747
Cash and cash equivalents in subsidiary acquired	1 185
Cash outflow on acquisition	7 562

5. REVENUE

Turnover consists of design business and the sales of materials related to projects adjusted with indirect taxes, discounts and differences in exchange rates.

EUR 1 000	2009	2008
6. LONG-TERM PROJECTS		
Amount of project revenue recognised during the period	830	1 290
Cumulative expenses and income recognised by the end of the period	1 152	968
Advances received	796	623
7. OTHER OPERATING INCOME		
Administrative services	117	684
Contributions received	129	80
Sales profit of tangible and intangible assets	99	10
Other operating income	47	173
Total	392	947
8. MATERIALS AND SERVICES		
Materials	2 107	3 267
Services from associates	327	29
Services from others	5 643	8 018
Materials and services, total	8 077	11 314
9. NUMBER OF PERSONNEL AND STAFF EXPENSES		
Personnel		
At year-end	1 544	1 749
Personnel, average	1 765	1 763
Personnel by category		
Design personnel	1 487	1 654
Administration personnel	57	95
Personnel, total	1 544	1 749
Staff costs		
Wages and salaries	56 774	68 235
Pension costs - defined contribution plans	8 366	9 034
Share-based payments settled in shares	57	59
Share-based payments settled in cash	131	50
Other indirect employee costs	10 524	10 367
Staff costs, total	75 851	87 745
Employee benefits of the Board of Directors and top management are disclosed in item Related party transactions.		
10. AUDIT FEES		
Auditing	77	79
Other services	52	47
Total	129	126
11. FINANCIAL INCOME		
Dividend income from assets held for sale	19	4
Interest income from loans and other receivables	146	140
Foreign exchange gain	176	25
Financial income, total	341	169
12. FINANCIAL EXPENSES		
Interest on borrowings	596	757
Leasing interest expenses	39	72
Loss on disposal of group companies	144	16
Foreign exchange loss	55	85
Unrealised loss at fair value, interest rate derivatives	43	103
Other financial expenses	48	97
Financial expenses, total	925	1 129

EUR 1 000

	2009	2008
13. TRANSLATION DIFFERENCES RECOGNIZED ON INCOME STATEMENT		
Translation differences included in purchases and expenses	3	0
Foreign exchange gain	176	28
Foreign exchange loss	-55	-89
Total translation differences recognised on income statement	125	-61
14. INCOME TAX EXPENSES		
Tax on income from operations	-580	-3 352
Tax for previous accounting periods	5	-14
Change in deferred tax asset	916	0
Change in deferred tax liability	676	-386
Income taxes in income statement	1 017	-3 752
Reconciliation between the Income tax in Income Statement and the theoretical amount of tax that would arise using the Group's domestic tax rate (2009: 26%, 2008: 26%)		
Accounting profit before tax	-4 304	12 797
Income tax expense		
Mathematical tax based on parent company's tax rate	1 119	-3 327
Differences (net)		
Effect of different tax rates	-11	112
Calculated tax based on non-deductible items on unit's tax rate	2 709	276
Calculated tax based on non-taxable items on unit's tax rate	-267	-175
Tax for previous accounting periods	-4	14
Unrecognised tax on loss for the period	76	2
Effect of tax rate change on deferred taxes at the start of period (net)	-53	0
Taxes recognised at the Group level on loss for the period	0	3
Other tax difference	-313	-657
Income tax expense	-1 017	-3 752

15. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders for the financial year by the weighted average number of externally owned shares during the financial year. In the calculation the shares purchased by the Company are excluded. When calculating profit attributable to equity holders interest expenses from hybrid loan adjusted with tax effect have been taken into account.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to reflect the conversion of all dilutive effect ordinary shares.

	2009	2008
CONTINUING OPERATIONS		
Profit for the financial year continuing operations (EUR 1 000)	-3 287	9 045
Minority interest	49	18
Hybrid loan interest adjusted with tax effect	-59	0
Profit attributable to equity holders continuing operations (EUR 1 000)	-3 296	9 063
Weighted average number of shares (1000 pcs)	19 659	19 950
Basic earnings per share (€ per share)	-0,17	0,45
Weighted average number of shares (1 000 pcs)	19 659	19 950
Dilution due to share based remunerations	25	39
The diluted weighted average number of shares for the calculation of earnings per share (1 000 pcs)	19 684	19 989
Diluted earnings per share (€ per share)	-0,17	0,45
DISCONTINUING OPERATIONS		
Profit attributable to equity holders discontinuing operations (EUR 1 000)	-11 067	-1 030
Weighted average number of shares (1 000 pcs)	19 659	19 950
Basic earnings per share (€ per share)	-0,56	-0,05
Profit used to determine diluted earnings per share (EUR 1 000)	-11 067	-1 030
Weighted average number of ordinary shares for diluted earnings per share (1 000 pcs)	19 684	19 989
Diluted earnings per share (€ per share)	-0,56	-0,05

EUR 1 000

16. TANGIBLE ASSETS

TANGIBLE ASSETS 2009

	Land and water	Machinery and equipment	Machinery and equipment, financing lease	Other tangible assets	Total
Acquisition cost at 1.1.	19	10 555	2 331	268	13 173
Translation difference	0	234	0	0	234
Additions	0	55	251	26	332
Business disposals	0	-1 162	0	0	-1 162
Disposals	0	-1 322	0	0	-1 322
Acquisition cost 31.12.	19	8 360	2 581	294	11 255
Cumulative depreciation 1.1.	0	-9 080	-1 454	-156	-10 689
Translation difference	0	-209	0	0	-209
Cumulative depreciation on disposals	0	1 144	0	-7	1 137
Cumulative depreciation on business disposals	0	1 088	0	0	1 088
Depreciation for the financial period	0	-559	-535	-30	-1 124
Cumulative depreciation 31.12.	0	-7 616	-1 988	-193	-9 796
Carrying value 31.12.2009	19	744	594	101	1 458

TANGIBLE ASSETS 2008

	Land and water	Machinery and equipment	Machinery and equipment, financing lease	Other tangible assets	Total
Acquisition cost at 1.1.	19	9 543	1 574	198	11 334
Translation difference	0	-447	0	0	-447
Acquisitions	0	630	0	4	634
Additions	0	878	757	67	1 701
Disposals	0	-49	0	0	-49
Acquisition cost 31.12.	19	10 555	2 331	268	13 173
Cumulative depreciation 1.1.	0	-8 380	-868	-135	-9 383
Translation difference	0	441	0	0	441
Cumulative depreciation of acquisitions	0	-409	0	0	-409
Depreciation for the financial period	0	-732	-586	-21	-1 338
Cumulative depreciation 31.12.	0	-9 080	-1 454	-156	-10 688
Carrying value 31.12.2008	19	1 475	878	112	2 485

17. INTANGIBLE ASSETS

INTANGIBLE ASSETS 2009

	Intangible rights	Advance payments	Total
Acquisition cost at 1.1.	5 789	50	5 839
Translation difference	8	0	8
Additions	50	8	58
Business disposals	-331	0	-331
Disposals	-2	0	-2
Reclassifications between items	58	-58	0
Acquisition cost 31.12.	5 573	0	5 573
Cumulative depreciation 1.1.	-4 279	0	-4 279
Translation difference	-7	0	-7
Cumulative depreciation on business disposals	307	0	307
Cumulative depreciation on disposals	7	0	7
Depreciation for the financial period	-558	0	-558
Cumulative depreciation 31.12.	-4 531	0	-4 531
Carrying value 31.12.2009	1 042	0	1 042

EUR 1 000

INTANGIBLE ASSETS 2008

	Intangible rights	Advance payments	Total
Acquisition cost at 1.1.	5 199	30	5 229
Translation difference	-83	0	-83
Additions	651	50	701
Disposals	-8	0	-8
Reclassifications between items	30	-30	0
Acquisition cost 31.12.	5 789	50	5 839
Cumulative depreciation 1.1.	-3 770	0	-3 770
Translation difference	37	0	37
Depreciation for the financial period	-547	0	-547
Cumulative depreciation 31.12.	-4 279	0	-4 279
Carrying value 31.12.2008	1 509	50	1 559

18. GOODWILL

GOODWILL 2009

	Goodwill	Consolidated goodwill	Total
Acquisition cost at 1.1.	670	32 537	33 207
Translation difference	18	1 422	1 440
Additions	0	3 699	3 699
Business disposals	0	-7 162	-7 162
Acquisition cost 31.12.	688	30 496	31 184
Carrying value 31.12.2009	688	30 496	31 184

GOODWILL 2008

	Goodwill	Consolidated goodwill	Total
Acquisition cost at 1.1.	676	28 751	29 427
Translation difference	-5	-3 015	-3 020
Acquisitions	0	1 421	1 421
Additions	0	5 380	5 380
Acquisition cost 31.12.	670	32 537	33 207
Carrying value 31.12.2008	670	32 537	33 207

19. INVESTMENTS IN ASSOCIATES

	2009	2008
Acquisition cost at 1.1.	17	0
Additions	0	17
Reclassifications from loan receivables	117	0
Acquisition cost 31.12.	134	17
Share of profit/loss in associates	-134	0
Adjustments to equity at carrying amount 31.12.	-134	0
Carrying value, end of the period	0	17

20. INVESTMENTS AVAILABLE-FOR-SALE

	2009	2008
Acquisition cost 1.1.	411	409
Acquisitions through business combinations	0	50
Business disposals	-1	0
Disposals	-1	-48
Reclassification between items*	281	0
Acquisition cost 31.12.	691	411

*) Reclassifications between items include transfer from group shares related to minority interest of Etteplan Tech AB (19.9%, date of sale September 18, 2009) and owner of Italian operations Etteplan RA Oy (19%, date of sale December 11, 2009). Minority interests are valued according to group's share to companies' equities.

Investments available-for-sale comprise mainly unlisted equity securities which are valued at their historical cost as shares are not intended to be actively traded on the active markets. Share amounts recognized in the balance sheet are minor and do not have essential effect on the consolidated balance sheet. Investments available-for-sale are classified as non-current assets as they are not expected to be realized during the next twelve months after the reporting date nor selling them is necessary for gaining working capital.

21. IMPAIRMENT TESTING

Goodwill is allocated to cash-generating units for determination of impairment. In impairment testing the recoverable amount is defined as value-in-use. The calculations are based on profit after tax. Cash flows after tax are based on budget figures approved by management for a next five year period. While defining the cash flow, the attention is paid on anticipated price and margin development, costs, net working capital and investment needs. Management determined these based on past performance and its expectations of market development.

THE KEY ASSUMPTIONS USED FOR VALUE-IN-USE CALCULATIONS ARE AS FOLLOWS:

Key Assumptions	2009	2008
Growth rate year 2-5	3-5 %	3-5 %
Growth rate after 5 years	1 %	1 %
Discount rate	8,0%	8,5%

The recoverable amount is compared with the goodwill of the cash-generating unit. An impairment loss would be booked as cost in the income statement if the recoverable amount is lower than book value. No impairment loss has been booked during the fiscal year.

The discount rate is determined based on the weighted average cost of capital (WACC) that depicts the overall costs of shareholders' equity and liabilities. The discount rate is determined after tax because cash flows analysed are after tax also.

Impairment testing has been executed for CGU's where group's goodwill has been allocated as following:

EUR 1 000 000	2009	2008
Etteplan Sweden operations	20,3	24,0
Plant Engineering Finland	5,5	3,8
Technical information	5,4	5,4
Total	31,2	33,2

SENSITIVITY ANALYSIS

According to impairment testing the recoverable amounts exceeded the carrying amounts as following:

EUR 1 000 000	2009	2008
Etteplan Sweden operations	16,5	25,2
Plant Engineering Finland	10,3	21,1
Technical information	3,6	13,6
Total	30,4	59,9

In connection with impairment testing sensitivity analyses have been performed using following variables, which individually doesn't lead to impairments:

- 0-growth in net sales
- Decrease of profitability (EBIT) by 3 percentage
- Increase of discount rate by 4 percentage

According to management understanding no potential changes in key variables would lead to impairment losses. However, if in the same time would realise for example 0-growth in net sales and decrease of profitability by 3% would lead to impairment loss booking of EUR 3.0 million in Etteplan Sweden.

