Elcoteq SE
Financial Statements Bulletin
March 31, 2010, at 9.00 am (EET)

# Elcoteq SE's Financial Statements Bulletin January - December 2009 (Audited)

Elcoteq SE's net sales in 2009 declined about 56.3% on the previous year and amounted to 1,503.2 million euros (3,443.2 million euros in 2008). Operating loss totaled -76.5 million euros (-20.4), mainly due to increased restructuring expenses of 37.0 million euros, excluding which the operating loss was -39.5 million euros (-6.9). The company has been able to offset to a great extent the effects of the sales decline with the strong cost savings actions carried out throughout the year. Cash flow after investing activities was clearly positive at 52.9 million euros (-99.7). Interest-bearing net debt decreased significantly and was 187.5 million euros (238.5). Net sales declined in the fourth quarter of 2009 by about 20% on the previous quarter and amounted to 265.5 million euros (331.7 million euros in the third quarter of 2009). Operating loss totaled -23.4 million euros (-11.8) and excluding restructuring expenses it amounted to -2.1 million euros (1.7 in the third quarter of 2009).

## Financial Year 2009

- Net sales were 1,503.2 million euros (3,443.2)
- Operating loss was -76.5 million euros (-20.4), excluding restructuring expenses -39.5 million euros (-6.9)
- Loss before taxes was -117.1 million euros (-52.9)
- Earnings per share (EPS) were -3.22 euros (-2.02)
- Cash flow after investing activities was 52.9 million euros (-99.7)
- Rolling 12-month return on capital employed (ROCE) was -18.9% (-3.1%)
- Interest-bearing net debt amounted to 187.5 million euros (238.5), and gearing was 5.8 (1.8)
- The Board of Directors proposes that no dividend will be paid for 2009

## October-December 2009

- Net sales were 265.5 million euros (889.1 million euros in the fourth quarter of 2008)
- Operating loss was -23.4 million euros (-11.8). Operating loss includes restructuring costs amounting to 21.3 million euros (13.5), excluding which the operating loss was -2.1 million euros (1.7)
- Loss before taxes was -36.4 million euros (-25.2)
- Earnings per share (EPS) were -0.96 euros (-0.89)
- Cash flow after investing activities was -11.3 million euros (46.6)

## Major Events After the End of the Financial Year

- Hybrid bond of 29 million euros issued and proceeds from hybrid issue used to redeem debentures of 105 million euros in January 2010
- Term sheet signed for a 100 million euros committed revolving credit facility maturing in June 2011

Elcoteq SE's consolidated financial statements for 2009 have been prepared using IFRS recognition and measurement principles. The comparative figures given in the body text of this report are the figures for the corresponding period of the previous year, unless stated otherwise.

## Market Review

The estimated total assembly value of the global electronics market declined by roughly 15 % at the annual level, amounting to 840 billion US dollars in 2009. The combined value of electronic manufacturing services (EMS) and original design manufacturing (ODM), including all the electronics segments, was roughly 250 billion US dollars in 2009, according to data from Electronics Trend Publications (ETP), iSuppli, and InForum. EMS alone was valued at roughly 150 billion US dollars in 2009, with a market decline of approximately 15% from the previous year. The After Market Services (AMS) market declined roughly 13% in 2009 and was valued at 170 billion US dollars in 2009.

## Financial Year 2009

Elcoteq's 2009 net sales declined on the previous year and amounted to 1,503.2 million euros (3,443.2). Operating loss was -76.5 million euros (-20.4), representing -5.1% (-0.6%) of net sales. Loss before taxes was -117.1 million euros (-52.9) and net loss was -105.0 million euros (-65.9). Earnings per share (EPS) amounted to -3.22 euros (-2.02). Earnings include 37.0 million euros (13.5) in restructuring expenses.

Net sales declined in both Consumer Electronics and System Solutions compared to the previous year. The decline in net sales was due to the combined effect of the overall decline in electronics equipment demand and the company's weak balance sheet. From time to time, the EMS business may involve temporary working capital fluctuations, which the electronics manufacturing service provider is expected to finance. This lacking financing capacity prevented the company from absorbing all the business opportunities available in the market.

Operating loss increased in 2009 from the previous year. Results were affected by non-recurring costs of 37.0 million euros (13.5) arising from the restructuring actions implemented to mitigate the effects of lower net sales. The cost savings from restructuring actions mainly became visible in the second half of 2009 and thus could not fully offset the significant net sales decline throughout 2009. On an annualized basis, fixed costs were 165 million euros or 48% lower in the last quarter of 2009 compared to the last quarter of 2008.

The company has continued to adjust its operations to lower volumes, but it has at the same time maintained its excellent operational performance and global platform to serve customers close to their end markets. Among the efficiency-boosting actions carried out in 2009 were the streamlining of the factory network, increasing capacity utilization, aligning the organization to support the adjusted strategy and decreasing operational costs. The company closed production sites in St. Petersburg (Russia), in Arad (Romania), in Richardson (the United States) and in Shenzhen (China).

The Group's net financial expenses amounted to 40.5 million euros (32.4). The increase was mainly due to a loan receivable write-off of 13.4 million euros.

## Fourth-quarter Net Sales and Earnings

Fourth-quarter net sales in 2009 declined compared to the third quarter, as expected, and amounted to 265.5 million euros (889.1 million euros in the fourth quarter of 2008 and 331.7 million euros in the third quarter of 2009). Net sales were affected by the divestment of the majority of operations in Tallinn to Ericsson at the end of July 2009 and lower demand in Consumer Electronics, mainly in handsets. Deliveries in home communications products such as flat TVs and set-top boxes increased significantly from the third quarter of 2009.

Operating loss in the fourth quarter was -23.4 million euros (-11.8 million euros in the fourth quarter of 2008 and -3.3 in the third quarter of 2009). Operating income exclusive of restructuring expenses in the fourth quarter was slightly negative at -2.1 million euros (1.7). Restructuring expenses in the fourth quarter of 2009 were related mainly to unused asset write-offs. Loss before taxes was -36.4 million euros (-25.2 million euros in 2008).

## Financing and Cash Flow

At the end of December 2009, Elcoteq had cash totaling 87.9 million euros (201.0 million euros in the third quarter of 2009 and 95.1 million euros at the end of 2008). In November 2009, the company used 100 million euros cash to repay part of its revolving credit facility, of which a total of 200 million euros were outstanding at the end of the third quarter of 2009.

At the end of 2009, the company had a syndicated, committed credit facility of 100 million euros that was fully utilized. The facility matures on April 30, 2010 and the company signed a committed term sheet with the same bank syndicate in March 2010 for a new facility maturing at the end of June 2011.

At the end of December, the Group's interest-bearing net debt amounted to 187.5 million euros (238.5). The solvency ratio was 6.3% (14.2%) and gearing was 5.8 (1.8). Elcoteq had no sold accounts receivable at the end of December 2009 (101.1 million euros at the end of 2008). Rolling 12-month return on capital employed (ROCE) was -18.9% (-3.1%).

Cash flow after investing activities in 2009 was 52.9 million euros (-99.7) while it was -11.3 million euros negative in the fourth quarter due to an increase in working capital.

## Capital Expenditures

The Group's gross capital expenditures on fixed assets in 2009 amounted to 6.4 million euros (71.4), or 0.5% of net sales. Depreciation was 60.1 million euros (78.9), representing 4.0% of net sales. Investments were primarily earmarked for production machinery and test equipment. In 2009, investment activity was reduced to a minimum in order to increase the capacity utilization of existing assets. In the fourth quarter, investments amounted to 1.8 million euros (9.9). No new operating lease contracts were made in 2009 (and in 2008).

## Personnel

At the end of December, the Group employed 10,101 (18,830) people: 139 (217) in Finland and 9,963 (18,613) elsewhere. The geographical distribution of the workforce was as follows: Europe 3,940 (8,607), Asia-Pacific 2,664 (5,027) and the Americas 3,497 (5,196). The average number of Elcoteq employees on the company's direct payroll in 2009 was 11,271 (17,401).

Wages, salaries and other personnel expenses in 2009 amounted to 126.3 million euros (193.0).

## Corporate Responsibility

Elcoteq's corporate responsibility includes economic, social and environmental aspects. The company's environmental management system corresponds with the requirements of the ISO 14001:2004 standard. All Elcoteq units operate within a multisite certificate for quality and environmental management. In 2009, Elcoteq continued systematic group-level internal audits of environmental, social accountability as well as occupational health and safety standards. Further details on Elcoteq's corporate responsibility activities will be presented in the Corporate Responsibility Report, which will be published as a part of the Annual Report 2009 during the week commencing on April 5, 2010.

## Research and Development

Elcoteq's research and development costs in 2009 totaled approximately 0.9 million euros (1.8), or 0.06% of net sales. The company's R&D activities cover, among other things, equipment and process development for production and production testing needs as well as development related to the platforms, software, electronics, mechanics and testing of mobile phones.

## Strategic Business Units

Since the beginning of 2008, Elcoteq has had three Business Areas: Personal Communications, Home Communications and Communications Networks. They have been reported as separate segments. The

Personal Communications and Home Communications Business Areas were combined during the third quarter of 2009, and the company now has only two Strategic Business Units (SBUs): Consumer Electronics and System Solutions. Both SBUs are responsible for managing and developing their existing customer relationships and applicable service offerings, while Group Operations and Sourcing is responsible for the supply chain and production.

Consumer Electronics covers products such as mobile and wireless phones, their parts and accessories, set-top boxes, flat panel TVs and other consumer products. System Solutions covers wireless and wireline infrastructure systems and modules, enterprise network products and various other industrial segment products.