EUR 1 000	2009	2008
22. TRADE AND OTHER RECEIVABLES		
Trade receivables	13 298	26 823
Allowances for doubtful trade receivables	-657	-491
Other receivables from associates	0	343
Other receivables	1 019	3 348
Prepayments and accrued income	4 986	7 221
Trade and other receivables, total	18 645	37 242
Main items included in prepayments and accrued income		
Receivables for revenue recognised in part prior to project completion	449	643
Accruals of personnel expenses	137	84
Prepaid office rents	240	275
Prepaid leasing	15	34
Other prepayments and accrued income on sales	3 305	5 619
Other prepayments and accrued income on expenses	840	565
Prepayments and accrued income, total	4 986	7 221
Aging analysis of trade receivables		
Not due	10 482	21 255
Due 1 to 90 days	2 084	5 093
Due 91 to 120 days	61	367
Due more than 120 days	670	108
Total	13 298	26 823

EUR 1 000	2009	2008
Aging analysis of allowance for doubtful trade receivables		
Not due	-227	-150
Due 1 to 90 days	-43	-206
Due 91 to 120 days	0	-69
Due more than 120 days	-388	-66
Total	-657	-491
Movements on the group provision for impairment of trade receivables		
1.1.	-491	-43
Provision for receivables impairment	-166	-448
31.12.	-657	-491
Analysis of receivables by currency		
EUR	8 649	16 176
SEK	9 785	20 580
CNY	212	486
Total	18 645	37 242
23. INCOME TAX RECEIVABLES		
Accrued income tax	1 079	1 338
24. CASH AND CASH EQUIVALENTS		
Bank accounts and cash	6 650	1 879
Total	6 650	1 879

Cash and cash equivalents in the balance sheet are corresponding with the financial assets in Cash flow statement.

25. EQUITY

SHAREHOLDERS' EQUITY

Shareholders' equity consists of share capital, share premium fund, unrestricted equity reserves, treasury shares, translation differences, other reserves and retained earnings. The translation differences contains translation differences arising from the conversion of financial statements of foreign units. Other reserves include hybrid loan which is an equity bond.

SHARES AND SHARE CAPITAL

The fully paid and registered share capital of the company at the end of the financial year was EUR 5,000,000 and number of shares was 20,179,414. No changes occurred during financial year. The company has one series of shares. Each share entitles its holder to one vote in the shareholders' meeting and gives an equal right to dividends.

Shares are listed on the NASDAQ OMX Helsinki Ltd under code ETT1V. The share has no nominal value and there is no maximum number of shares. All issued shares are fully paid.

The number of treasury shares held and controlled by the company in the end of the financial year was 468,298 (2008: 499,176). During the financial year the company acquired 10,409 and transferred 40,287 company-held shares to key personnel as a part of the Group's incentive plan.

The authorisation by Board of Directors for acquisitions and disposals of treasury shares and increasing the share capital through a rights issue is disclosed in Shares and Shareholders.

The Board of Directors has proposed a dividend of EUR 0.04 to be paid.

26. INCENTIVE PLAN FOR KEY PERSONNEL

The Etteplan Oyj Board of Directors decided on a share-based incentive plan for key personnel in March 2008. The plan includes three earnings periods: calendar years 2008, 2009 and 2010. Rewards are paid as a combination of shares and cash. The cash payment is to cover the taxes and fiscal fees arising from share-based rewards. From the incentive plan earned shares may not be disposed, pledged or otherwise used during the engagement period. The engagement period is two years beginning from the reception of remuneration. The plan had a target group of 37 people in 2008 and 39 people in 2009. The remuneration paid from the plan corresponds to the value of about 720,000 Etteplan Oyj shares at maximum.

The 2008 reporting period was the first earnings period in the scheme, which used consolidated revenue (with a weight of 50%) and operating profit (50%) as earnings criteria.

The Board of Directors of Etteplan Oyj has in its meeting held on February 11, 2009 made a resolution upon disposal of company-held shares pursuant to the authorization granted to it by the Annual General Meeting of Shareholders' held on March 28, 2008. The authorization was renewed in the Annual General Meeting on March 26, 2009.

In accordance with the decision by the Board of Directors, Etteplan Oyj has, on April 30, 2009, disposed 41,177 company-held shares as the remuneration for the 2008 earnings period for 36 employees who were part of share-based incentive plan in 2008. The price per share of the transferred shares was EUR 2.89, which was the volume weighted average quotation of Etteplan Oyj share on April 30, 2009. Accordingly, the total transaction price of the transferred shares was EUR 119,001.53. In addition, a monetary part and capital transfer tax, totalling at EUR 180,723.97, were paid out of the plan. The remuneration earned in 2008 was paid on April 30, 2009. 890 of the disposed shares have been returned to the company.

The reporting period 2009 was the second earnings period in the scheme, which used consolidated operating cash flow (with a weight of 50%) and operating profit (50%) as earnings criteria. Pursuant to the authorization granted to it by the Annual General Meeting of Shareholders', held on March 26, 2009, the Board of Directors of Etteplan Oyj has in its meeting, on February 10, 2010, made a resolution that there will be no disposal of company-held shares for the 2009 earnings period.

EXPENSES FROM EMPLOYEE BENEFITS INCLUDE EQUITY-SETTLED AND CASH-SETTLED CASH-BASED PAYMENTS

EUR 1 000	2009	2008
Equity-settled	116	0
Settled in equity in future	-59	59
	57	59
Cash settled	181	0
Settled in cash in future	-50	50
	131	168

27. BORROWINGS

Non-current		
Loans from financial institutions	4 614	6 751
Pension loans	2 813	2 799
Finance lease liabilities	199	430
Total	7 626	9 981

Borrowings with a maturity of more than 5 years

Pension plan loans	0	681
Total	0	681

Analysis by currency

EUR	7 626	9 300
SEK	0	681
Total	7 626	9 981

Current

Loans from financial institutions	2 086	2 106
Cheque account with overdraft facility	207	3 437
Pension loans	1 250	625
Finance lease liabilities	416	466
Total	3 959	6 635

Analysis by currency

EUR	3 542	6 635
SEK	416	0
Total	3 959	6 635

28. DUE DATES OF THE FINANCIAL LEASING LIABILITIES

Minimum lease payments

Within a year	434	496
More than one year but no more than 5 years	203	442

Minimum rentals, total

Future financing cost	-21	-42
Present value	616	897

Present value aging

Within a year	416	466
More than one year but no more than 5 years	199	430
Present value, total	616	897

The average interest rate of the finance lease agreements in year 2009 was 5.1% (2008: 5.0%)

29. TRADE AND OTHER PAYABLES

Advances received	162	624
Trade payables to associates	92	29
Trade payables to others	3 998	3 739
Derivatives	146	103
Accrued expenses	15 827	17 858
Other payables	4 175	11 072
Trade and other current payables	24 401	33 425

EUR 1 000	2009	2008
Main items included in accrued expenses		
Interest liabilities	112	32
Accrued employee expenses	11 443	16 327
Other accrued expenses	4 272	1 499
Main items included in accrued expenses, total	15 827	17 858
Analysis by currency		
EUR	13 732	18 261
SEK	10 561	15 140
CNY	107	24
Total	24 401	33 425
30. INCOME TAX PAYABLES		
Accrued income tax	445	303

31. DEFERRED TAXES

DEFERRED TAXES 2009

Deferred tax assets	1.1.2009	Translation difference	In income statement	Discontinuing operations in P&L	In equity	M&A	31.12.2009
Confirmed loss	0	19	666	0	0	-132	553
Other timing differences	191	11	250	127	21	-202	398
Total	191	30	916	127	21	-334	950

Deferred tax liabilities	1.1.2009	Translation difference	In income statement	Discontinuing operations in P&L	In equity	M&A	31.12.2009
Depreciation and amortisation in excess of scheduled and discretionary provisions	1 447	74	-614	-39	0	-746	122
Other timing differences	90	3	-62	0	0	-2	29
Total	1 537	77	-676	-39	0	-748	150

DEFERRED TAXES 2008

Deferred tax assets	1.1.2008	Translation difference	In income statement	Discontinuing operations in P&L	In equity	M&A	31.12.2008
Other timing differences	34	0	0	0	0	156	191
Total	34	0	0	0	0	156	191

Deferred tax liabilities	1.1.2008	Translation difference	In income statement	Discontinuing operations in P&L	In equity	M&A	31.12.2008
Depreciation and amortisation in excess of scheduled and discretionary provisions	1 034	43	320	-51	0	100	1 447
Other timing differences	477	-147	65	0	0	-304	90
Total	1 511	-104	385	-51	0	-204	1 537

32. PROVISIONS

2009	1.1.2009	Provision additions	31.12.2009
Provisions			
Provision for unprofitable orders/ contracts	0	187	187
Reorganisation provision	0	1 198	1 198
Other provisions	0	50	50
Total	0	1 435	1 435

Provisions include estimated costs related to project EUR 187 thousand and reorganisation provisions of EUR 1,198 thousand related to Swedish operations.

EUR 1 000	2009	2008
33. DERIVATIVES		
Currency swaps		
Fair value	-6	0
Nominal value	1 317	0
Interest rate swaps		
Fair value	1	0
Nominal value	4 500	5 786
Interest rate options		
Fair value	-141	-103
Nominal value	8 679	8 670
34. PLEDGES, MORTGAGES AND GUARANTEES		
EUR 1 000	2009	2008
For own debts		
Other contingencies	55	427
Leasing liabilities		
For payment under year	983	1 158
For payment 1-5 years	1 107	1 909
Total	2 145	3 494

35. RELATED-PARTY TRANSACTIONS

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

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

GROUP COMPANIES 31.12.2009

Company	Domicile	Group's holding
Parent company Etteplan Oyj	Hollola, Finland	
Etteplan EC Oy	Hollola, Finland	100 %
Etteplan EE Oy	Pori, Finland	100 %
Etteplan EI Oy	Pori, Finland	100 %
Etteplan LI Oy	Hollola, Finland	100 %
Etteplan KL OY	Jyväskylä, Finland	100 %
Etteplan Metals Processing Oy	Hollola, Finland	100 %
Etteplan Design Center Oy	Hyvinkää, Finland	100 %
Etteplan Production Lines Oy	Hollola, Finland	100 %
Etteplan ED Oy	Hyvinkää, Finland	100 %
Etteplan Technical Information Oy	Tampere, Finland	100 %
LCA Engineering Oy	Kouvola, Finland	100 %
Eteco Oy	Lempäälä, Finland	100 %
Etteplan Industry AB	Västerås, Sweden	100 %
Etteplan Sweden Holding AB	Göteborg, Sweden	100 %
Etteplan Ab	Göteborg, Sweden	100 %
Aerospace Engineering Sweden AB	Göteborg, Sweden	100 %
Lutab AB	Stockholm, Sweden	100 %
Cool Engineering AB	Göteborg, Sweden	100 %
Etteplan IT AB	Västerås, Sweden	70 %
Innovation Team Sweden AB	Halmstad, Sweden	91 %
Etteplan Consulting (Shanghai) Co., Ltd.	Shanghai, China	100 %
Etteplan Holdings B.V	Amsterdam, Holland	100 %
Associated companies		
Etteplan Vataple Technology Centre Ltd	Kunshan, China	40 %

THE FOLLOWING TRANSACTIONS WERE CARRIED OUT WITH RELATED PARTIES		
EUR 1 000	2009	2008
Sales of goods and services to related parties		
Other related parties	7	53
Total	7	53
Purchases of goods and services from related parties		
Associated companies	256	231
Key personnel	95	96
Other related parties	344	285
Total	440	612
Receivables from related parties		
Associated companies	0	343
Other related parties	0	2
Total	0	345
Loans to related parties		
Associated companies	92	29
Total	92	29
KEY MANAGEMENT COMPENSATION		
Key management of Etteplan Oyj includes the Board of Directors, CEO and management team.		
Salaries and fees paid		
Members of the Board		
Heikki Hornborg, chairman of the Board	232	497
Tapani Mönkkönen, vice-chairman	26	21
Matti Virtaala	26	15
Tapio Hakakari	26	17
Pertti Nupponen	25	17
Robert Ingman	0	0
	335	567
CEO and other members of the management team		
Matti Hyytiäinen	328	333
Other members of the management team	1 065	1 313
Salaries and fees total	1 728	2 213
The annual emolument for an executive member of the Board of Directors passes by the Annual General Meeting.		
Stock options to the key management		
Stock options have not been granted for the company's management during 2009.		

INFORMATION ON KEY MANAGEMENT HOLDINGS	
1 000 pcs	31.12.2009
Hyytiäinen Matti, CEO	25
Hornborg Heikki, chairman of the Board	1 143
Mönkkönen Tapani, vice-chairman	4 076
Hakakari Tapio, member of the Board	306
Ingman Robert, member of the Board	20
Nupponen Pertti, member of the Board	2
Virtaala Matti, member of the Board	0
Andersson Tom, member of the management team	57
Björk Pia, member of the management team	2
Gådin Per-Anders, member of the management team	5
Koivunen Risto, member of the management team	2
Liedes Outi-Maria, member of the management team	2
Näkki Juha, member of the management team	2
Total	5 642

36. EVENTS AFTER THE BALANCE SHEET DATE

The Group's management is not aware of any events after the balance sheet date that could have a material impact on the Group's financial position or the figures or calculations reported in these financial statements.

37. KEY FIGURES FOR FINANCIAL TRENDS

	2009 IFRS	2008 IFRS	2007 IFRS
EUR 1 000, Financial period 1.1-31.12.			
Revenue	98 700	134 215	109 341
Increase in revenue, %	-26,5	22,7	12,0
Operating profit	-3 587	13 757	10 653
% of revenue	-3,6	10,3	9,7
Profit before taxes and minority interest	-4 170	12 797	10 348
% of revenue	-4,2	9,5	9,5
Profit for the financial year	-3 287	9 045	7 582
Return on equity, %	-13,0	32,1	29,6
Return on investment, % *)	-8,6	31,8	27,8
Equity ratio, %	38,5	34,2	40,7
Gross investments	4 763	12 082	13 197
% of revenue	4,8	9,0	12,1
Net gearing, %	20,8	54,6	25,7
Personnel, average	1 765	1 763	1 642
Personnel at year end	1 544	1 749	1 742
Wages and salaries	56 962	68 344	58 376

*) Return on investment calculated from profit before taxes

38. KEY FIGURES FOR SHARES

	2009 IFRS	2008 IFRS	2007 IFRS
Financial period 1.1-31.12.			
Earnings per share, EUR	-0,17	0,45	0,36
Equity per share, EUR	1,20	1,37	1,43
Dividend per share	0,04*)	0,08	0,21
Dividend per profit, %	-24 %	18 %	58 %
Effective dividend return, %	1,4 %	5,4 %	4,5 %
P/E-ratio, EUR	-16,5	6,9	11,8
Share price lowest	2,58	2,30	3,40
highest	3,40	5,35	6,82
average for the year	2,94	4,16	4,76
Market capitalisation (EUR 1 000)	54 597	55 105	94 843
Number of shares traded (1 000 pcs)	2 604	8 192	6 199
Percentage of shares traded	13 %	41 %	31 %
Adjusted average number of shares during the financial year, (1 000 pcs)	19 659	19 950	20 014
Adjusted average number of shares at year end (1 000 pcs)	19 710	19 684	19 965

* proposal by the Board of Directors

Return on equity (ROE)

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

Return on investment (ROI), before taxes

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

Debt-equity ratio, %

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

Equity ratio, %

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

Earnings per share

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

Equity per share

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

Dividend per share

$$\frac{\text{Dividend for year}}{\text{Adjusted number of shares during the financial year}}$$

Dividend as percentage of earnings

$$\frac{\text{Dividend per share} \times 100}{\text{Earnings per share}}$$

Effective dividend yield, %

$$\frac{\text{Dividend per share} \times 100}{\text{Adjusted last traded share price}}$$

Price/earnings ratio (P/E)

$$\frac{\text{Adjusted last traded share price}}{\text{Earnings per share}}$$

Share price trend

For each financial year, the adjusted low and high actual traded prices are given as well as the average price for the financial year adjusted for share issues.

$$\text{Average price} = \frac{\text{Total turnover of shares in euros}}{\text{Number of shares traded during the financial year}}$$

Market capitalization

Number of outstanding shares at year-end x last traded price of year

Trend in share turnover, in volume and percentage figures

The trend in turnover of shares is given as the number of shares traded during the year and as the percentage of traded shares relative to issued stock during the year.

Parent company's income statement

EUR 1 000	Note	1.1.-31.12.2009	1.1.-31.12.2008
		FAS	FAS
Revenue	1	46 492	55 476
Other operating income	2	1 818	1 152
Materials and services	3	-23 817	-23 208
Staff costs	4	-14 803	-19 585
Depreciation and amortisation expenses	11,12	-836	-825
Other operating expenses		-8 403	-8 987
Operating profit		452	4 022
Financial income and expenses	6,7	-6 510	2 749
Profit before extraordinary items		-6 059	6 771
Extraordinary items	8	0	750
Profit before appropriations and taxes		-6 059	7 521
Appropriations	9	10	-37
Income taxes	10	-1	-1 075
Net profit for the financial year		-6 050	6 408

Parent company's balance sheet

EUR 1 000	Note	31.12.2009	31.12.2008
		FAS	FAS
ASSETS			
Non-current assets			
Intangible assets	11	1 000	1 503
Tangible assets	12	499	746
Investments			
Shares in group companies	13	38 429	44 117
Other investments	13	303	21
Investments, total		38 732	44 138
Non-current assets, total		40 231	46 387
Current assets			
Current receivables	14	21 309	36 626
Cash and cash equivalents	15	4 431	33
Current assets, total		25 740	36 659
TOTAL ASSETS		65 972	83 047
EQUITY AND LIABILITIES			
Equity			
Share capital	16	5 000	5 000
Share premium account	16	6 701	6 701
Unrestricted equity fund	16	2 590	2 474
Retained earnings	16	12 791	8 001
Net profit for the financial year	16	-6 050	6 408
Equity, total		21 033	28 583
Appropriations	17	164	174
Mandatory provisions	21	237	0
Liabilities			
Non-current liabilities	18	17 427	8 575
Current liabilities	19,20	27 111	45 715
Liabilities, total		44 538	54 290
TOTAL EQUITY AND LIABILITIES		65 972	83 047

Parent company's cash flow statement

EUR 1 000	1.1. - 31.12.2009	1.1. - 31.12.2008
OPERATING CASH FLOW		
Cash receipts from customers	56 388	52 240
Operating expenses paid	-70 028	-42 771
Operating cash flow before financial items and taxes	-13 640	9 469
Interest and payment paid for financial expenses	-618	-888
Dividends received	5 487	2 469
Interest received	152	246
Income taxes paid	2	-1 354
Operating cash flow (A)	-8 617	9 943
INVESTING CASH FLOW		
Purchase of tangible and intangible assets	-90	-1 054
Acquisition of subsidiaries	-599	-5 972
Disposal of subsidiaries	7	15
Proceeds from sale of tangible and intangible assets	9	53
Loans granted	-977	-604
Change of cash equivalents	8 093	0
Proceeds from sale of investments	1	0
Investing cash flow (B)	6 444	-7 563
FINANCING CASH FLOW		
Purchase of own shares	6	-2 523
Short-term loans, increase	0	3 437
Short-term loans, decrease	-2 453	0
Long-term loans, increase	12 500	2 500
Long-term loans, decrease	-3 023	-2 086
Dividend paid and other profit distribution	-1 574	-4 225
Group contribution	1 115	0
Financing cash flow (C)	6 571	-2 896
Variation in cash (A + B + C) increase (+) / decrease (-)	4 398	-516
Assets in the beginning of the period	33	549
Assets at the end of the period	4 431	33

Parent company's accounting policies

BASIS OF PREPARATION

The financial statements of the parent company, Etteplan Oyj, have been prepared in accordance with Finnish accounting and company legislation (FAS).

RECOGNITION OF INCOME AND CONSTRUCTION CONTRACTS

The revenue includes income from design activities and sales of materials and supplies for projects. The parent company's accounting principles for recognition of income and construction contracts correspond to those applied in the consolidated financial statements.

RESEARCH AND DEVELOPMENT EXPENDITURE

Research and development expenditure is recorded under expenses for the year in which it is incurred.

MEASUREMENT OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment has been capitalized in the balance sheet at cost less depreciation according to plan and with possible impairment loss. Depreciation according to plan is based on the estimated useful life of the asset item. Land areas are not depreciated because they are not considered to have a carrying period. The useful lives of other tangible assets are:

Software	5 years
Computers	3 years
Vehicles	5 years
Office furniture and fixtures	5 years
Renovation of premises	5 years

Maintenance and repair costs are expensed when they are incurred. Major basic improvement investments are capitalized and depreciated in the income statement over their useful life. Capital gains and losses arising on the retirement and sale of property, plant and equipment are included either in other operating income or under expenses.

INCOME TAXES

Taxes in the income statement include taxes based on taxable earnings for the period as well as taxes for previous periods. Current tax is calculated on taxable income using the tax rate that is in force in each country.

ACCUMULATED APPROPRIATIONS IN THE PARENT COMPANY

Accumulated appropriations for the parent company comprise the depreciation difference. The accumulated depreciation difference between depreciation according to plan and book depreciation totals EUR 164 thousand for long-term expenditure. The associated imputed tax liability is EUR 43 thousand, which is not recorded in the parent company's balance sheet. Postponed depreciations of machinery and equipment amount to a total of EUR 27 thousand. The associated deferred tax assets are not recorded in the parent company's balance sheet.

PENSION AGREEMENTS

Pension security for the employees of the parent company has been arranged with external pension insurance companies. Pension expenses are recorded as expenses in the year in which they are incurred.

LEASE AGREEMENTS

Contractual lease payments are entered as expenses in the income statement over the lease period.