By combining the Home Communications and Personal Communications segments under the Consumer Electronics SBU, the company can better utilize the synergies between these businesses. The company also aims to reduce costs further by streamlining and simplifying the organization by removing organizational layers and overlapping roles.

More emphasis is also put on new sales activities, which are now under a separate global function, New Sales and Business Development. The function focuses on identifying new business opportunities, acquiring new customers and exploring new service segments for the company.

In 2009, Elcoteq's largest customers (in alphabetical order) were EADS, Ericsson, Funai, Huawei, Humax, Nokia Devices, Nokia Siemens Networks, Philips, Research in Motion (RIM) and Sony Ericsson.

## Consumer Electronics

Net sales of the Consumer Electronics SBU in 2009 were 1,127.3 million euros (2,739.5), contributing 75% of the Group's net sales. The segment's operating loss was -38.2 million euros (15.0), and -13.9 million euros excluding restructuring costs (23.1). Fourth-quarter net sales in 2009 amounted to 211.1 million euros (684.0). The segment's operating loss amounted to -11.2 million euros (2.7). Excluding restructuring costs the operating profit was 4.4 million euros (10.8)

In the Consumer Electronics SBU, 2009 was characterized by drastically lower orders from its high-volume mobile phone customers. The flat TV manufacturing business acquired in Juarez, Mexico in 2008 was transformed in early 2009 from a turnkey (TV panel owned by Elcoteq) to a consigned material (TV panel owned by the customer) business model, which also impacted on net sales. In the EMS market, the decline in customer demand and excess capacity also led to greater competition among EMS companies.

Lower customer volumes impacted the profitability of the segment. Significant cost reduction activities were implemented in 2009 but those could not yet fully offset the significant sales decline. Restructuring costs arising from capacity adjustments also had a negative effect on profitability.

However, at the same time Elcoteq made strong progress in growing its service content in the Consumer Electronics business, especially in increasing its after sales services business. The company was also successful in acquiring new customers in the Consumer Electronics business. These new customers include Emporia, a special-purpose mobile phone manufacturer, Cinterion, a wireless module manufacturer, TCL, a leading Chinese consumer electronics company, and Philips Lighting, a leading provider of solutions and applications for both professional and consumer markets.

## System Solutions

Net sales of the System Solutions SBU in 2009 were 375.9 million euros (703.7), contributing 25% of the Group's net sales. The segment's operating loss was -2.0 million euros (1.6), and excluding restructuring costs its operating income was 9.9 million euros (7.0). Fourth-quarter net sales in 2009 amounted to 54.5 million euros (205.2). The segment's operating loss amounted to -0.1 million euros (-5.1). Excluding restructuring costs the operating profit was 5.6 million euros (0.3).

The decline in net sales was mainly due to the sale of the majority of operations in Tallinn to Ericsson in July 2009. Despite the decline in net sales, System Solutions was able to improve its efficiency and further reduce costs to offset the volume decline. However, its operating income was negative.

During 2009, growth in the outsourcing of communications equipment underperformed forecast. The top key players in traditional communications network technology infrastructure were in-sourcing their business, thereby decreasing the share of business accounted for by outsourcing. The overall market for System Solutions nevertheless showed slight growth.

System Solutions was also successful in alluring new customers. In Tallinn, the remaining manufacturing capacity has been in utilization and the SBU has managed to gain new customers for its specialized business operations. Elcoteq's plant in India also attracted new customers and expanded its operations pipeline. Furthermore, one of the SBU's major customers successfully relocated its manufacturing of communications network equipment to central Europe and proceeded to ramp up its business to a significantly higher level in accordance with the plan agreed with Elcoteq.

## Geographical Areas

Elcoteq has three geographical areas: Europe, Asia-Pacific and the Americas. Elcoteq's net sales in 2009 were derived from these areas as follows: Europe 47% (48%), Asia-Pacific 14% (22%) and the Americas 38% (30%).

## Decisions of the Annual General Meeting

Elcoteq SE's Annual General Meeting took place on March 23, 2009, in Luxembourg. The Meeting confirmed the consolidated and parent company's income statements and balance sheets for the financial year 2008 and discharged the members of the Board of Directors and the statutory auditor from liability for the financial year. The Meeting approved the Board's proposal that no dividend will be distributed for the financial year January 1 - December 31, 2008.

The Meeting re-elected the following persons to the Board of Directors: President Martti Ahtisaari; Mr. Eero Kasanen, Executive Dean of Aalto University School of Economics; Mr. Heikki Horstia, B.Sc.; Mr. François Pauly, General Manager of Sal. Oppenheim jr. & Cie S.C.A; Mr. Antti Piippo, principal shareholder of Elcoteq SE; Mr. Henry Sjöman, founder-shareholder of Elcoteq SE; Mr. Juha Toivola, M.Sc.; and Mr. Jorma Vanhanen, founder-shareholder of Elcoteq SE. President Ahtisaari, Mr. Horstia, Mr. Kasanen, Mr. Pauly and Mr. Toivola are independent Board members, and they represent more than half of the Board's members.

The Meeting approved the proposal of the Audit Committee of the Board of Directors to appoint the firm of authorized public accountants KPMG Audit S.à.r.l under the supervision of Mr. Philippe Meyer as the company's auditors for the financial year ending on December 31, 2009. The fees of the auditors will be paid as per the appropriate invoice.

Convening after the Annual General Meeting in Luxembourg, the Board of Directors elected Mr. Antti Piippo as its Chairman and Mr. Juha Toivola as the Deputy Chairman. Mr. Piippo was elected Chairman of the Nomination Committee and the Working Committee and Mr. Henry Sjöman, Mr. Juha Toivola and Mr. Jorma Vanhanen as members of these committees. Mr. Toivola was elected Chairman of the Compensation Committee and the Audit Committee and President Martti Ahtisaari, Mr. Heikki Horstia, Mr. Eero Kasanen and Mr. Pauly as members of these committees.

## Balance Sheet Strengthening

In January, the company commenced a project to strengthen its balance sheet by means of an equity investment. In July, the company announced the signing of a conditional letter of intent for an equity increase with Shenzhen Kaifa Technology Limited, a Chinese industrial company, but after a mutual re-assessment the negotiations ended in September. In October, Elcoteq announced that it had signed a non-binding letter of intent with Videocon Industries Ltd, an Indian company. The negotiations with Videocon were terminated in March 2010.

Another integral part of this balance sheet strengthening is the restructuring of the company's interest-bearing debt. As a part of this project, Elcoteq announced in October its plan to collect irrevocable, voluntary selling commitments from the holders of its subordinated debenture bonds. In January 2010, the company proceeded to exercise these selling commitments by issuing hybrid securities valued at 29 million euros and using the proceeds directly to repay outstanding debenture bonds with a nominal amount of 105 million euros. After redeeming the debentures of 105 million euros at a price of 25% of the nominal value, reversing the relevant deferred tax assets and recognizing the 29 million euro hybrid securities as equity according to IFRS, the Company's equity increases approximately by 85 million euros.

In November, Elcoteq signed a new agreement to replace the revolving credit facility of 230 million euros signed five years ago. The new credit facility was agreed with the same bank syndicate and it is for 100 million euros. The loan will mature at the end of April 2010 and the company has signed in March 2010 a committed term sheet with the same lender group to extend the 100 million euro facility until the end of June 2011.

## Restructuring Plan

Elcoteq has reduced its manufacturing capacity through the Restructuring Plan launched in January 2009 to adapt to the radical changes in the market situation. The restructuring actions have proceeded according to the plan. The plan consists of a number of measures such as closing several plants and reducing personnel globally. During the year, Elcoteq closed down its plants in Arad (Romania), Richardson (USA) and St. Petersburg (Russia). The plant in Shenzhen (China) was consolidated into the plant in Beijing.

A further step in this process was taken on June 17, when Elcoteq and Ericsson concluded an agreement whereby Elcoteq sold the majority of the machinery, equipment and materials of its Tallinn manufacturing operations to Ericsson. Cost-saving measures have continued at other factories as well.

## Shares and Shareholders

At the end of 2009, the company had altogether 128,132,185 shares divided into 22,362,185 Series A shares and 105,770,000 Series K founders' shares. All the series K Founders' shares are held by the company's three principal owners.

Elcoteq had 10,213 registered shareholders on December 31, 2009. There were a total of 5,307,833 foreign and nominee registered shares, representing some 4.14% of the votes.

## Incentive Schemes

The company has had a share subscription plan from 2007 that allows the company to issue shares to key personnel on the basis of the set operational targets. Based on the target achievement in 2008 the actual number of shares issued on November 12, 2009 for this share subscription plan was 336,266.

The company also has a fairly similar share subscription plan from 2009, where the potential reward is based on reaching the targets regarding consolidated income before taxes for the first and second half of 2009. Based on the achieved targets, the company would issue a maximum of 1,500,000 new series A shares, of which 50%

would be issued during June 2010 and the remaining 50% during January 2011. Based on the actual results for 2009, the targets for the first and second half of 2009 have not been met and thus no shares will be issued.

In October 2009, the Board of Directors amended the 2009 Share Subscription Plan. The amendments concerned the issuance of shares in case of a public tender offer and, secondly, a situation where the company's registered share capital value would increase at least 50% during the second half of 2009. If such situations occur, a maximum of 750,000 shares will be issued. Neither of these cases occurred during the second half of 2009.