Notes to the income statement, parent company

EUR 1 000	2009	2008
1. REVENUE		
Finland	46 492	55 476
Turnover consists of design business.		
2. OTHER OPERATING INCOME		
Insurance compensations	0	21
Administrative services	117	0
Sales profit of tangible and intangible assets	6	1
Other operating income	1 695	1 129
Other operating income, total	1 818	1 152
3. MATERIALS AND SERVICES		
Materials	59	53
Services from others	23 758	23 156
Materials and services, total	23 817	23 208
4. NUMBER OF PERSONNEL AND STAFF EXPENSES		
Personnel		
At year-end	326	367
Personnel, average	347	369
Personnel by category		
Design personnel	301	340
Administration personnel	25	27
Personnel, total	326	367
Staff costs		
Wages and salaries	12 196	15 869
Pension costs - defined contribution plans	2 024	2 703
Other indirect employee costs	582	1 013
Staff costs, total	14 803	19 585
5. AUDIT FEES		
Auditing	29	49
Other services	41	7
Total	70	56
6. FINANCIAL INCOME		
Dividend income		
Intra-Group dividend income	3 669	4 013
Dividend income from others	18	7
Total	3 687	4 020
Other financial income		
Intra-Group	72	228
Others	79	18
Total	151	246
Foreign exchange gain	71	0
Financial income, total	3 910	4 266
7. FINANCIAL EXPENSES		
Interest on borrowings from Group entities	77	113
Interest on borrowings from others	617	688
Loss on disposal of group companies	9 166	0
Impairment on receivables	488	0
Foreign exchange loss	23	80
Other financial expenses	49	635
Financial expenses, total	10 420	1 517
8. EXTRAORDINARY ITEMS		
Group contributions received	0	750
9. APPROPRIATIONS		
Increase (-) / decrease (+) in depreciation in excess of plan	10	-37
10. INCOME TAX EXPENSES		
Tax on income from operations	0	1 075
Tax for previous accounting periods	1	0
Income taxes in income statement	1	1 075

EUR 1 000

11. INTANGIBLE ASSETS, PARENT COMPANY

INTANGIBLE ASSETS 2009

	Intangible rights	Goodwill	Advance payments	Total
Acquisition cost at 1.1.	4 248	379	50	4 677
Additions	33	0	8	41
Reclassifications between items	58	0	-58	0
Acquisition cost 31.12.	4 339	379	0	4 718
Cumulative depreciation 1.1.	-2 965	-208	0	-3 174
Depreciation for the financial period	-469	-76	0	-545
Cumulative depreciation 31.12.	-3 434	-284	0	-3 718
Carrying value 31.12.	905	95	0	1 000

INTANGIBLE ASSETS 2008

	Intangible rights	Goodwill	Advance payments	Total
Acquisition cost at 1.1.	3 726	379	30	4 140
Additions	495	0	50	545
Disposals	-8	0	0	-8
Reclassifications between items	30	0	-30	0
Acquisition cost 31.12.	4 248	379	50	4 677
Cumulative depreciation 1.1.	-2 523	-133	0	-2 656
Depreciation for the financial period	-442	-76	0	-518
Cumulative depreciation 31.12.	-2 965	-208	0	-3 174
Carrying value 31.12.	1 283	171	50	1 503

12. TANGIBLE ASSETS, PARENT COMPANY

TANGIBLE ASSETS 2009

	Machinery and equipment	Other tangible assets	Total
Acquisition cost at 1.1.	3 997	171	4 168
Additions	22	26	48
Disposals	-4	0	-4
Acquisition cost 31.12.	4 015	197	4 212
Cumulative depreciation 1.1.	-3 325	-97	-3 422
Depreciation for the financial period	-261	-30	-291
Accumulated depreciation 31.12.	-3 586	-127	-3 713
Carrying value 31.12.	430	70	499

TANGIBLE ASSETS 2008

	Machinery and equipment	Other tangible assets	Total
Acquisition cost at 1.1.	3 596	112	3 707
Additions	450	59	509
Disposals	-48	0	-48
Acquisition cost 31.12.	3 997	171	4 168
Cumulative depreciation 1.1.	-3 039	-76	-3 115
Depreciation for the financial period	-286	-21	-307
Accumulated depreciation 31.12.	-3 325	-97	-3 422
Carrying value 31.12.	673	74	746

EUR 1 000

13. INVESTMENTS, PARENT COMPANY

INVESTMENTS 2009

	Equity in Group entities	Other shares and equity interests	Total
Acquisition cost 1.1.	44 117	21	44 138
Increases	3 783	0	3 783
Decreases	-9 188	0	-9 188
Reclassifications between items	-281	281	0
Acquisition cost 31.12.	38 429	303	38 732
Carrying value 31.12.	38 429	303	38 732

INVESTMENTS 2008

	Equity in Group entities	Other shares and equity interests	Total
Acquisition cost 1.1.	37 467	21	37 488
Increases	7 245	0	7 245
Decreases	-595	0	-595
Acquisition cost 31.12.	44 117	21	44 138
Carrying value 31.12.	44 117	21	44 138

EUR 1 000

14. TRADE AND OTHER RECEIVABLES

	2009	2008
From group companies		
Trade receivables	485	465
Dividend receivables	0	1 800
Other receivables	1 401	1 374
Internal bank account receivables	11 726	19 798
Group contribution receivables	0	1 115
Total	13 611	24 552
From others		
Trade receivables	5 952	8 472
Allowances for doubtful current trade receivables	-59	0
Other receivables from associates	117	3
Other short term receivables	504	2 819
Current prepayments and accrued income	1 183	780
Total	7 696	12 074
Main items included in prepayments and accrued income		
Receivables for revenue recognised in part prior to project completion	231	0
Accruals of personnel expenses	30	0
Prepaid office rents	17	16
Other prepayments and accrued income on sales	314	496
Other prepayments and accrued income on expenses	591	264
Total	1 183	776
15. CASH AND CASH EQUIVALENTS		
Bank accounts and cash	4 431	33
Total	4 431	33

Cash and cash equivalents in the balance sheet are corresponding with the financial assets in Cash flow statement.

EUR 1 000	2009	2008
16. EQUITY		
Share capital 1.1.	5 000	5 000
Share capital 31.12.	5 000	5 000
Share premium account 1.1.	6 701	6 701
Share premium account 31.12.	6 701	6 701
Unrestricted equity fund 1.1.	2 474	2 601
Share issue	117	0
Decreases	0	-127
Unrestricted equity fund 31.12.	2 590	2 474
Treasury shares 1.1.	-2 084	-962
Additions	-44	-2 523
Disposals	178	1 401
Treasury shares 31.12.	-1 949	-2 084
Retained earnings 1.1.	16 493	14 309
Dividends paid	-1 574	-4 225
Gain on share-based payments	-179	0
Retained earnings 31.12.	14 740	10 085
Profit for the financial year	-6 050	6 408
Shareholders equity total	21 033	28 583
DISTRIBUTABLE FUNDS 31.12.		
Retained earnings	14 740	10 085
Treasury shares	-1 949	-2 084
Unrestricted equity fund	2 590	2 474
Profit for financial year	-6 050	6 408
Distributable funds 31.12.	9 331	16 882
SHARES, 1 000 PCS		
Number of shares 1.1.	20 179	20 179
Number of shares 31.12.	20 179	20 179
17. ACCUMULATED APPROPRIATIONS		
Depreciation in excess of plan	164	174
18. NON-CURRENT LIABILITIES		
Loans from financial institutions	4 614	6 700
Pension loans	2 813	1 875
Hybrid loan	10 000	0
Total	17 427	8 575
19. CURRENT LIABILITIES		
To others		
Loans from financial institutions	2 086	2 086
Cheque account with overdraft facility	207	3 437
Pension loans	1 250	625
Total	3 543	6 148
To group companies		
Internal bank account liabilities	9 284	8 507
Total	9 284	8 507

EUR 1 000	2009	2008
20. TRADE AND OTHER CURRENT LIABILITIES		
To others		
Advances received	56	190
Trade payables	884	711
Other liabilities	1 068	442
Accrued expenses	6 222	4 741
Total	8 230	6 084
To group companies		
Trade payables	154	24 941
Other	5 900	35
Total	6 054	24 976
Main items included in accrued expenses		
Interest liabilities	110	15
Accrued employee expenses	2 713	4 102
Other accrued expenses	3 399	625
Total	6 222	4 740

21. MANDATORY PROVISIONS

EUR 1 000	1.1.2009	Provision additions	31.12.2009
Provisions			
Provision for unprofitable orders/contracts	0	187	187
Other provisions	0	50	50
Total	0	237	237

Provisions include estimated costs related to project EUR 187 thousand. Unrecorded deferred taxes on mandatory provisions were EUR 62 thousand.

EUR 1 000	2009	2008
22. PLEDGES, MORTGAGES AND GUARANTEES		
Other contingencies	55	57
Leasing liabilities		
For payment in next financial year	717	791
For payment later	579	793
Total	1 350	1 642

Shares and shareholders

SHARE CAPITAL AND SHARES

On December 31, 2009, Etteplan Oyj's share capital, entered in the trade register and paid in full, was EUR 5,000,000 and the number of shares was 20,179,414. There were no changes in the share capital during the report period January 1 – December 31, 2009. The company has one series of shares. Each share confers the right to one vote at the General Meeting and the same right to a dividend.

DIVIDEND

The Annual General Meeting passed a resolution in accordance with the proposal of the Board of Directors to pay a dividend for the 2008 financial year of EUR 0.08 per share, or a total of EUR 1,573,586.30. The remaining profit was retained in non-restricted equity. The record date of the payment of dividend was March 31, 2009. The dividend was paid on April 7, 2009.

The Annual General Meeting authorized the Board of Directors to decide within their discretion on the payment of a possible additional dividend of EUR 0.07 per share, or a total maximum of EUR 1,376,888.00, should the economic situation of the company allow it. The authorization was valid until December 31, 2009. Etteplan Oyj's Board of Directors decided, in its meeting on October 28, 2009, that additional dividend will not be paid in year 2009.

CURRENT AUTHORIZATIONS

Authorization to raise the share capital

The Annual General Meeting on March 28, 2008 granted the Board of Directors the authorization to decide upon an issue of no more than 4,000,000 shares with a share issue or by granting option rights or other specific rights, referred to in Chapter 10, Article 1 of the Companies Act, giving entitlement to shares in one or more lots. The authorization includes the right to decide to issue either new shares or company held shares. The authorization is valid for three years from the time of the Annual General Meeting resolution – i.e., from March 28, 2008, through March 28,

2011. The authorization replaces the previous authorization. The Board has not used its authorization.

Authorization to acquire and dispose own shares

The Annual General Meeting on March 26, 2009 authorized the Board of Directors to acquire company's own shares in one or more lots using the company's unrestricted equity. A maximum of 2,000,000 of the company's own shares can be acquired. The Board of Directors shall have the right to decide who the shares are acquired from or, the Board of Directors has the right to decide on a directed acquisition of own shares. The authorization is valid for 18 months from the date of the decision of the Annual General Meeting starting on March 26, 2009 and ending on September 26, 2010. The authorization replaces the previous authorization.

The company held 469,298 of its own shares on December 31, 2009. In January - December 2009, the company acquired 10,409 of its own shares. The company disposed of 40,287 company-held shares in January - December 2009. The authorization remains in effect insofar as it has not been used.

OPTION RIGHTS

The company does not currently have a share option program.

SHARE-BASED INCENTIVE PLAN

The Etteplan Oyj Board of Directors decided on a share-based incentive plan for key personnel in March 2008. The plan includes three earnings periods: calendar years 2008, 2009 and 2010. The plan had a target group of 37 people in 2008 and 39 people in 2009. The remuneration paid from the plan corresponds to the value of about 720,000 Etteplan Oyj shares at maximum.

The Board of Directors of Etteplan Oyj has in its meeting held on February 11, 2009 made a resolution upon disposal of company-held shares pursuant to the authorization granted to it by the Annual General Meeting of Shareholders' held on March 28, 2008.

The authorization was renewed in the Annual General Meeting on March 26, 2009.

In accordance with the decision by the Board of Directors, Etteplan Oyj has, on April 30, 2009, disposed 41,177 company-held shares as the remuneration for the 2008 earnings period for 36 employees who were part of share-based incentive plan in 2008. The price per share of the transferred shares was EUR 2.89, which was the volume weighted average quotation of Etteplan Oyj share on April 30, 2009. Accordingly, the total transaction price of the transferred shares was EUR 119,001.53. In addition, a monetary part and capital transfer tax, totalling at EUR 180,723.97, were paid out of the plan. The remuneration earned in 2008 was paid on April 30, 2009. 890 of the disposed shares have been returned to the company.

Pursuant to the authorization granted to it by the Annual General Meeting of Shareholders', held on March 26, 2009, the Board of Directors of Etteplan Oyj has in its meeting, on February 10, 2010, made a resolution that there will be no disposal of company-held shares for the 2009 earnings period.

SHARE QUOTE

The Etteplan share (ETT1V) is quoted in the Nordic NASDAQ OMX's Small Cap market capitalization group in the "Industrials" sector.