## Changes in Elcoteq's Management

As of August 27, 2009, and as a result of the changes in the organization, the Elcoteq Management Team consists of the following persons:

Mr. Jouni Hartikainen, President and CEO
Mr. Sándor Hajnal, Senior Vice President, Human Resources
Mr. Vesa Keränen, Senior Vice President, Consumer Electronics
Mr. Markus Kivimäki, Senior Vice President, Legal Affairs (until March 31, 2010)
Mr. Tommi Pettersson, Senior Vice President, System Solutions
Mr. Mikko Puolakka, CFO
Mr. Tomi Saario, Senior Vice President, New Sales and Business Development
Mr. Roger Taylor, Senior Vice President, Group Operations and Sourcing

## Events After the Financial Year

In December 2009, Elcoteq decided to convene an Extraordinary General Meeting (EGM) of shareholders to decide on actions supporting the execution of balance sheet restructuring and the equity investment project. The first EGM took place on January 22, 2010, in Luxembourg. Since the quorum requirement (at least half of the series A shares and half of the series K shares need to be present or represented in the meeting) was not met at this first meeting, the company convened a second EGM that was held on February 23, 2010.

The EGM held on February 23, 2010, rejected the Board's proposals to decrease the share capital of the company from its current amount of EUR 8,944,874 and to decrease the current par value of series A shares (EUR 0.40) and series K shares (EUR 0.04). The Board of Directors made its proposal to the EGM prior to the recent positive development in the company's equity. In light of the stronger balance sheet, the EGM deemed that the size of the proposed authorization to increase the share capital up to EUR 200,000,000 was too high and it is not necessary to decrease the par value of shares.

The EGM decided to increase the authorized share capital of the company from its current amount of twenty million euros (EUR 20,000,000) up to forty million euros (EUR 40,000,000). The EGM authorized the Board of Directors to issue new shares and convertible debt instruments within the authorized share capital of the company without reserving preferential subscription rights for the existing shareholders, up to an amount of twelve million euros (EUR 12,000,000) of the authorized share capital, corresponding to a maximum of 30,000,000 new series A shares. The EGM also authorized the Board of Directors to issue new shares and convertible debt instruments within the remainder of the authorized share capital of nineteen million fifty-five thousand one hundred and twenty-six euros (EUR 19,055,126), respecting the existing shareholders' preferential subscription rights. A maximum of approximately 47,000,000 new series A shares can be issued under this authorization.

The EGM deleted from the company's Articles of Association the right of a shareholder to request a redemption of shares in case a change or changes in the ownership of the company result in a shareholder holding more than thirty-three and one third (33 1/3) percent or, as the case may be, fifty (50) percent of the shares in the company. Finally, the EGM changed the date of the Annual General Meeting of the shareholders from 23 March to 28 April each year. The company's Articles of Association were reworded in order to reflect these changes voted upon at the EGM of the shareholders of the company.

On January 27, 2010, Elcoteq issued EUR 29 million in hybrid securities in a private placement as a part of its previously announced balance sheet restructuring. The proceeds from the hybrid securities issue were used directly to repay Elcoteq's outstanding debenture bonds with a nominal amount of 105 million euros. As a result of this transaction, the company estimates that it will recognize a one-time gain of approximately EUR 75 million in the first quarter of 2010. The announced restructuring will significantly improve the company's indebtedness and solidity. If this transaction had taken place on December 31, 2009, the company's solvency would have been 23.7%, gearing 0.7 and net debt 82.1 million euros.

On January 27, 2010, Elcoteq and Nokia Corporation signed an agreement that qualifies Elcoteq as a partner to provide Nokia's customers with After Market Services for their Nokia devices. It is expected that Elcoteq will start these operations gradually during the second quarter of 2010. The companies also intend to explore other opportunities for cooperation.

On March 1, 2010, Elcoteq commenced statutory personnel negotiations regarding possible temporary lay-offs or the termination of employee contracts in the operations of Elcoteq SE Finnish Branch, Elcoteq Finland Oy and Elcoteq Design Center Oy on production or financial grounds. As a result of these negotiations the companies decided to make altogether seven persons redundant and temporarily lay off seven persons on March 16, 2010.

On March 4, 2010, Mr. Markus Kivimäki, member of the Elcoteq Management Team and Senior Vice President of Group Legal Affairs, announced that he will pursue his career outside Elcoteq. Mr. Jari Hakkarainen, Legal Counsel at Elcoteq will be heading the legal function as of April 1, 2010.

On March 15, 2010, Elcoteq announced that Philips Lighting has chosen Elcoteq as a global growth partner for its Solid-State Lighting (SSL) business. Under the agreement, Elcoteq will provide Philips Lighting with global manufacturing services and related sourcing and supply chain management as well as product development services. Elcoteq has already started the production of SSL products at its factory in Dongguan, China. Production will expand to other Elcoteq locations including Mexico and Hungary during 2010.

On March 30, 2010, Elcoteq and the lenders of its EUR 100 million revolving credit facility agreed on extending the facility from April 30, 2010 until June 30, 2011. The parties have signed a committed term sheet for the extended facility and aim at finalizing the loan documentation during April 2010.

On March 30, 2010, Elcoteq and Videocon Industries Limited (Videocon) decided after mutual re-assessment to terminate the negotiations started in September 2009 regarding a major equity investment which would have made Videocon a major single shareholder in Elcoteq.

In addition, to enhance possibilities for further balance sheet strengthening, the three founder shareholders of the company, Mr. Antti Piippo, Mr. Henry Sjöman and Mr. Jorma Vanhanen, have informed the Board of Directors that they will exercise their right to convert all of their series K founders´ shares to series A shares after which the company will have only one series of shares, A shares.

At the same time Mr. Antti Piippo and Mr. Henry Sjöman, the founder shareholders and board members of Elcoteq as well as Mr. Juha Toivola, an independent board member of Elcoteq have announced that they will not be available for re-election as Board Members. Mr. Jorma Vanhanen, the third founder shareholder, and all other independent board members (Mr. Martti Ahtisaari, Mr. Heikki Horstia, Mr. Eero Kasanen and Mr. François Pauly) have announced their availability for re-election to the Board. In addition, the Board will be strengthened by two independent board members to be proposed to the Annual General Meeting.

The Company continues to explore further ways to strengthen its balance sheet through equity and long-term financing arrangements. Furthermore, the Company will arrange a rights issue during 2010. The three founder shareholders have undertaken to support such balance sheet strengthening arrangements in shareholders' meetings.

## Short-Term Risks and Uncertainty Factors

The Company operates in a working capital intensive business environment where the access to and availability of sufficient financing represents a risk factor. The Board of Directors has assessed the Company's financing requirements against the business plan. The Company's ability to implement its business plan is highly dependent on the availability of financing and ability to stabilize the financing structure, including the strengthening of shareholders' equity and to increase financial flexibility.

The company's key short-term operative challenges are to increase sales, proactively manage fixed costs according to sales fluctuations, significantly improve profitability as well as avoid generating excess working capital to preserve cash reserves. The Company has significant part of its purchases and sales in other currencies than euro and the inability to fully or partly hedge the foreign currency exposure can result to deviations from business plan. Ability to offer the right service offering to customers is a key element in keeping existing customers and winning new customers. Under the changing market conditions the failure to identify and respond to the customer requirements may prevent the Company from achieving the strategic objectives and the above operative targets.

## Prospects

The total assembly value of the global electronics market is expected to increase again in 2010 and reach the 1,000 billion US dollar milestone in 2011. According to industry research data providers, the EMS market is expected to grow approximately 6 percent and After Market Services (AMS) spending roughly 14 percent in 2010. The operator and OEM revenue streams are increasingly coming from various services where usage is highly dependent on well functioning devices. Therefore, the uninterrupted usage of the devices becomes more important, creating more demand for After Market Services.

Within the Consumer Electronics market, handset production amounted to approximately 1.1 billion units in 2009 and is expected to increase slightly in 2010. In spite of the global economy worries, the set-top box (STB) and flat TV markets (FTV) are expected to see further growth in the coming years, STB approximately 7 percent annually during the next five years and FTV even higher. System Solutions' electronics assembly market amounted to 150 billion US dollars in 2009 and is expected to increase only slightly in 2010 according to the industry research data providers.

First-quarter net sales are expected to be somewhat lower than the fourth quarter of 2009. Company expects that the operating income in the first half of 2010 remains negative. Based on the impact of implemented cost reduction actions, the stabilization of underlying business and the contribution of recently won new customer contracts the Company expects the operating profit to turn positive for the second half of 2010. Due to the restructuring of subordinated debt in January 2010, the net income for 2010 will be clearly positive.

The company's key operational focus area for 2010 is to generate positive cash from operations by further significantly improving factory utilization ratio through reduced cost base and gaining new customer contracts. It is the focus of the Board and operative management to further strengthen the balance sheet through equity related transactions and long-term financing arrangements. Company seeks to further reduce tied-up capital through fixed asset divestments, working capital financing arrangements and operational improvements in inventory management.

## Board's Dividend Proposal

The Board of Directors proposes to the Annual General Meeting to be held on April 28, 2010, that no dividend will be paid for the financial year 2009.

## Annual General Meeting 2010

Elcoteq's Annual General Meeting will be held in Luxembourg on April 28, 2010. A separate Shareholder Information Meeting will be held before the Annual General Meeting in Helsinki, on April 20, 2010.

March 30, 2010
Board of Directors

Further information:
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## Press Conference and Webcast

Elcoteq will hold a combined press conference, conference call and webcast in English at 2.30 pm (EET) on Wednesday, March 31, in the Bulsa-Freda room at Scandic Hotel Simonkenttä (address: Simonkatu 9, Helsinki, Finland).