SHARE PRICE TREND AND TURNOVER

The number of Etteplan Oyj shares traded during the financial year was 2,604,232, to a total value of EUR 7.6 million. The share price low was EUR 2.58, the high EUR 3.40, the average EUR 2.94, and the closing price EUR 2.77. Market capitalization on December 31, 2009 was EUR 54.6 million, and there were 1,907 shareholders.

SHAREHOLDERS

At the end of 2009, the company had 1,907 registered shareholders. In total, 781,768 shares, or 3.87% of all shares, were entered in the administrative register. On December 31, 2009, the members of the company's Board of Directors and the President and CEO owned a total of 5,572,451 shares, or 27.61% of the total share capital.

In accordance with the Securities Markets Act, Chapter 2, Article 9, Etteplan Oyj issued two notifications of changes in shareholding during the financial year.

Evli Pankki Oyj's share in Etteplan Oyj's voting rights and share capital fell under 5% due to the trade of forward contracts that fell due, on December 18, 2009.

Oy Fincorp Ab's forward contracts fell due on December 18, 2009 and the holdings by Oy Fincorp Ab in Etteplan Oyj exceed 10%. ■

MAJOR SHAREHOLDERS, DECEMBER 31, 2009

	Number of shares	Holding of shares, %
Mönkkönen Tapani	4 075 600	20,20
Ingman Group Oy Ab	3 500 000	17,34
Oy Fincorp Ab	2 147 474	10,64
Hornborg Heikki	1 143 220	5,67
Varma Mutual Pension Insurance Company	608 328	3,01
Alfred Berg Finland Fund	501 699	2,49
Etteplan Oyj	469 298	2,33
Fondita Nordic Micro Cap Placeringsfond	417 180	2,07
Tuori Klaus	351 000	1,74
Nordea Bank Finland Plc.	346 412	1,72
Alfred Berg Small Cap Fund	331 090	1,64
Hakakari Tapio/Webstor Oy	306 180	1,52
Aktia Capital Small Cap Fund	298 200	1,48
Svenska Handelsbanken AB (Publ), Filialverksamheten i Finland	277 628	1,38
Tuori Aino	256 896	1,27
Kempe Anna	249 343	1,24
Aiff Ulf	220 546	1,09
Evli Bank Plc.	201 200	1,00
Tuori Kaius	178 370	0,88
Alfred Berg Optimal Small Cap Fund	170 421	0,84
Other shareholders	4 129 329	20,46
Total	20 179 414	100,00
Nominee-registered shares	781 768	3,87

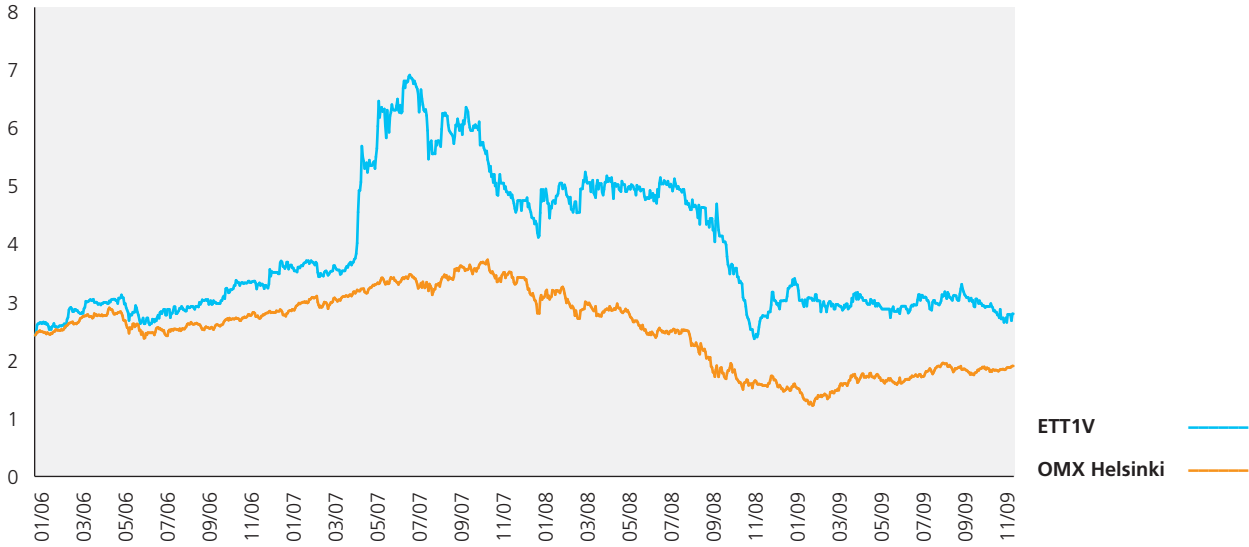
BREAKDOWN OF SHAREHOLDINGS BY SIZE CLASS, 31 DECEMBER 2009

Number of shares	Shareholders	Proportion of shareholders, %	Number of shares	Proportion of shares, %
1-100	131	6,87	8 394	0,04
101-500	837	43,89	282 976	1,40
501-1 000	407	21,34	332 467	1,65
1 001-5 000	398	20,87	906 907	4,49
5 001-10 000	61	3,20	461 626	2,29
10 001-50 000	38	1,99	770 595	3,82
50 001-100 000	8	0,42	612 688	3,04
100 001-500 000	21	1,10	4 827 440	23,92
500 001-	6	0,32	11 976 321	59,35
Total	1 907	100,00	20 179 414	100,00

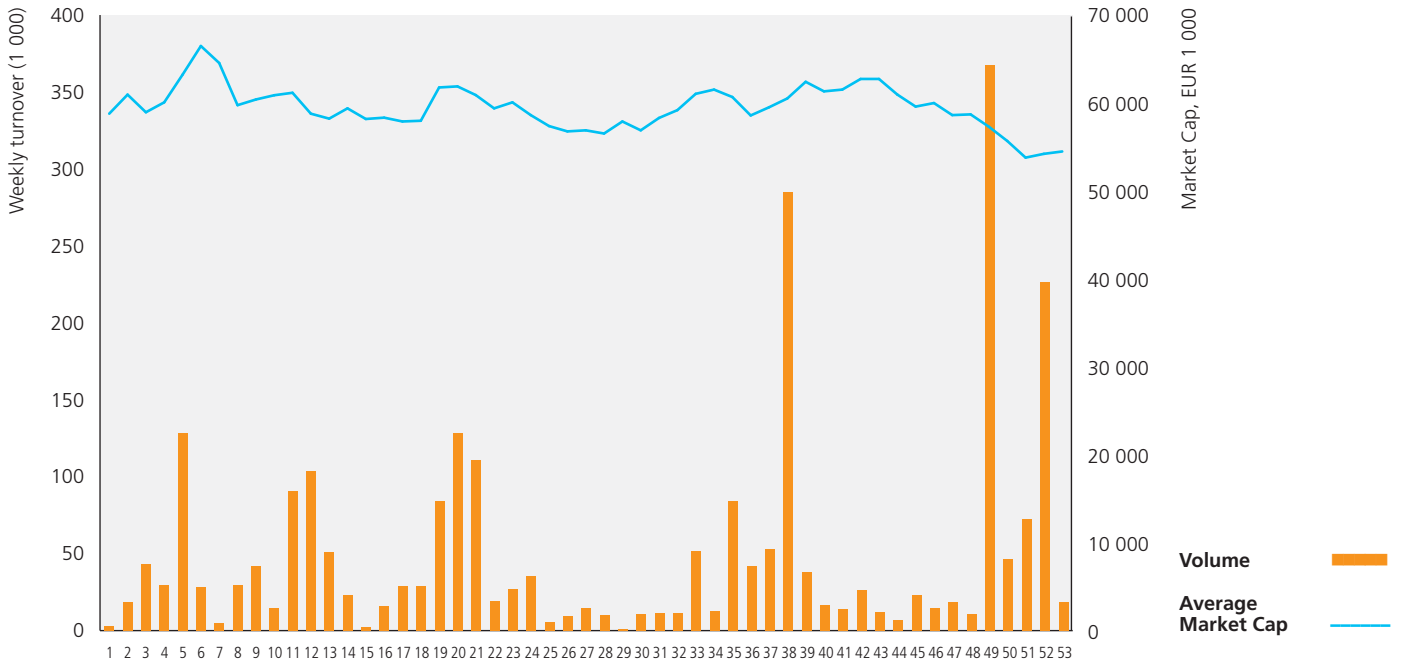
BREAKDOWN OF SHAREHOLDINGS BY OWNER GROUP, 31 DECEMBER 2009

Name of the sector	Shareholders	Number of shares	Number of nominee-registered shares	Proportion of shares, %
National economy total (domestic sector)				
Companies	118	6 688 771	5 684	33,18
Financial and insurance institutions	17	1 971 438	776 084	13,62
Public sector entities	6	1 042 533	0	5,17
Households	1 734	9 141 488	0	45,30
Non-profit institutions	9	42 206	0	0,21
Foreigners				
European Union	16	54 716	0	0,27
Other countries and international organizations	7	456 494	0	2,26
Total	1 907	19 397 646	781 768	100,00

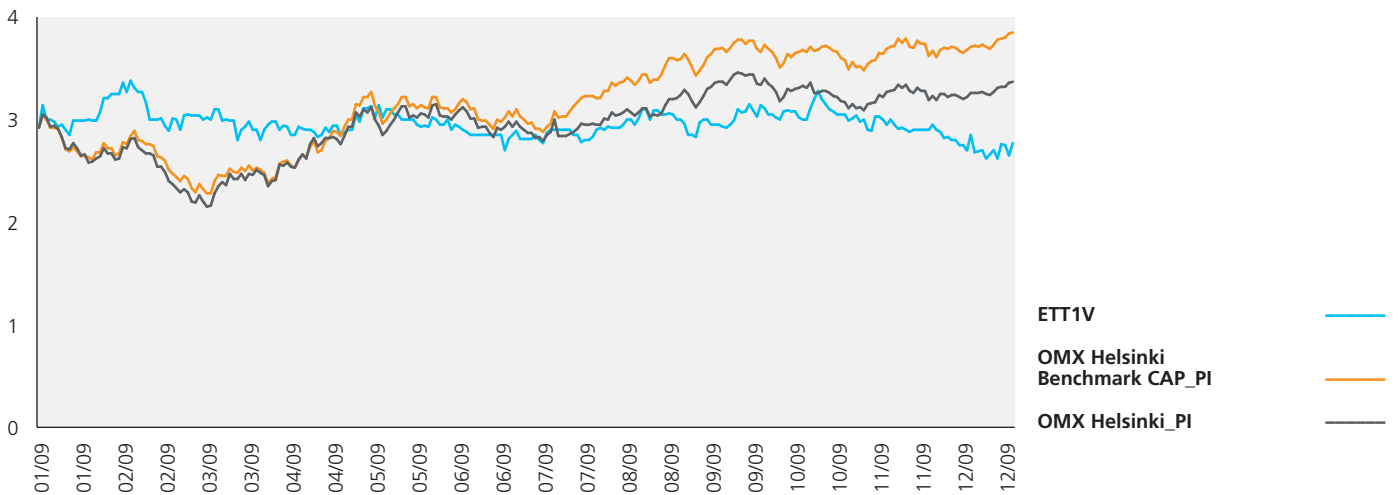
SHARE PRICE DEVELOPMENT 2006–2009



SHARE TURNOVER AND MARKET CAPITALISATION IN 2009



SHARE PRICE IN 2009



Board of Directors dividend proposal

At December 31, 2009, the parent company's distributable shareholders' equity amounted to EUR 9.33 million, of which the net loss for the financial year was EUR 6.0 million.

The Board of Directors proposes that from the distributable funds at the disposal of the Annual General Meeting, a dividend of EUR 0.04 per share be paid on the company's externally owned shares, to a total amount of EUR 0.81 million.