To participate via a conference call, please dial in 5-10 minutes before the beginning of the event: +44 (0)20 7162 0025 (Europe) or +1 334 323 6201 (USA). When dialing in, the participants should quote 855863 as the conference ID. The password is Elcoteq.

The press conference can also be followed as a live webcast or later as a recording via Elcoteq's website www.elcoteq.com.

The presentation material used at the press conference (pdf file) will be available on the company's website www.elcoteq.com on March 31, 2010.

Elcoteq will publish its Interim Report for January-March 2010 at 9.00 am (EET) on Wednesday, May 19, 2010.

Enclosures:
1 Consolidated statement of comprehensive income
2 Consolidated Balance Sheet
3 Consolidated Cash Flow Statement
4 Consolidated statement of changes in equity
5 Segment reporting
6 Personnel
7 Formulas for the calculation of key figures
8 Key figures for five years
9 Restructuring expenses
10 Assets and liabilities classified as held for sale
11 Assets pledged and contingent liabilities
12 Quarterly figures

The Group adopted the following standards on January 1, 2009:

- IFRS 8 Operating Segments. The adoption of the standard has impacted the presentation of segment information.
- Revised IAS 23 Borrowing Costs. The adoption of the standard causes a change in the accounting principles used in the consolidated financial statements. The adoption of the standard does not currently have a material impact on the Group.
- Revised IAS 1 Presentation of Financial Statements. The change of the standard has an impact on the presentation of the Statement of Comprehensive Income and the Statement of Changes in Equity.
-IFRS 2 Share-based Payments. The change of the standard does not currently have a material impact on the Group.

Other new interpretations or amendments to standards effective as of January 1, 2009 have not been relevant to the Group.

- IFRS 1 First-Time Adoption
- IFRIC 15 Agreements for the Construction of Real Estate

**APPENDIX 1**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

| **EUR 1,000** | **Jan. 1 - Dec. 31, 2009** | **Jan. 1 - Dec. 31, 2008** |
|---|---:|---:|
| **NET SALES** | **1,503,205** | **3,443,199** |
| Change in work in progress and finished goods | -44,420 | -35,516 |
| Other operating income | 13,337 | 11,182 |
| Production materials and services | -1,225,529 | -2,989,012 |
| Personnel expenses | -126,328 | -192,982 |
| Depreciation and amortization | -60,143 | -78,921 |
| Restructuring expenses | -37,049 | -13,496 |
| Other operating expenses | -99,620 | -164,851 |
| **OPERATING LOSS** | **-76,545** | **-20,399** |
| Financial income, total | 3,322 | 6,381 |
| Financial expenses, total | -43,813 | -38,784 |
| Share of the losses of associated companies (net of income tax) | -68 | -105 |
| **LOSS BEFORE TAXES** | **-117,105** | **-52,908** |

| | | |
|---|---|---|
| Income taxes | 8,139 | -11,109 |
| **NET LOSS** | **-108,966** | **-64,017** |
| **Other comprehensive income** | | |
| Effective portion of changes in fair value of cash flow hedges | 3,465 | -2,492 |
| Net gain/loss on hedges of net investments in foreign operations | 2,988 | -4,654 |
| Foreign currency translation differences for foreign operations | 1,149 | 9,479 |
| Income tax relating to components of other comprehensive income | -405 | 400 |
| **Other comprehensive income for the period, net of tax** | **7,197** | **2,733** |
| **TOTAL COMPREHENSIVE LOSS FOR THE YEAR** | **-101,769** | **-61,284** |
| **LOSS FOR THE YEAR ATTRIBUTABLE TO:** | | |
| Owners of the parent company * | -105,045 | -65,872 |
| Non-controlling interests | -3,920 | 1,856 |
| | **-108,966** | **-64,017** |
| **TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:** | | |
| Owners of the parent company | -98,434 | -64,730 |
| Non-controlling interests | -3,335 | 3,447 |
| | **-101,769** | **-61,284** |
| Earnings per share calculated on loss attributable to owners of the parent company | | |
| Basic and diluted earnings per share (EPS), A shares EUR | -3.22 | -2.02 |
| Basic and diluted earnings per share (EPS), K founders' shares EUR | -0.32 | -0.20 |

* Net loss reported by the company.

APPENDIX 2

## CONSOLIDATED BALANCE SHEET

| EUR 1,000 | Dec. 31, 2009 | Dec. 31, 2008 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Intangible assets | | |
| Goodwill | 21,510 | 21,510 |
| Other intangible assets | 3,882 | 6,134 |
| | 25,392 | 27,644 |
| Tangible assets | | |
| Land | 772 | 742 |
| Buildings | 33,063 | 37,522 |
| Machinery and equipment | 45,744 | 128,484 |
| Advance payments and construction in progress | 1,375 | 1,017 |
| | 80,954 | 167,765 |
| Investments | | |
| Investments in associated companies | 77 | 1,637 |
| Receivables from associated companies | 87 | 87 |
| Available-for-sale financial assets | 511 | 513 |
| | 676 | 2,238 |
| Long-term receivables | | |
| Deferred tax assets | 41,906 | 32,943 |
| Loans receivable | 0 | 13,408 |
| | 41,906 | 46,352 |
| **Non-current assets, total** | **148,928** | **243,999** |
| **Current assets** | | |
| Inventories | | |
| Raw materials | 64,675 | 205,524 |
| Work in progress | 693 | 10,593 |
| Finished goods | 4,062 | 40,038 |
| Advance payments | 0 | 1 |
| | 69,431 | 256,157 |
| Current receivables | | |
| Accounts receivable | 155,280 | 306,107 |
| Other receivables | 24,773 | 17,270 |

| | | |
|---|---|---|
| Prepaid expenses and accruals | 9,864 | 12,048 |
| Current tax assets | 3 | 851 |
| | 189,919 | 336,276 |
| Cash and cash equivalents | 87,941 | 95,099 |
| **Current assets, total** | **347,291** | **687,532** |
| Assets classified as held for sale | 19,049 | 23,898 |
| **ASSETS, TOTAL** | **515,268** | **955,429** |

| **EUR 1,000** | **Dec. 31, 2009** | **Dec. 31, 2008** |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **Equity attributable to owners of the parent company** | | |
| Share capital *) | 13,176 | 13,041 |
| Additional paid-in capital | 225,011 | 225,011 |
| Other reserves | 8,224 | 5,163 |
| Translation differences | 6,779 | 3,227 |
| Retained earnings | -123,372 | -58,086 |
| Net loss for the year | -105,045 | -65,872 |
| **Equity attributable to owners of the parent company, total** | **24,772** | **122,484** |
| Non-controlling interests | 7,832 | 12,728 |
| **Total equity** | **32,603** | **135,212** |
| **Liabilities** | | |
| Non-current liabilities | | |
| Subordinated notes | 139,794 | 139,517 |
| Medium-term notes | 19,986 | 19,980 |
| Loans from pension plans | - | 210 |
| Other debt | 287 | 376 |
| Deferred tax liability | 2,496 | 5,253 |
| | 162,563 | 165,336 |
| Payments due within one year | -50,015 | -386 |
| Non-current liabilities, total | 112,548 | 164,951 |
| Current liabilities | | |
| Loans from financial institutions | 115,429 | 173,647 |
| Subordinated notes | 49,925 | - |
| Loans from pension plans | - | 210 |
| Advances received | 174 | 780 |
| Accounts payable | 165,207 | 422,892 |
| Other current liabilities | 8,063 | 11,556 |

| | | |
|---|---|---|
| Accrued expenses | 26,454 | 37,278 |
| Current tax liabilities | 151 | 1,415 |
| Provisions | 4,713 | 7,488 |
| Current liabilities, total | 370,117 | 655,266 |
| | | |
| **Liabilities, total** | **482,664** | **820,217** |
| | | |
| **EQUITY AND LIABILITIES, TOTAL** | **515,268** | **955,429** |

*) Share capital includes both A shares listed in Nasdaq OMX Helsinki Exchange and K founders' shares.

## APPENDIX 3

## CONSOLIDATED CASH FLOW STATEMENT

| **EUR 1,000** | **Jan. 1 - Dec. 31, 2009** | **Jan. 1 - Dec. 31, 2008** |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net loss | -108,966 | -64,017 |
| Adjustments: | | |
| Depreciation, amortization and impairments | 60,143 | 78,921 |
| Unrealized foreign exchange gains and losses | 4,104 | 10 |
| Other non-cash income and expenses | 14,161 | 631 |
| Financial income and expenses | 35,056 | 39,859 |
| Income taxes | -8,139 | 11,109 |
| Other adjustments | 17,631 | 5,343 |
| Cash flow before change in working capital | 13,989 | 71,857 |
| | | |
| Change in working capital : | | |
| Change in non-interest bearing current receivables | 136,328 | 20,798 |
| Change in inventories | 184,431 | 128,867 |
| Change in non-interest bearing current liabilities | -270,219 | -209,864 |
| Cash flow from operating activities before financial items and taxes | 64,528 | 11,658 |
| | | |
| Interest and other financial expenses | -23,819 | -28,825 |
| Operations-related interest income | 707 | 1,240 |
| Income taxes paid | -1,060 | -6,127 |
| **Cash flow from operating activities** | **40,356** | **-22,054** |
| | | |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchases of tangible and intangible assets | -4,357 | -61,849 |
| Proceeds from disposal of tangible and intangible assets | 16,644 | 7,846 |

| | | |
|---|---|---|
| Acquisitions of subsidiaries, net of cash acquired | 253 | -23,941 |
| Repayment of loans receivable | - | 279 |
| **Cash flow from investing activities** | **12,541** | **-77,665** |
| | | |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Proceeds from the revolving credit facility | 100,000 | 160,000 |
| Loan transactions costs | -3,000 | - |
| Repayment of current debt (including loans from the revolving credit facility) | -153,137 | -40,304 |
| Repayment of non-current debt | - | -20,420 |
| Dividends paid | -2,442 | -2,025 |
| **Cash flow from financing activities** | **-58,580** | **97,251** |
| | | |
| **CHANGE IN CASH AND CASH EQUIVALENTS** | **-5,683** | **-2,469** |
| | | |
| Cash and cash equivalents on January 1 | 95,099 | 92,691 |
| Effect of exchange rate changes on cash held | -1,475 | 4,877 |
| | | |
| **Cash and cash equivalents on December 31** | **87,941** | **95,099** |

**APPENDIX 4**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

| | **Attributable to equity holders of the parent** | | | | | | | | **Non-controlling interests** | **Total equity** |
|---|---|---|---|---|---|---|---|---|---|---|
| **EUR 1,000** | **Share capital** | **Additional paid-in capital** | **Other reserves** | **Hedging reserve** | **Translation reserve** | **Reserve for own shares** | **Retained earnings** | **Total** | | |
| **BALANCE AT JAN. 1, 2009** | **13041** | **225011** | **8369** | **-3139** | **3227** | **-68** | **-123958** | **122484** | **12728** | **135212** |
| Share issue | 135 | | | | | 1 | -135 | 1 | | 1 |
| Other comprehensive | | | | | | | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| income | | | | 3060 | 3552 | | -105045 | -98433 | -3335 | -101768 |
| Share-based payments | | | | | | | 720 | 720 | | 720 |
| Dividends | | | | | | | | | -2442 | -2442 |
| Divestment of non-controlling interest | | | | | | | | | 880 | 880 |
| **BALANCE AT DEC. 31, 2009** | **13176** | **225011** | **8369** | **-78** | **6779** | **-67** | **-228418** | **24772** | **7832** | **32603** |

| **EUR 1,000** | **Attributable to equity holders of the parent** | | | | | | | | **Non-controlling interests** | **Total equity** |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Share capital** | **Additional paid-in capital** | **Other reserves** | **Hedging reserve** | **Translation reserve** | **Reserve for own shares** | **Retained earnings** | **Total** | | |
| **BALANCE AT JAN. 1, 2008** | **13041** | **225011** | **8369** | **-1047** | **-7** | **-68** | **-58717** | **186584** | **11307** | **197891** |
| Other comprehensive income | | | | -2092 | 3234 | | -65872 | -64730 | 3447 | -61283 |
| Share-based payments | | | | | | | 631 | 631 | | 631 |
| Divi- | | | | | | | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| dends | | | | | | | | | -2025 | -2025 |
| **BALANCE AT DEC. 31, 2008** | **13041** | **225011** | **8369** | **-3139** | **3227** | **-68** | **-123958** | **122484** | **12728** | **135212** |

## APPENDIX 5

## SEGMENT REPORTING

Since the beginning of 2008, Elcoteq has had three Business Areas: Personal Communications, Home Communications and Communications Networks. Personal Communications and Home Communications Business Areas were combined during the third quarter of 2009 under a new Strategic Business Unit, Consumer Electronics. Communications Networks Business Area has been changed into a new Strategic Business Unit, System Solutions. At the end of 2009 the Group has two Strategic Business Units (SBUs): Consumer Electronics and System Solutions. Both SBUs are responsible for managing and developing their existing customer relationships and applicable service offerings, while Group Operations and Sourcing is responsible for supply chain and production.

From 2009, Elcoteq has applied IFRS 8 Operating Segments in its segment reporting. The comparative information of 2008 has been changed to correspond to the new reporting structure. The presented segment information is based on the information provided to the Group's management.

### Accounting Principles

There are no sales between the segments.
The items shown for the segments are those that are either directly attributable to the segments or that can be reasonably allocated to them.
The segment's interest income and interest expenses are reported as net financial charges.
Income taxes are not allocated to the segments.
The segment’s assets comprise of intangible and tangible assets, investments in associated companies, inventories, accounts receivable and allocatable prepaid expenses and accruals.
The segment’s liabilities include accounts payable and accrued expenses allocated to them.

### Non-Allocated Items

Non-allocated expenses in the income statement consist of the expenses of the Group office.
Non-allocated assets consist mainly of cash and bank receivables as well as prepaid expenses and accruals not allocated to the segments.
Non-allocated liabilities are mainly interest-bearing liabilities, deferred tax liabilities and accrued expenses not allocated to the segments.
Investments in associated companies that cannot be allocated to the segments are entered under non-allocated assets.

### Strategic Business Units

Strategic Business Unit Consumer Electronics covers products such as mobile and wireless phones, their parts and accessories, set-top boxes, flat panel TVs and other consumer products as well as related after market services.
Strategic Business Unit System Solutions covers wireless and wireline infrastructure systems and modules, enterprise network products and various other industrial segment products as well as related after market services.

| **STRATEGIC BUSINESS UNITS IN 2009, MEUR** | **Consumer Electronics** | **System Solutions** | **Total reportable segments** | **Non-Allocated** | **Group total** |
|---|---|---|---|---|---|
| **Net sales** | 1,127.3 | 375.9 | 1,503.2 | - | 1,503.2 |
| **Depreciation and amortisation** | -48.5 | -9.8 | -58.3 | -1.9 | -60.1 |
| **Operating income/loss** | -38.2 | -2.0 | -40.2 | -36.3 | -76.5 |
| **Restructuring expenses*** | -24.3 | -11.9 | -36.2 | -0.8 | -37.0 |
| **Financial charges** | -21.4 | -8.8 | -30.2 | -10.3 | -40.5 |
| **Share of associated companies' results** | - | -0.1 | -0.1 | 0.0 | -0.1 |
| **Income before taxes** | -59.6 | -10.8 | -70.4 | -46.7 | -117.1 |
| | | | | | |
| **Assets**** | 273.4 | 93.6 | 367.0 | 148.3 | 515.3 |
| **Investments in associated companies***** | - | 0.1 | 0.1 | 0.0 | 0.1 |
| **Capital expenditures** | 3.9 | 1.6 | 5.5 | 0.9 | 6.4 |
| | | | | | |
| **Liabilities** | 116.1 | 65.4 | 181.6 | 301.1 | 482.7 |

*) A total of 28.0 million euros in restructuring expenses with no cash flow effect have been recognized, of which 19.5 million euros are included in the restructuring expenses of the Consumer Electronics Strategic Business Unit, 8.5 million euros in the restructuring expenses of the System Solutions Strategic Business Unit and 0.1 million euros in the restructuring expenses of the Group's non-allocated costs.
**) The assets of the segments include a total of 19.0 million euros assets classified as held for sale, of which 12.9 million are allocated to the Consumer Electronics Strategic Business Unit and 6.2 million to the System Solutions Strategic Business Unit.
***) Included also in the segment's assets.

| **STRATEGIC BUSINESS UNITS IN 2008, MEUR** | **Consumer Electronics** | **System Solutions** | **Total reportable segments** | **Non-Allocated** | **Group total** |
|---|---|---|---|---|---|
| **Net sales** | 2,739.5 | 703.7 | 3,443.2 | - | 3,443.2 |
| **Depreciation and amortization** | -58.7 | -17.8 | -76.5 | -2.4 | -78.9 |
| **Operating income/loss** | 15.0 | 1.6 | 16.6 | -37.0 | -20.4 |
| **Restructuring expenses*** | -8.1 | -5.4 | -13.5 | - | -13.5 |
| **Financial charges** | -19.4 | -12.1 | -31.4 | -1.0 | -32.4 |
| **Share of associated companies' results** | - | -0.1 | -0.1 | 0.0 | -0.1 |
| **Income before taxes** | -4.3 | -10.5 | -14.8 | -38.1 | -52.9 |
| | | | | | |
| **Assets**** | 553.4 | 248.3 | 801.7 | 153.7 | 955.4 |
| **Investments in associated companies***** | - | 1.6 | 1.6 | 0.0 | 1.6 |
| **Capital expenditures** | 63.4 | 6.7 | 70.1 | 1.3 | 71.4 |

| | | | | | |
|---|---|---|---|---|---|
| **Liabilities** | 324.5 | 133.0 | 457.5 | 362.7 | 820.2 |
| **Sold accounts receivable****** | 36.9 | 64.1 | 101.1 | - | 101.1 |

*) A total of 9.2 million euros in restructuring expenses with no cash flow effect have been recognized, of which 4.3 million euros are included in the restructuring expenses of the Consumer Electronics Strategic Business Unit and 5.0 million euros in the restructuring expenses of the System Solutions Strategic Business Unit.
**) The assets of the segments include a total of 23.9 million euros assets classified as held for sale, of which 2.2 million are allocated to the Consumer Electronics Strategic Business Unit and 21.7 million to the System Solutions Strategic Business Unit.
***) Included also in the segment's assets.
****) Not included in the segment's assets.

**Geographical Areas**

Consumer Electronics and System Solutions segments are managed on a worldwide basis. Elcoteq's service network covers countries in Europe, Asia-Pacific and Americas. It includes high-volume manufacturing plants, units specializing in smaller series, as well as product development units and new product introduction (NPI) centers. All of the company’s high-volume plants are located close to the main end-markets of customers’ products and in low-cost countries: in Hungary, Estonia, China, Mexico, India and Brazil.