Dividend will not be paid out to shares that are company-held on the record date of dividend payout, March 29, 2010. No substantial changes have occurred in the financial position of the company since the end of the financial year. The company's liquidity is good and the Board of Directors judges that the proposed distribution of dividend will not endanger the company's solvency.

It is proposed that the dividend be paid on April 7, 2010.

Vantaa, February 10, 2010

Heikki Hornborg
Chairman of the Board

Tapani Mönkkönen
Vice Chairman of the Board

Matti Virtaala
Member of the Board

Tapio Hakakari
Member of the Board

Pertti Nupponen
Member of the Board

Robert Ingman
Member of the Board

Auditor's report

TO THE ANNUAL GENERAL MEETING OF ETTEPLAN OYJ

We have audited the accounting records, the financial statements, the report of the Board of Directors and the administration of Etteplan Oyj for the year ended on 31 December, 2009. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, cash flow statement and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements.

RESPONSIBILITY OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the financial statements and the report of the Board of Directors and for the fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the fair presentation of the parent company's financial statements and the report of the Board of Directors in accordance with laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the Managing Director shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in

a reliable manner.

AUDITOR'S RESPONSIBILITY

Our responsibility is to perform an audit in accordance with good auditing practice in Finland, and to express an opinion on the parent company's financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report of the Board of Directors are free from material misstatement and whether the members of the Board of Directors of the parent company and the Managing Director have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

OPINION ON THE COMPANY'S FINANCIAL STATEMENTS AND THE REPORT OF THE BOARD OF DIRECTORS

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Turku, 26th of February 2010

PricewaterhouseCoopers Oy
Authorised Public Accountants

Mika Kaarisalo
Authorised Public Accountant

Corporate governance statement

This corporate governance statement has been prepared in accordance with recommendation 51 of the Finnish Corporate Governance Code. The corporate governance statement has been prepared as a part of annual report and it is also available separately on the company's web pages www.etteplan.com/investors. Etteplan's Board of Directors' has reviewed this corporate governance statement. Etteplan Oyj's external auditor, PricewaterhouseCoopers Oy, has checked that this statement has been issued and that the description of the main features of the internal control and risk management systems pertaining to the financial reporting process is consistent with Etteplan Oyj's financial statements.

GENERAL GOVERNANCE PRINCIPLES

Etteplan Oyj is a Finnish public limited company that in its decision-making and governance complies with the Finnish Companies Act, other legislation concerning publicly listed companies, and the Articles of Association of Etteplan Oyj.

Etteplan is a publicly listed company that abides by the regulations of NASDAQ OMX Helsinki Ltd. The company is committed to compliance with the corporate governance code for listed Finnish companies, published by the Securities Market Association on 22 October 2008 except with reference to the Audit Committee (recommendations 24-27), because the company does not have an Audit Committee.

Supervision and management of the company is divided among the general meeting of shareholders, the Board of Directors, and the CEO.

GENERAL MEETING OF SHAREHOLDERS

The company's highest decision-making body is the general meeting of shareholders, where shareholders exercise their right to monitor and control the company's operations. The company must hold one Annual General Meeting for shareholders during each financial year, by the end of June. If necessary, an extraordinary meeting of shareholders is held.

The shareholders exercise their right to speak and vote at the shareholder meeting. The matters to be considered at the Annual General Meeting (AGM) are specified in section 8 of Etteplan's Articles of Association and in Chapter 5, Section 3 of the Companies Act.

Decisions by the AGM are published without delay after the meeting by a stock exchange release and on the company's Web site.

In 2009 the Annual General Meeting of Shareholders was held on March 26, 2009 at Sibeliustalo in Lahti.

Providing shareholders with information from shareholder meetings

The Board of Directors convenes an Annual General Meeting or an extraordinary meeting with a summons to be published in one Finnish-language national daily newspaper, determined by the Board of Directors. The summons must list the agenda for the meeting. The summons to a meeting and the Board's proposals for the meeting are also published as a stock exchange release and made available for viewing on the company's Web site.

Participation in an Annual General Meeting

To be able to participate in an Annual General Meeting, a shareholder must be registered in the list of Etteplan Oyj's shareholders, maintained by Euroclear Finland Ltd. A nominee-registered shareholder who intends to take part in an AGM must report such intentions to the book-entry register authority in good time before the meeting and comply with the instructions received from the bank. Shareholders must register for an AGM in advance, within the time prescribed in the summons. A shareholder may participate in an Annual General Meeting personally or through a duly authorized proxy. The proxy must present a power-of-attorney form for such authorization. Upon registration for an Annual General Meeting, the shareholder must report to the company any powers of attorney issued. The shareholder and proxy may have an assistant present at the meeting.

Participation in shareholder meetings by Board members, the CEO, and the auditor

The CEO, the chairman of the Board, and a sufficient number of Board members must be present at a general meeting of shareholders. Furthermore, the auditor must be present at the Annual General Meeting.

General meeting participation of a Board candidate

A person who is for the first time a candidate for the Board of Directors must participate in the meeting that decides on the election, unless there are weighty grounds for absence.

BOARD OF DIRECTORS

The Board of Directors is responsible for the company's management and for the due organization of the company's operations in accordance with the relevant legislation and the company's Articles of Association. The Board of Directors controls and monitors the company's operations and management; appoints and dismisses the CEO; and approves the major decisions affecting the company's strategy, capital expenditures, organization, remuneration and bonus systems covering the management, and finances. The Board of Directors is responsible for the due organization of the company's management and operations as well as for ensuring that the supervision of the company's accounting and treasury management is appropriately arranged.

Rules of procedure of the Board of Directors

As part of the company's corporate governance, the Etteplan Oyj Board of Directors has approved written rules of procedure to control Board work. The Board's rules of procedure complement the stipulations of the Finnish Companies Act and the Articles of Association of the company. The shareholders can assess the activities of the Board on the basis of the rules of procedure.

Board meetings and assessment of activities

The Etteplan Board of Directors met 17 times in 2009. In addition to the members of the Board, the company's CEO attended Board meetings. The average attendance percentage at the meetings was 94.8%. The Board meets as often as appropriate fulfilment of its obligations requires.

On an annual basis, the Board of Directors assesses its activities and work practices. The Board specifies the criteria to be used in the assessment, which is carried out as internal self-evaluation. The results of these activities are handled by the Board.

Composition of the Board of Directors

The Annual General Meeting elects the Board of Directors members. The Nomination and Remuneration Committee of the Board of Direc-

tors of Etteplan Oyj prepares a list of proposed members of the Board of Directors for consideration by the Annual General Meeting. The Board-proposed candidates are reported upon in the summons to the meeting and on the company's Web site.

According to the Articles of Association, the Board of Directors shall have a minimum of three and a maximum of seven members. The Board of Directors shall be elected for a term of one year at the Annual General Meeting. The Annual General Meeting held on 26 March 2009 elected Tapio Hakakari, Heikki Hornborg, Robert Ingman, Tapani Mönkkönen, Pertti Nupponen, and Matti Virtaala as the members of the Board. Tapio Hakakari, Robert Ingman, Pertti Nupponen, and Matti Virtaala are independent of the company. The Board of Directors of Etteplan Oyj has in its meeting on March 26, 2009 elected Heikki Hornborg as Chairman of the Board and Tapani Mönkkönen as Vice Chairman of the Board.

Personal information, shareholdings, essential work experience, and most significant simultaneous positions of trust of the Board of Directors are presented on the company's Web site.

BOARD COMMITTEES

Nomination and Remuneration Committee

The Board of Directors of Etteplan Oyj has appointed a Nomination and Remuneration Committee among the directors. The Board has confirmed the central duties and operating principles of the committee in a written chapter. The Nomination and Remuneration Committee reports regularly on its work to the Board.

Tapio Hakakari has been appointed as the Chairman of the Committee and Heikki Hornborg and Robert Ingman as members of the committee. Tapio Hakakari and Robert Ingman are independent of the company. The Nomination and Remuneration Committee met 2 times during 2009. All members of the Nomination and Remuneration Committee attended all the meetings.

CEO

The Board of Directors appoints the CEO and terminates this employment, as well as monitors the CEO's activities. The parent company's CEO furthermore acts as the Group's Chief Executive Officer. The CEO is responsible for managing the Group's day-to-day operations in accordance with the rules and instructions issued by the Board of Directors. The CEO may take measures that are unusual and far-reaching with regard to the scope and nature of the company's operations, but only with authorization from the Board of Directors. The CEO is responsible for ensuring that the company's accounting complies with the applicable legislation and that its asset management is arranged in a reliable manner.

Matti Hyttiäinen has been the company's President and CEO since the beginning of 2008. He is not a member of the Board of Directors, but he attends Board meetings. The President and CEO's personal information, shareholdings, essential work experience, and most significant simultaneous positions of trust are presented on the company's Web site.

A written CEO agreement has been drawn up for the President and CEO.

OTHER EXECUTIVES

The CEO appoints members to the Management Group who, individually and jointly, are appropriate from the standpoint of line operations. The Management Group assists the CEO and also develops and monitors all matters entrusted to the company's management, including those connected with the Group and business unit strategies, acquisitions and major capital expenditures, divestments, the company's image, monthly reporting, interim reports, investor relations, and the

main principles of the human resource policy. The Board of Directors approves the appointment of the Management Group members.

As of January 1, 2010, the members of the Management Group are Matti Hyttiäinen, President and CEO; Pia Björk, Vice President, Operations Development and M & A; Niclas Gräns, Vice President, Per-Anders Gådin, Chief Financial Officer; Outi-Maria Liedes, Vice President, HR and Communications; and Juha Näkki, Vice President. The personal information, shareholdings, essential work experience, and most significant simultaneous positions of trust of the members of the Management Group are presented on the company's Web site.

Vice President Peter Jahn has been appointed as a member of the Management Group as of February 8, 2010. Peter Jahn's personal information, shareholdings, essential work experience, and most significant simultaneous positions of trust are presented on the company's Web site.

COMPENSATION

Compensation of members of the Board of Directors

According to the resolution passed by the Annual General Meeting of 2009, the remuneration for each member of the Board of Directors is 600 euros per meeting and for the chairman of the Board of Directors 1,200 euros per meeting. In addition, each member of the Board receives 1,300 euros per month and the chairman of the Board of Directors 2,600 euros per month.

Compensation and other benefits of the President and CEO

The President and CEO's compensation consists of a basic salary and a yearly bonus decided annually by the Board on the basis of the Corporation's financial result and other key targets. The yearly bonus may not exceed 100 percent of the recipient's annual salary. In 2009, President and CEO Matti Hyttiäinen's basic salary was EUR 239,912. He has also car and phone benefits, which in 2009 totaled to EUR 16,020. In addition, EUR 43,702 performance based bonus was paid to President and CEO in 2009.

Matti Hyttiäinen belongs to the target group of a share-based incentive plan for the key employees of Etteplan Group. The bonus accrued from 2008 and paid in April 2009 was 4 451 Etteplan Oyj shares together with an estimated cash bonus to cover taxes and similar charges arising from the receipt of shares.

In 2009 EUR 9 500 was paid for the additional accrual basis pension insurance policy for the President and CEO. In the event of dismissal, the President and CEO is entitled to receive compensation equivalent to 18 months' salary which includes the salary for a six-month term of notice.

The salaries and fees of the Management Group

The system of compensation for the members of the Management Group includes a base salary and a profit-related bonus that is based on the company's profit and the result within the member's area of responsibility. The yearly bonus may not exceed 100 percent of the recipient's annual salary. Members of the Management Group are included in the share-based incentive plan for the company's key personnel, whose second earnings period ended in the period under review.

The compensation principles for the Management Group are determined by the CEO in cooperation with the Board of Directors. The Board is authorized to make decisions related to the share-based incentive plan in 2008, 2009, and 2010, by earnings period.

No separate agreement has been made regarding early retirement for members of the Management Group. In the event of dismissal, a Management Group member is entitled to receive compensation equivalent to a maximum of six months' salary.

INTERNAL CONTROL, RISK MANAGEMENT, AND INTERNAL AUDITING

Internal control

The objective of Etteplan Oyj's internal control and risk management is to ensure that the company's operations are efficient and profitable, its information is reliable, and it complies with appropriate regulations and operating principles. The objectives also include identification, assessment, and monitoring of risks related to business operations.

Risk management

Management and mitigation of the impact of risks is one of the Group's main principles of operation. The Board of Directors and the Management Group monitor the development of risks and concentrations of risk. The Group's financial administration operations monitor and assess operational and financial risks and take measures to avert them in cooperation with the Board of Directors, the Management Group, and the management personnel responsible for corporate planning.

Risks related to Etteplan Group's business operations are divided into external and internal risks, and the risks are monitored according to this classification.

External risks

External risks include risks concerning economic development on the whole and unpredictable changes in customers' order books, which are classified as the greatest risk in the company's business operations.

Internal risks

Internal risks include strategic and operating risks, as well as financing risks.

Etteplan's most significant strategic risks relate to development of business operations and acquisitions. The company aims to manage these risks by following its acquisitions policy and applying procedures and models that have been prepared on the basis of this policy. In addition to acquisitions, organic growth is an important part of the growth objectives for Etteplan's business.

Etteplan's greatest operating risks are related to commissions and personnel. The company's commissions involve risk of services or performances including a professional error, omissions, or other negligence that could cause significant financial or other damage. In order to contain operating risks, the company applies the following procedures: application of quality management systems, codes of practice, and acceptance procedures; coupled with training of personnel; and compliance with instructions on management of quotes and contracts, particularly in delimitation of contractual liability. The company has a liability insurance program that encompasses the entire Group. However, the insurance does not cover all liability risks. The company's business is based on professional personnel. Availability of competent professionals is an important factor in ensuring profitable growth and continued high-quality business operations.

Reviews concerning financing risks are presented in the notes to the financial statements.

Internal auditing

Internal auditing within Etteplan Group is an administrative function reporting directly to the CEO and forms part of the Group's financial administration. Internal auditing is supported by the quality management system. The Group's internal control is organized among others according to a system that includes monthly reporting, comparing actual performance to the budgeted plan and actual performance in the preceding year. The operating income statement is reconciled with regular bookkeeping and interim reports.

Description of the main features of the internal control and risk management systems pertaining to the financial reporting process

Etteplan prepares consolidated financial statements and interim reports in accordance with the International Financial Reporting Standards, as adopted by EU, the Securities Markets Acts as well as the appropriate Financial Supervision Authority Standards and NASDAQ OMX Helsinki Ltd's rules. The Report of the Board of Directors of Etteplan and parent company financial statements are prepared in accordance with Finnish Accounting Act and the opinions and guidelines of the Finnish Accounting Board.

Etteplan Group has a group level accounting policies and instructions that are applicable for all group companies and according to which group financial reporting is prepared. Together with reporting calendar and schedules, accounting policies and instructions form the framework for timely and correct group reporting. Etteplan's business operations are in all material respects located in Finland and Sweden and both countries have local accounting and financial reporting organisations, systems and reporting to the Group. Internal control and risk management systems and practices as described below are designed to ensure that the financial reports as disclosed by the company give essentially correct information about the company finances.

Etteplan has a common group consolidation system. Accounting data is transferred from the local accounting systems either automatically or manually and correctness is controlled by the group accounting team. Common chart of accounts forms the basis of group reporting. Group accounting, consolidation and published financial reports are prepared by the centralised team.

Internal control over financial reporting

Proper arrangement and monitoring of internal control is the responsibility of the local management in accordance with the group framework. Etteplan Board has approved operating principles of internal control, which have been prepared in accordance with the Code recommendation 45. Operating principles include the main features of risk management process, summary of risks, control objectives and common control points for financial reporting as well as roles and responsibilities in executing and monitoring internal control in Etteplan.

Internal controls over financial reporting process at the country and group level has been focus area in 2009. Etteplan finance organisation has analysed process risks and defined control objectives for external financial reporting process. Existing control points in the process have been documented. These control points include for example reconciliations, authorisations, analysis, and segregation of key accounting duties. The work has been led by the Group CFO.

According to its annual clock, Group Management Team has monthly meetings where also financial performance and financial reporting is analysed. Prior to these meetings, financial reports have been analysed in the division level to detect any irregularities or errors. Group level financial reports are prepared to the Etteplan Board on a monthly basis. The Board also reviews and approves interim financial reports, annual results report and financial statements.

Etteplan does not have separate internal audit function. The Board can engage external advisors to perform evaluations relating to control environment or other activities.

INSIDERS

The Etteplan Oyj Board of Directors has approved insider regulations for the company. The regulations are based on the Finnish Securities Markets Act, and they comply with the standards of Financial Supervision and the Guidelines issued by the NASDAQ OMX Helsinki Ltd, which took effect on 9 October 2009.

In accordance with the Finnish Securities Markets Act, Etteplan Oyj's insiders are defined to consist of insiders with the duty to declare their interests, permanent company-specific insiders, and project-specific insiders.

Because of the nature of their position, also among Etteplan's statutory insiders are the members of the Board of Directors, the CEO, and the chief auditor from the chosen auditing firm (a company of independent public accountants). Moreover, the members of the Management Group are entered in the public insider register.

The company maintains a permanent company-specific insider register, which includes front-line managers for business operations, financial administration personnel, and those working for the company on the basis of an employment or other contract who receive insider information.

A project-specific insider register is created by decision of the Board of Directors, the CEO, or the Management Group.

The company's insider guidelines direct insiders to restrict their trading in the company's shares to times when the markets have as precise information as possible on the factors influencing the value of shares in the company. Consequently, Etteplan's public and permanent company-specific insiders may trade in Etteplan securities only within a window of six weeks following announcements of financial results, provided that the person concerned is not registered in a project-specific insider register.

Maintenance of the public insider register of Etteplan Oyj is the responsibility of the Chief Financial Officer, who is responsible for compliance with insider regulations and fulfilment of duties to report. Etteplan Oyj's insider registers are maintained by the company's head office, which updates the information that, as required by law, is entered in the public insider register for Euroclear Finland Ltd pertaining to insiders with the duty to declare.

Information on insider holdings

Information about the holdings of Etteplan Oyj insiders with the duty to declare is retained in the NetSire service of Euroclear Finland Ltd. The insider registers of issuers are on public display at Euroclear Finland Ltd (previously Finnish Central Securities Depository), Urho Kekkosen katu 5 C, FI-00100 Helsinki, Finland. The company's Web site has a link to the NetSire service.

AUDITING

The primary duty of statutory auditing is to verify that the financial statements give correct and sufficient information about the Group's profit and financial situation for the financial year. Etteplan Oyj's financial year is the calendar year. The auditor is responsible for auditing the company's accounts and the correctness of its financial statements during the financial year, and for issuing an auditor's report to the Annual General Meeting.

A summary of the Group's audit report is compiled for the Board of Directors. Also, the auditors of all Group companies report separately to the management of each company within the Group. The auditors attend at least one meeting of the Board of Directors in the relevant financial year.

The Annual General Meeting elects one regular auditor to audit corporate governance and accounts. The auditor must be a firm of independent public accountants so authorized by the Central Chamber of Commerce. In 2009, the Annual General Meeting elected PricewaterhouseCoopers Oy, a firm of authorized public accountants, with Mika Kaarisalo, APA, acting as chief auditor. The auditor's term ends at the conclusion of the first Annual General Meeting after the election.

Auditing was opened for competitive bidding at the beginning of 2009, and the Board's proposal for the auditor is included in the summons to the AGM.

Audit fees and services not related to auditing

The audit fees paid in 2009 totaled 84,968 euros (in 2008: 95,285 euros). In addition, 58,926 euros was paid to the firm for services not related to auditing (in 2008: 47,253 euros).

INFORMATION

It is Etteplan Oyj's principle to be open, truthful, and quick in all communications. The primary objective of the company's investor information is to provide the market with information about the Group's operations and financial standing. The goal is to give all stakeholder groups correct and uniform information in a regular and balanced manner.

Silent period

Etteplan Oyj follows a so-called silent period before publication of interim reports and financial statement bulletins. The duration of the silent period is two weeks.

Distribution of investor information

Etteplan publishes all of its investor information on the company's Web site at www.etteplan.com. Financial bulletins will be made available for viewing and printing immediately after publication. They will be published in Finnish and English.



In the picture from top left Tapio Hakakari, Tapani Mönkkönen and Robert Ingman. From bottom left Pertti Nupponen, Heikki Hornborg and Matti Virtaala.

HEIKKI HORNBERG, b. 1949, M.Sc. (Eng.)

- Chairman of the Board of Directors from 2008
- Board member 1985–1991 and from 1997
- Chief Executive Officer of Etteplan Oyj 1985–1989 and 1997–2007, Technical Director and Plant Manager of Lohja Caravans Oy 1991–1997, Technical Director of Wärtsilä Sanitec Oy 1989–1991 and Production Manager of Kone Oy 1982–1985
- Main simultaneous positions of trust: Chairman of the Board of Directors of the Finnish Association of Consulting Firms SKOL, member of the Board of Directors of the Confederation of Finnish Industries EK
- Number of Etteplan shares, 31 December 2009: 1 143 220

TAPANI MÖNKKÖNEN, b. 1946, B.Sc. (Eng.), Teollisuusneuvos (Finnish honorary title)

- Vice Chairman of the Board of Directors from 2008
- Chairman of the Board of Directors 1997–2007
- Board member from 1983
- Chief Executive Officer of Etteplan Oy 1991–1997 and Managing Director of Laitesuunnittelu Oy 1972–1988
- Main simultaneous positions of trust: Chairman of the Board of Directors of Logister Ltd, Länsihydro Ltd, Movelifit Oy, Nostolift Oy, Nostorent Oy and Satanosto Oy
- Number of Etteplan shares, 31 December 2009: 4 075 600

TAPIO HAKAKARI, b. 1953, LL.M.

- Board member from 2004
- Independent of the company and of major shareholders
- Director, Secretary to the Board of Directors of KONE Corporation, 1998–2006, Director Administration of KCI Konecranes Plc, 1994–1998, worked for KONE Corporation 1983–1994
- Main simultaneous positions of trust: Chairman of the Board of Directors of Enfo Oyj and Esperi Care Oy, Vice Chairman of the Board of Directors of Cargotec Corporation and Member of the Board of Directors of Martela Oyj, Sofia Bank Plc., Hollming Oy and Havator Holding Oy
- Number of Etteplan shares, 31 December 2009: 200 000
- Number of Etteplan shares, 31 December 2009 owned by Webstor Oy (controlling power exercised alone): 106 180

ROBERT INGMAN, b. 1961, M.Sc. (Eng.), M. Sc. (Economics)

- Board member from 2009
- Independent of the company
- Managing Director of Arla Ingman Oy Ab since 2007
- Managing Director of Ingman Foods Oy Ab in 1997–2006 and CFO of Oy Hj. Ingman Ab, Kotisaari-Ingman Oy Ab in 1986–1997
- Main simultaneous positions of trust: Chairman of the Board of Directors of Ingman Group Oy Ab
- Number of Etteplan shares, 31 December 2009: 20 000

PERTTI NUPPONEN, b. 1961, D.Sc. (Econ. & Bus. Adm.), M.Sc (Tech.)