In presenting information on the basis of geographical segments, segment revenue and non-current assets are based on the geographical location of the manufacturing unit.
Net sales by countries are presented according to geographical location of the manufacturing unit under "Breakdown of net sales by country".
Group has no non-current assets in its country of domicile in Luxembourg.

| GEOGRAPHICAL AREAS IN 2009, MEUR | Europe | Asia-Pacific | Americas | Non-Allocated | Group total |
|---|---|---|---|---|---|
| **Net sales** | 710.4 | 217.7 | 575.1 | - | 1,503.2 |
| **Non-current assets** | 51.3 | 31.3 | 15.7 | 8.7 | 107.0 |

| GEOGRAPHICAL AREAS IN 2008, MEUR | Europe | Asia-Pacific | Americas | Non-Allocated | Group total |
|---|---|---|---|---|---|
| **Net sales** | 1,665.0 | 755.1 | 1,023.2 | - | 3,443.2 |
| **Non-current assets** | 78.8 | 71.2 | 43.9 | 17.1 | 211.1 |

**Major customers**

Revenues from customer X of Consumer Electronics segment represents approximately 45% (39% in 2008) and customer Y 18% (12% in 2008) of the Group's total revenues. Revenues from customer Z of System Solutions segment represent approximately 18% (12% in 2008) of the Group's total revenues.

**BREAKDOWN OF NET SALES BY COUNTRY**

| MEUR | 2009 | 2008 |
|---|---|---|
| Hungary | 578.7 | 1,335.1 |
| Mexico | 521.5 | 966.8 |
| Estonia | 129.4 | 305.1 |
| China | 125.3 | 698.9 |
| India | 92.5 | 56.2 |
| Brazil | 50.7 | 39.9 |
| Luxembourg | 0.0 | 0.0 |
| Other countries | 5.1 | 41.1 |
| | 1,503.2 | 3,443.2 |

## APPENDIX 6

## PERSONNEL

The Group had on average 11,271 (17,401) employees during the year, distributed geographically as follows.

| | At Dec. 31 | At Jan. 1 | Change | Average |
|---|---|---|---|---|
| Brazil | 861 | 790 | 71 | 797 |
| China | 2,046 | 4,086 | -2,040 | 2,750 |
| Estonia | 165 | 1,992 | -1,827 | 1,118 |
| Finland | 139 | 220 | -81 | 168 |
| Germany | 4 | 4 | 0 | 4 |
| Hong Kong | 30 | 50 | -20 | 39 |
| Hungary | 2,056 | 2,991 | -935 | 2,492 |
| India | 583 | 885 | -302 | 721 |
| Japan | 4 | 3 | 1 | 4 |
| Luxembourg | 5 | 4 | 1 | 5 |
| Mexico | 2,529 | 3,633 | -1,104 | 2,892 |
| Romania | 0 | 301 | -301 | 66 |
| Russia | 20 | 384 | -364 | 134 |
| Sweden | 4 | 7 | -3 | 5 |
| Switzerland | 8 | 10 | -2 | 9 |
| USA | 35 | 133 | -98 | 67 |
| Total | 8,489 | 15,493 | -7,004 | 11,271 |

On December 31, 2009 the Group employed 10,101 people, of whom 8,489 were on Elcoteq's payroll.

APPENDIX 7

FORMULAS FOR THE CALCULATION OF KEY FIGURES

**Return on equity (ROE) =**
Net income x 100
--------------------------------------------------
Total equity, average of opening and closing balances

**Return on investments (ROI/ROCE) =**
(Income before taxes + interest and other financial expenses +
income from discontinued operations before taxes and
financial expenses) x 100
----------------------------------------------------------------
Total assets - non-interest bearing liabilities, average of opening
and closing balances

**Return on investment (ROI/ROCE) for trailing 12 months =**
(Income before taxes + interest and other financial expenses +
income from discontinued operations before taxes and
financial expenses) x 100
---------------------------------------------------------------
Total assets – non interest-bearing liabilities, average of opening
and closing balances

**Current ratio =**
Current assets + assets classified as held for sale
----------------------------------------------
Current liabilities + liabilities classified as held for sale

**Solvency =**
Total equity x 100
--------------------------------
Total assets – advance payments received

**Gearing =**
Interest-bearing liabilities – cash and equivalents
-----------------------------------------------
Total equity

**Equity per share (2005-2007) =**
Equity attributable to equity holders of the parent company
---------------------------------------------------------
Adjusted average number of shares outstanding end of the

period

**Equity per share =**
Equity attributable to equity holders of the parent company
------------------------------------------------------------
Adjusted average number of A shares outstanding end of the period + (adjusted average number of K founders´ shares outstanding end of the period/10)

**Earnings per share, A shares (EPS) =**
Net income attributable to equity holders of the parent, A shares
----------------------------------------------------------
Adjusted average number of A shares outstanding during the period

**Earnings per share, diluted, A shares (EPS) =**
Net income attributable to equity holders of the parent, A shares
-----------------------------------------------
Adjusted average number of A shares outstanding during the Period + effect of dilution on the number of shares

**Earnings per shares, K shares (EPS) (2005-2007) =**
Net income attributable to equity holders of the parent, K shares
------------------------------------------
Adjusted average number of K shares outstanding during the period

**Earnings per shares, K founders´ shares (EPS) =**
Net income attributable to equity holders of the parent, K founders´ shares
----------------------------------------------------
Adjusted average number of K founders' shares outstanding during the period

**Dividend per share =**
Dividends paid for the fiscal year
----------------------------------------------------------------
Adjusted average number of shares outstanding end of the period

**Payout ratio =**
Dividend per share x 100
----------------------------------------
Earnings per share

**Dividend yield =**
Dividend per share x 100
---------------------------------------------------
Average share price at the end of the period

**P/E ratio=**
Average share price at the end of the period
--------------------------------------------------------
Earnings per share (EPS)

**Operating income before depreciation and amortization (EBITDA) =**
Operating income/loss +
Depreciation, amortization and impairment

**APPENDIX 8**

**KEY FIGURES FOR FIVE YEARS**

| | | | **2009** | **2008** | **2007** | **2006** | **2005** |
|---|---|---|---|---|---|---|---|
| OPERATIONS | | | | | | | |
| Net sales | | MEUR | 1,503.2 | 3,443.2 | 4,042.9 | 4,284.3 | 4,169.0 |
| | of which outside Finland | % | 97.9 | 95.2 | 93.9 | 89.7 | 81.4 |
| Gross capital expenditures | | MEUR | 6.4 | 71.4 | 67.2 | 116.9 | 123.6 |
| | (does not include operating leases) | | | | | | |
| Employees, average | | | 11,271 | 17,401 | 19,131 | 16,651 | 15,242 |
| PROFITABILITY | | | | | | | |
| Operating income before depreciation and amortization (EBITDA) | | MEUR | -16.4 | 58.5 | -16.6 | 126.6 | 155.0 |
| Operating income | | MEUR | -76.5 | -20.4 | -96.3 | 43.9 | 76.5 |
| | % of net sales | % | -5.1 | -0.6 | -2.4 | 1.0 | 1.8 |
| Income before taxes | | MEUR | -117.1 | -52.9 | -122.8 | 19.2 | 59.3 |
| | % of net | % | -7.8 | -1.5 | -3.0 | 0.4 | 1.4 |

| | | | | | | |
|---|---|---|---|---|---|---|
| sales | | | | | | |
| Net income | MEUR | -105.0 | -65.9 | -108.4 | 12.1 | 41.3 |
| % of net sales | % | -7.0 | -1.9 | -2.7 | 0.3 | 1.0 |
| Return on equity (ROE) | % | -129.9 | -38.4 | -42.5 | 4.8 | 14.1 |
| Return on investment (ROCE/ROI) | % | -18.9 | -3.1 | -19.6 | 9.1 | 17.6 |
| | | | | | | |
| FINANCIAL RATIOS | | | | | | |
| Current ratio | | 1.0 | 1.1 | 1.1 | 1.2 | 1.2 |
| Solvency | % | 6.3 | 14.2 | 18.1 | 26.1 | 26.0 |
| Gearing | | 5.8 | 1.8 | 0.7 | 0.4 | 0.3 |
| Interest-bearing liabilities | MEUR | 275.4 | 333.6 | 237.2 | 210.3 | 191.7 |
| Interest-bearing net debt | MEUR | 187.5 | 238.5 | 144.5 | 128.0 | 90.3 |
| | | | | | | |
| PER SHARE DATA | | | | | | |
| Earnings per share A shares (EPS) | EUR | -3.22 | -2.02 | -3.37 | 0.38 | 1.34 |
| Earnings per share K shares (EPS) | EUR | - | - | -3.37 | 0.38 | 1.34 |
| Earnings per share K founders' shares (EPS)** | EUR | -0.32 | -0.20 | - | - | - |
| Diluted earnings per share, A shares (EPS) | EUR | - | - | -3.37 | 0.37 | 1.28 |
| Shareholders' equity per share | EUR | 0.75 | 3.76 | 5.72 | 9.31 | 9.55 |
| Share price at the end of the year | EUR | 0.91 | 1.21 | 4.06 | 9.78 | 20.15 |
| Dividend per share * | EUR | 0.00 | 0.00 | 0.00 | 0.20 | 0.66 |
| Payout ratio * | % | 0.0 | 0.0 | 0.0 | 52.3 | 49.7 |
| Dividend yield* | % | 0.0 | 0.0 | 0.0 | 2.0 | 3.3 |
| P/E ratio | | -0.3 | -0.6 | -1.2 | 25.7 | 15.0 |
| | | | | | | |
| Adjusted weighted average number of shares in issue during the period | | | | | | |
| A shares | | 22071983 | 22017819 | 21601081 | 20761611 | 20187705 |
| K founders' shares** | | 105770000 | 105770000 | 10577000 | 10577000 | 10577000 |
| | | | | | | |
| Adjusted number of | | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| shares in issue at the end of the period | | | | | |
| A shares | 22352684 | 22017819 | 22017819 | 20962327 | 20526577 |
| K founders' shares | 105770000 | 105770000 | 10577000 | 10577000 | 10577000 |

* The dividend in 2009 is the proposal of the Board of Directors to the Annual General Meeting.
** In the transfer of domicile on January 1, 2008 the company K shares were converted into K founders' shares and their number increased ten-fold while at the same time reducing their par value to one-tenth of the par value of the A shares.