- Board member from 2005
- Independent of the company and of major shareholders
- Group Vice President, Scandinavian Branch of Consolis SAS from 2006
- Chief Financial Officer of Consolis Oy Ab 2002–2005, Senior Vice President, Corporate Development of Sanitec Oyj Abp 2000 – 2002 and Vice President, Controlling of Sanitec Oyj Abp 1998 –1999
- Main simultaneous positions of trust: Chairman of the Board of Directors of Spaencom A/S, Denmark
- Number of Etteplan shares, 31 December 2009: 2 000

MATTI VIRTALA, b. 1951, M.Sc. (Eng.), Teollisuusneuvos (Finnish honorary title)

- Board member from 2002
- Independent of the company and of major shareholders
- President of Abloy Oy 1989 –2008
- Main simultaneous positions of trust: Chairman of the Board of Directors of Tulikivi Corporation and Arctia Shipping Oy and Member of the Board of Directors of Turvatiimi Oyj and Metro-Auto Group Oy
- Number of Etteplan shares, 31 December 2009: 0



In the picture from top left Per-Anders Gådin, Juha Näkki and Niclas Gräns. From bottom left Pia Björk, Matti Hyttiäinen and Outi-Maria Liedes. Peter Jahn, member of management group as of February 8, 2010, is missing from the picture.

MATTI HYYTIÄINEN b. 1960, M. Sc. (Economics)

- Chairman of the Management Group from 2008
- President and CEO of Etteplan Oyj from 2008
- Senior Vice President, Escalator Business, KONE Corporation 2002-2007, Executive Vice President, Perlos Corporation 2001-2002, Managing Director of KONE China 1996-2000 and Managing Director of KONE Indonesia 1994-1996
- Main simultaneous positions of trust: Member of the Board of Directors of Prewrite Group Oy
- Number of Etteplan shares, 31 December 2009: 25 451

PIA BJÖRK b. 1957, M.Sc. (Economics)

- Member of the Management Group from 2002
- Vice President, Operations Development and M&A of Etteplan Oyj from 2009
- CFO, Vice President, Corporate Planning of Etteplan Oyj from 2005, Vice President, Corporate Planning of Etteplan Oyj from 2002, Vice President, Corporate Strategic Planning and HSE of Uponor Group 2000-2001, Vice President Finance of Uponor Group 1996-1999
- Main simultaneous positions of trust: Member of the Board of Directors of Ekokem Oy Ab
- Number of Etteplan shares, 31 December 2009: 2 226

NICLAS GRÄNS b. 1967, M.Sc. (EP)

- Member of the Management Group from 2010
- Vice President of Etteplan Oyj from 2010
- Director of Energy and Other Industries, Etteplan 2009, Manager of Etteplan Industry AB 2005-2008, Manager of ProTang AB 2000-2004 and Sales Manager, Business Unit Manager of ABB 1992-2000
- Main simultaneous positions of trust: none
- Number of Etteplan shares, 31.12.2009: 890

PER-ANDERS GÅDIN b. 1965, M.Sc (EP), BBA

- Member of the Management Group from 2009
- Vice President, CFO of Etteplan Oyj from 2009
- CFO of Etteplan Industry AB 2002-2008, Manager of Etteplan Industry AB 1999-2002 and Project Manager of ABB 1993-1998
- Main simultaneous positions of trust: none
- Number of Etteplan shares, 31 December 2009: 5 490

OUTI-MARIA LIEDES b. 1956, M.Sc. (Eng.), MBA

- Member of the Management Group from 2008
- Vice President, Human Resources and Communications of Etteplan Oyj from 2008
- Independent consultant 2007, Managing Director, Stockholm School of Economics Executive Education Finland 2003-2006, Senior Vice President, Corporate Communications and IR, KONE Corporation 2002-2003 and Senior Vice President, Corporate Communications and IR, Partek Oyj 2001-2002
- Main simultaneous positions of trust: none
- Number of Etteplan shares, 31 December 2009: 2 226

JUHA NÄKKI b. 1973, M.Sc. (Eng.)

- Member of the Management Group from 2008
- Member of the Extended Management Group from 2006
- Vice President of Etteplan Oyj from 2005
- Marine Business Manager of KONE Corporation 2004-2005, Sales Manager of Evac Oy 2002-2004
- Main simultaneous positions of trust: none
- Number of Etteplan shares, 31 December 2009: 2 226

MEMBER OF THE MANAGEMENT GROUP AS OF FEBRUARY 8, 2010

PETER JAHN b. 1964

- Member of the Management Group from 2010
- Vice President of Etteplan Oyj from 2010
- Director of Sales, Global Key Accounts EMEA, Intertek Plc Commercial & Electrical 2009-2010, Location Manager in Finland, Intertek Plc. Commercial & Electrical 2007-2008, Area Manager, Intertek Semko AB 2006, Managing Director, Jahn Technologies Ky
- Main simultaneous positions of trust: none
- Number of Etteplan Oyj shares, 31.12.2009: 0

Contact Information

FINLAND

firstname.lastname@etteplan.com
www.etteplan.com

Hollola

Terveystie 18
15860 HOLLOLA
Tel. +358 10 307 1010
Fax +358 10 307 1012

Imatra

Lappeentie 12
55100 IMATRA
Tel. +358 10 307 1060
Fax +358 10 307 1061

Kotka

William Ruthin katu 1
48600 KOTKA
Tel. +358 10 307 1120
Fax +358 10 307 1121

Lempäälä

Pirkkalantie 1
37550 Lempäälä
Tel. +358 (3) 3123 0400
Fax +358 (3) 3123 0450

Raisio

Tuijussuontie 10
21280 RAISIO
Tel. +358 10 307 1200
Fax +358 10 307 1201

Vaasa

Dynamotie 2
65320 Vaasa
Tel. +358 10 307 1270
Fax +358 10 307 1271

Hyvinkää

P.O. BOX 1300
(Myllykatu 3, door 25)
05801 HYVINKÄÄ
Tel. +358 10 307 1030
Fax +358 10 307 1031

Joensuu

Teollisuuskatu 13
80100 JOENSUU
Tel. +358 10 307 1070
Fax +358 10 307 1071

Kouvola

P.O. Box 28
(Savonkatu 23)
45101 KOUVOLA
Tel. +358 10 307 1130
Fax +358 10 307 1131

Mikkeli

Savilahdenkatu 10 A 28
50100 MIKKELI
Tel. +358 10 307 1160
Fax +358 10 307 1161

Savonlinna

Lypsyniemekatu 5
57200 SAVONLINNA
Tel. +358 10 307 1220
Fax +358 10 307 1221

Valkeakoski

Teollisuustie 1
37600 VALKEAKOSKI
Tel. +358 10 307 1280
Fax +358 10 307 1281

Hyvinkää

P.O. BOX 1300
(Koneenkatu 12)
05801 HYVINKÄÄ
Tel. +358 10 307 1020
Fax +358 10 307 1021

Jyväskylä

Konttisentie 8
40800 VAAJAKOSKI
Tel. +358 10 307 1080
Fax +358 10 307 1081

LCA Engineering Oy

P.O. Box 28
(Savonkatu 23)
45101 KOUVOLA
Tel. +358 10 307 1320
Fax +358 10 307 1321

Oulu

Kiilakiventie 1
90250 OULU
Tel. +358 10 307 1170
Fax +358 10 307 1171

Tampere

P.O. BOX 52
(Patamäenkatu 7)
33901 TAMPERE
Tel. +358 10 307 1240
Fax +358 10 307 1241

Vantaa

P.O. BOX 216
(Ensimmäinen savu)
01511 VANTAA
Tel. +358 10 307 1290
Fax +358 10 307 1292

Hämeenlinna

Wetterhoffinkatu 4 A
13100 HÄMEENLINNA
Tel. +358 10 307 1050
Fax +358 10 307 1051

Järvenpää

Emalikatku 10 A
04440 JÄRVENPÄÄ
Tel. +358 10 307 1090
Fax +358 10 307 1091

Kuopio

Haapaniementie 10
70100 KUOPIO
Tel. +358 10 307 1140
Fax +358 10 307 1141

Pori

Palokunnantie 12
28360 PORI
Tel. +358 10 307 1180
Fax +358 10 307 1181

Tornio

Hallituskatu 6
95400 TORNIO
Tel. +358 10 307 1260
Fax +358 10 307 1261

Varkaus

Wredenkatu 2 a
78250 VARKAUS
Tel. +358 10 307 1300
Fax +358 10 307 1301

Iisalmi

Ahmolantie 6
74510 PELTOSALMI
Tel. +358 10 307 1310

Kokkola

Isokatu 11 B
67100 KOKKOLA
Tel. +358 10 307 1110
Fax +358 10 307 1111

Lappeenranta

Valtakatu 2
53600 LAPPEENRANTA
Tel. +358 10 307 1150
Fax +358 10 307 1151

Raahе

Rantakatu 8 C
92100 RAAHE
Tel. +358 10 307 1190
Fax +358 10 307 1191

Turku

Rydönnotko 1
20360 TURKU
Tel. +358 10 307 1250
Fax +358 10 307 1251

SWEDEN

firstname.lastname@etteplan.com
www.etteplan.se

Borlänge

Forskargatan 3
(Teknikdalen)
SE-781 70 BORLÄNGE
Tel. +46 243 254 000
Fax +46 243 135 30

Karlstad

Gjuterigatan 28
SE-652 21 KARLSTAD
Tel. +46 54 852 600
Fax +46 54 854 770

Norrköping

Sankt Persgatan 19
SE-601 86 NORRKÖPING
Tel. +46 11 218 300
Fax +46 11 218 329

Västerås

P.O. Box 1089 (visiting
adress: Iggebygatan 12)
SE-721 27 VÄSTERÅS
Tel. +46 21 171 000
Fax +46 21 414 585

Cool Engineering AB Göteborg

Aröds Industriväg 60
SE-422 43 HISINGS BACKA
Tel. +46 31 744 9080
Fax +46 31 744 9089
firstname.lastname@cool-engineering.se
www.cool-engineering.se

Eskestuna

Munktellstorget 2
SE-630 05 ESKESTUNA
Tel. +46 706 894 631

Linköping

Diskettgatan 11C
SE-583 35 LINKÖPING
Tel. +46 13 233 780
Fax +46 13 233 799

Stockholm

Gävlegatan 22
SE-113 30 STOCKHOLM
Tel. +46 8 562 989 20
Fax +46 8 726 7807

Örebro

Radiatorvägen 11
SE-702 27 ÖREBRO
Tel. +46 19 264 610
Fax +46 19 264 611

Innovation Team AB Halmstad

Sperlingsgatan 5
SE-302 48 HALMSTAD
Tel. +46 35 174 700
Fax +46 35 174 750
firstname.lastname@innovationteam.se
www.innovationteam.se

Gävle

Södra Kungsgatan 57
SE-802 55 GÄVLE
Tel. +46 26 149 560
Fax +46 26 615 720

Linköping

Nya Tanneforsvägen 96
SE-582 42 LINKÖPING
Tel. +46 13 474 4500
Fax +46 13 147 150

Uppsala

Kälsängsgränd 10D, 3tr
SE-753 19 UPPSALA
Tel. +46 18 640 660
Fax +46 18 141 105

LUTAB AB Stockholm

Gävlegatan 22
SE-113 30 STOCKHOLM
Tel. +46 8 674 1200
Fax +46 8 674 1201
firstname.lastname@lutab.se
www.lutab.se

CHINA

Etteplan Consulting (Shanghai) Co., Ltd.

Suite 808, 8th floor,
No. 1555, Lian Hua Road
Min Hang District
Shanghai 200233
P.R. CHINA
Tel. +86 21 6480 4828
Fax +86 21 6480 6435
firstname.lastname@etteplan.com.cn

Etteplan Vataple Technology Centre, Ltd

Europe & America Industrial Park
Shipai, Kunshan
Jiangsu 215312
P.R. CHINA
Tel. +86 512 5768 9999
firstname.lastname@etteplan.com

RUSSIA

Representation Office

Etteplan Oyj
Liteinij pr. d. 22
191028 St. Petersburg
RUSSIA
Tel. +358 10 307 2169
Fax +358 10 307 1061



Etteplan