**Financial ratios for 2009 assuming that the January 27, 2010 transactions (repayment of the debenture loans**
**and receipt of the hybrid loans) had taken place on Dec. 31st, 2009**

| | | **2009** |
|---|---|---|
| Solvency*** | % | 23.7 |
| Gearing*** | | 0.7 |
| Interest-bearing liabilities*** | MEUR | 170.1 |
| Interest-bearing net debt*** | MEUR | 82.1 |

*** The December 31, 2009 balance sheet is adjusted by using the following assumptions:
- In January 2010, debenture loans were repurchased with balance sheet values of 105.3 million euros. The after tax income is included in equity.
- The Hybrid securities of EUR 28.7 million, issued in January 2010, is included in equity.

**APPENDIX 9**

**RESTRUCTURING EXPENSES**

During the first quarter of 2009, Elcoteq launched a restructuring plan that applies to whole Group. Some part of the costs relating to the plan was recognized already in 2008. The plan targets to prepare the company for the exceptionally uncertain market situation and general economic development. This plan is the next step in the Group's drive to increase profitability, cost-efficiency and operational excellence. The plan has contained several elements such as the closure of the plants in Arad (Romania), Richardson (USA) and St. Petersburg (Russia) as well as to merge the plant in Shenzhen (China) to the plant in Beijing. Processes with the target to reduce personnel at several plants globally have been carried out.

In addition the Group has reduced other operating costs.

In August 2009 Elcoteq announced further organizational changes and decided to consolidate the Personal Communications and Home Communications Business Areas under Consumer Electronics Strategic Business Unit. The target is to better utilize the synergies between businesses and to aim for further cost reductions. Consequently personnel reductions have been and will be carried out at several Elcoteq sites. Addtionally

Elcoteq has booked a non-cash impairment charge of 25,109 thousand euros from various assets at the end of 2009.

The Group´s restructuring expenses, 37,049 thousand euros, comprise the following items:

| EUR 1,000 | 2009 | 2008 |
|---|---|---|
| Personnel expenses | 9,401 | 2,722 |
| Impairments | 25,109 | 6,074 |
| Production materials and services | 1,107 | 3,170 |
| Gains on the disposals of fixed assets | -1,418 | - |
| Other operating expenses | 2,849 | 1,530 |
| Restructuring expenses, total | 37,049 | 13,496 |

Impairments of non-current assets:

| EUR 1,000 | 2009 | 2008 |
|---|---|---|
| Goodwill | - | 248 |
| Buildings | 1,244 | 1,837 |
| Machinery and equipment | 22,396 | 3,871 |
| Computer software | 31 | 118 |
| Investments in associated companies | 1,438 | - |
| Impairments, total | 25,109 | 6,074 |

Impairments of goodwill in 2008 are related to the closing of the Richardson plant. Impairments of buildings as well as machinery and equipment are primarily due to plant closures.

**APPENDIX 10**

**ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE**

Assets classified as held for sale amounting to 19,049 thousand euros relate to real estates on sale. The company did not have liabilities classified as held for sale at the end of the reporting period.

**APPENDIX 11**

**ASSETS PLEDGED AND CONTINGENT LIABILITIES**

| EUR 1,000 | 2009 | 2008 |
|---|---|---|
| BUSINESS MORTGAGES | 100,000 | - |
| PLEDGED OTHER RECEIVABLE | 3,000 | - |
| PLEDGED CASH AND CASH EQUIVALENTS | 56,158 | - |
| PLEDGED ACCOUNTS RECEIVABLE | - | 26,901 |
| PLEDGED LOAN RECEIVABLES | 81 | 764 |
| ON BEHALF OF OTHERS | | |
| Guarantees | 1,008 | 1,008 |
| LEASE COMMITMENTS | | |
| Operating leases, production machinery (excl. VAT) | 1,244 | 9,014 |
| Operating leases, real-estate (excl. VAT) | 12,262 | 15,386 |
| Operating leases, others (excl. VAT) | 919 | 1,854 |
| DERIVATIVE CONTRACTS | | |
| Currency forward contracts, transaction risk, hedge accounting not applied | | |
| Nominal value, open | 43,222 | 118,315 |
| Nominal value, closed | 130,136 | - |
| Fair value | 38 | -224 |
| Currency forward contracts, transaction risk, hedge accounting applied | | |
| Nominal value, open | 70,632 | 69,389 |
| Nominal value, closed | 11,400 | - |
| Fair value | -74 | -3,539 |
| Currency option contracts, transaction risk, hedge accounting applied, bought options | | |
| Nominal value | - | 17,000 |
| Fair value | - | 341 |
| Currency forward contracts, translation risk | | |
| Nominal value | - | 20,243 |

| | | |
|---|---|---|
| Fair value | - | -819 |
| Currency forward contracts, financial risk | | |
| Nominal value | 110,689 | 172,329 |
| Fair value | -239 | -3,116 |
| Interest rate and foreign exchange swap contracts | | |
| Nominal value | - | 1,500 |
| Fair value | - | 225 |

The derivative contracts are measured using the market prices and the exchange reference rates of the European Central Bank on the balance sheet date.
Group has pledged part of its assets for syndicated credit facility and for arbitration. Assets pledged for syndicated credit facility are in the free use of the company. Assets pledged for arbitration can be freely used by the Company immediately after it has terminated the contract with the service provider.

**APPENDIX 12**

**QUARTELY FIGURES (Unaudited)**

| **INCOME STATEMENT, MEUR** | **Q4/ 2009** | **Q3/ 2009** | **Q2/ 2009** | **Q1/ 2009** | **Q4/ 2008** | **Q3/ 2008** | **Q2/ 2008** | **Q1/ 2008** |
|---|---|---|---|---|---|---|---|---|
| **NET SALES** | **265.5** | **331.7** | **436.0** | **470.0** | **889.1** | **740.5** | **904.8** | **908.7** |
| Change in work in progress and finished goods | -9.9 | -8.2 | -4.4 | -21.9 | -23.9 | -4.4 | -10.1 | 2.9 |
| Other operating income | 4.2 | 5.5 | 1.4 | 2.3 | 2.2 | 4.4 | 3.1 | 1.6 |
| Operating expenses | -250.2 | -317.2 | -428.0 | -456.1 | -842.6 | -719.7 | -878.9 | -905.6 |
| Restruc-turing expenses | -21.3 | -1.7 | -0.4 | -13.6 | -13.5 | - | - | - |
| Depre-ciation and impair-ments | -11.7 | -13.5 | -16.0 | -18.9 | -23.2 | -20.5 | -18.2 | -17.1 |
| **OPERATING INCOME** | **-23.4** | **-3.3** | **-11.5** | **-38.3** | **-11.8** | **0.3** | **0.6** | **-9.5** |
| % of net sales | -8.8 | -1.0 | -2.6 | -8.2 | -1.3 | 0.0 | 0.1 | -1.0 |
| Financial income and expenses | -12.9 | -4.1 | -11.9 | -11.5 | -13.3 | -7.0 | -6.1 | -6.0 |
| Share of profits and losses of associates | 0,0 | -0.1 | 0.0 | 0.0 | 0.0 | -0.1 | - | - |
| **INCOME BEFORE TAXES** | **-36.4** | **-7.5** | **-23.4** | **-49.9** | **-25.2** | **-6.8** | **-5.5** | **-15.4** |
| Income taxes | 2.2 | 0.7 | 1.5 | 3.7 | -4.0 | -4.0 | -7.3 | 4.2 |
| **NET INCOME FOR THE PERIOD** | **-34.2** | **-6.8** | **-21.8** | **-46.1** | **-29.2** | **-10.7** | **-12.8** | **-11.3** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **ATTRIBUTABLE TO:** | | | | | | | | |
| Equity holders of the parent company | -31.3 | -6.3 | -21.8 | -45.6 | -29.1 | -11.5 | -13.7 | -11.6 |
| Minority interests | -2.9 | -0.5 | 0.0 | -0.5 | -0.1 | 0.8 | 0.9 | 0.3 |
| | **-34.2** | **-6.8** | **-21.8** | **-46.1** | **-29.2** | **-10.7** | **-12.8** | **-11.3** |

| **BALANCE SHEET, MEUR** | | **Q4/ 2009** | **Q3/ 2009** | **Q2/ 2009** | **Q1/ 2009** | **Q4/ 2008** | **Q3/ 2008** | **Q2/ 2008** | **Q1/ 2008** |
|---|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | | |
| Non-Current assets | | | | | | | | | |
| | Intangible assets | 25.4 | 25.9 | 26.6 | 27.4 | 27.6 | 28.4 | 28.5 | 29.5 |
| | Tangible assets | 81.0 | 110.3 | 129.8 | 149.7 | 167.8 | 190.0 | 184.0 | 182.0 |
| | Investments | 0.7 | 2.1 | 2.2 | 2.3 | 2.2 | 2.2 | 2.1 | 2.1 |
| | Long-term receivables | 41.9 | 46.8 | 45.8 | 53.0 | 46.4 | 49.2 | 48.5 | 47.3 |
| Non-current assets, total | | 148.9 | 185.1 | 204.3 | 232.4 | 244.0 | 269.8 | 263.2 | 260.9 |
| Current assets | | | | | | | | | |
| | Inventories | 69.4 | 101.1 | 113.7 | 174.2 | 256.2 | 358.2 | 322.5 | 321.7 |
| | Current receivables | 189.9 | 193.4 | 221.4 | 221.9 | 336.3 | 326.4 | 320.0 | 271.7 |
| | Cash and equivalents | 87.9 | 201.0 | 154.8 | 98.0 | 95.1 | 59.5 | 50.5 | 91.9 |
| Current assets, total | | 347.3 | 495.5 | 489.8 | 494.1 | 687.5 | 744.0 | 692.9 | 685.3 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Assets classified as held for sale | 19.0 | 21.0 | 41.0 | 20.7 | 23.9 | 28.7 | 30.5 | 30.2 |
| **ASSETS, TOTAL** | **515.3** | **701.6** | **735.1** | **747.1** | **955.4** | **1042.6** | **986.6** | **976.4** |
| **SHAREHOLDERS' EQUITY AND LIABILITIES** | | | | | | | | |
| Equity attributable to equity holders of the parent company | | | | | | | | |
| Share capital | 13.2 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 |
| Other shareholders´ equity | 11.6 | 43.5 | 48.7 | 64.5 | 109.4 | 139.7 | 152.4 | 162.8 |
| Equity attributable to equity holders of the parent company, total | 24.8 | 56.6 | 61.8 | 77.5 | 122.5 | 152.8 | 165.4 | 175.9 |
| Minority interests | 7.8 | 11.1 | 12.0 | 12.8 | 12.7 | 13.4 | 12.5 | 11.3 |
| Total equity | 32.6 | 67.7 | 73.7 | 90.3 | 135.2 | 166.2 | 177.9 | 187.2 |
| Long-term liabilities | | | | | | | | |
| Long-term loans | 109.8 | 110.1 | 159.6 | 158.9 | 159.3 | 159.4 | 159.3 | 159.4 |
| Other long-term debt | 2.8 | 2.8 | 5.7 | 6.7 | 5.6 | 5.5 | 5.2 | 5.0 |
| Long-term liabilities, total | 112.5 | 113.0 | 165.2 | 165.6 | 165.0 | 164.9 | 164.5 | 164.4 |
| Current liabilities | | | | | | | | |
| Current loans | 165.4 | 263.8 | 210.7 | 225.4 | 173.9 | 187.2 | 111.2 | 75.7 |
| Other current liabilities | 200.0 | 250.2 | 279.0 | 257.4 | 473.9 | 519.9 | 526.8 | 544.7 |
| Provisions | 4.7 | 6.9 | 5.7 | 8.4 | 7.5 | 4.4 | 4.8 | 3.7 |
| Current liabilities, total | 370.1 | 520.9 | 495.4 | 491.2 | 655.3 | 711.5 | 642.8 | 624.1 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Liabilities classified as held for sale | 0.0 | 0.0 | 0.8 | - | - | - | 1.4 | 0.7 |
| **SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL** | **515.3** | **701.6** | **735.1** | **747.1** | **955.4** | **1042.6** | **986.6** | **976.4** |
| Personnel on average during the period | 8882 | 9877 | 11693 | 14446 | 17050 | 17304 | 17543 | 17894 |
| Gross capital expenditures, MEUR | 1.8 | 1.1 | 1.5 | 2.0 | 9.9 | 17.2 | 16.6 | 27.7 |
| ROI/ ROCE from 12 preceding months, % | -18.9 | -14.4 | -14.4 | -11.3 | -3.1 | -5.6 | -6.2 | -10.7 |
| Earnings per share (EPS), A-shares, EUR | -0.96 | -0.19 | -0.67 | -1.40 | -0.89 | -0.35 | -0.42 | -0.35 |
| Solvency, % | 6.3 | 9.7 | 10.0 | 12.1 | 14.2 | 15.9 | 18.0 | 19.2 |

**CONSOLIDATED CASH FLOW STATEMENT, MEUR**

| | Q4/ 2009 | Q3/ 2009 | Q2/ 2009 | Q1/ 2009 | Q4/ 2008 | Q3/ 2008 | Q2/ 2008 | Q1/ 2008 |
|---|---|---|---|---|---|---|---|---|
| Cash flow before change in working capital | 20.5 | 7.0 | -6.4 | -7.1 | 21.5 | 32.8 | 16.2 | 1.3 |
| Change in working capital | -25.8 | 34.1 | 81.1 | -38.8 | 46.6 | -65.2 | -66.3 | 24.7 |
| Financial items and taxes | -9.5 | -5.0 | -3.9 | -5.8 | -13.0 | -7.6 | -5.6 | -7.5 |
| Cash flow from operating activities | -14.8 | 36.1 | 70.7 | -51.7 | 55.2 | -39.9 | -55.8 | 18.4 |
| Purchases of non-current assets | -0.8 | -1.1 | -0.4 | -2.1 | -4.4 | -12.8 | -24.6 | -20.0 |
| Acquisitions | 0.3 | - | - | - | -8.4 | -15.5 | - | - |
| Disposals of non-current assets | 3.9 | 7.8 | 1.8 | 3.1 | 4.1 | 1.5 | 1.8 | 0.5 |
| Cash flow before financing activities | -11.3 | 42.7 | 72.2 | -50.7 | 46.6 | -66.7 | -78.5 | -1.1 |
| Change in current debt | -100.5 | 5.2 | -12.2 | 51.4 | 8.9 | 72.2 | 36.3 | 2.4 |
| Repayment of long-term debt | - | - | - | - | -20.2 | - | -0.2 | - |
| Dividends paid | -2.4 | - | - | - | -1.0 | -1.0 | - | - |
| Cash flow from financing | -103.0 | 5.2 | -12.2 | 51.4 | -12.3 | 71.1 | 36.1 | 2.4 |

activities

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Change in cash and equivalents | -114.3 | 48.0 | 59.9 | 0.7 | 34.2 | 4.4 | -42.4 | 1.3 |
| Cash and equivalents at the beginning of the period | 201.0 | 154.8 | 98.0 | 95.1 | 59.5 | 50.5 | 91.9 | 92.7 |
| Cash and cash equivalents classified as held for sale | - | - | - | - | - | - | 0.2 | -0.2 |
| Effect of exchange rate changes on cash held | 1.1 | -1.7 | -3.1 | 2.2 | 1.4 | 4.6 | 0.9 | -1.9 |
| Cash and equivalents at the end of period | 87.9 | 201.0 | 154.8 | 98.0 | 95.1 | 59.5 | 50.5 | 91.9 |

**STRATEGIC BUSINESS UNITS, MEUR**

| | **Q4/ 2009** | **Q3/ 2009** | **Q2/ 2009** | **Q1/ 2009** | **Q4/ 2008** | **Q3/ 2008** | **Q2/ 2008** | **Q1/ 2008** |
|---|---|---|---|---|---|---|---|---|
| Net sales | | | | | | | | |
| Consumer Electronics | 211.1 | 243.5 | 328.1 | 344.6 | 684.0 | 564.2 | 721.5 | 769.8 |
| System Solutions | 54.5 | 88.2 | 107.9 | 125.3 | 205.2 | 176.3 | 183.3 | 139.0 |
| Net sales, total | 265.5 | 331.7 | 436.0 | 470.0 | 889.1 | 740.5 | 904.8 | 908.7 |
| Operating income | | | | | | | | |
| Consumer Electronics | -11.2 | -2.3 | -4.6 | -20.1 | 2.7 | 1.0 | 6.5 | 4.8 |
| System Solutions | -0.1 | 6.9 | 1.5 | -10.3 | -5.1 | 7.6 | 3.3 | -4.2 |
| Group's non-allocated expenses/ income | | | | | | | | |
| General & Administrative expenses | -12.1 | -7.6 | -8.2 | -7.2 | -9.5 | -8.3 | -9.2 | -10.1 |
| Other expenses | 0.0 | -0.3 | -0.1 | -0.7 | 0.2 | -0.1 | - | - |
| Opera- | | | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ting income, total | -23.4 | -3.3 | -11.5 | -38.3 | -11.8 | 0.3 | 0.6 | -9.5 |
| Restructuring expenses recognized in segment's operating income | | | | | | | | |
| Consumer Electronics | -15.6 | -1.5 | 0.0 | -7.2 | -8.1 | - | - | - |
| System Solutions | -5.7 | 0.0 | -0.4 | -5.8 | -5.4 | - | - | - |
| Group's non-allocated expenses/ income | 0.0 | -0.2 | 0.0 | -0.6 | - | - | - | - |
| Restructuring expenses, total | -21.3 | -1.7 | -0.4 | -13.6 | -13.5 | - | - | - |
| Financial income and expenses | -12.9 | -4.1 | -11.9 | -11.5 | -13.3 | -7.0 | -6.1 | -6.0 |
| Share of profits and losses of associates | 0.0 | -0.1 | 0.0 | 0.0 | 0.0 | -0.1 | - | - |
| Income before taxes | -36.4 | -7.5 | -23.4 | -49.9 | -25.2 | -6.8 | -5.5 | -15.4 |