

BASWARE INTERIM REPORT JANUARY 1 – JUNE 30, 2012 (IFRS)**SUMMARY****January-June H1/2012: Strong growth in service business continues**

- Net sales EUR 56 153 thousand (EUR 53 338 thousand) – growth 5.3 percent
- Operating profit EUR 3 120 thousand (EUR 5 788 thousand) – decrease of 46.1 percent
- Operating profit 5.6 percent of net sales (10.9%)
- Growth of Automation Services (SaaS and e-Invoicing) 46.0 percent
- Recurring revenue (including Maintenance and Automation Services) 55.1 percent (47.9%) of net sales
- Cash flow from operating activities EUR 9 946 thousand (EUR 15 800 thousand)
- Earnings per share (diluted) EUR 0.19 (0.35) – decrease of 46.6 percent

April-June Q2/2012:

- Net sales EUR 28 718 thousand (EUR 27 280 thousand) – growth 5.3 percent
- Operating profit EUR 1 298 thousand (EUR 2 832 thousand) – decrease 54.2 percent
- Operating profit 4.5 percent of net sales (10.4%)
- Growth of Automation Services (SaaS and e-invoicing) 45.6 percent
- The estimated revenue to be recognized for current Automation Services agreements that are in production as well as for new, signed agreements in the next twelve months is EUR 27.0 million, growth from previous quarter 9.7 percent
- Recurring revenue (including Maintenance and Automation Services) 54.7 percent (47.6%) of net sales
- Earnings per share (diluted) EUR 0.07 (0.17) – decrease of 56.1 percent

Basware expects its net sales for 2012 to grow from the previous year, and operating profit (EBIT) is expected to be EUR 8–13 million. The company estimates that its net sales for the latter half of the year will see a stronger growth than for the ended review period.

Previously, the company expected its net sales for 2012 to grow from the previous year, and operating profit (EBIT) to be EUR 8–18 million.

The interim report is unaudited.

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GROUP KEY FIGURES

EUR thousand	4-6/ 2012	4-6/ 2011	Change, %	1-6/ 2012	1-6/ 2011	Change, %	1-12/ 2011
Net sales	28 718	27 280	5.3%	56 153	53 338	5.3%	107 750
EBITDA	2 793	4 111	-32.1%	5 981	8 305	-28.0%	17 284
Operating profit before IFRS3 amortization	1 847	3 333	-44.6%	4 302	6 791	-36.7%	14 290
Operating profit	1 298	2 832	-54.2%	3 120	5 788	-46.1%	12 280
% of net sales	4.5%	10.4%		5.6%	10.9%		11.4%
Profit before tax	1 296	2 904	-55.4%	3 214	5 834	-44.9%	12 332
Profit for the period	949	2 162	-56.1%	2 425	4 430	-45.3%	9 671
Return on equity, %	3.9%	9.3%		4.9%	11.0%		11.6%
Return on investment, %	5.7%	12.5%		6.7%	14.3%		14.9%
Liquid assets *)	31 630	47 661	-33.6%	31 630	47 661	-33.6%	42 977
Gearing, %	-32.0%	-48.1%		-32.0%	-48.1%		-42.3%
Equity ratio, %	74.4%	75.1%		74.4%	75.1%		81.9%
Earnings per share, EUR	0.07	0.17	-56.1%	0.19	0.35	-46.7%	0.76
Earnings per share (diluted), EUR	0.07	0.17	-56.1%	0.19	0.35	-46.6%	0.76
Parent company's shareholders' equity per share, EUR	7.56	7.32	3.2%	7.56	7.32	3.2%	7.76

*) Includes cash, cash equivalents and financial assets at fair value through profit or loss

Reporting

Basware Corporation reports one operating segment: Purchase to Pay, P2P.

Basware reports income for products and services as follows: License sales, Professional Services, Maintenance and Automation Services. License sales consists of Purchase to Pay product family together with payment, financial planning and reporting solutions sold only in Finland. Automation Services include e-Invoicing, scanning services, printing services, catalogue management, purchase message exchange, activation services and Software as a Service (SaaS) services.

Basware reports the estimated revenue to be recognized for current Automation Services agreements that are in production as well as for new, signed agreements in the next twelve months. Automation Services agreements typically expand several years or are valid until further notice.

As geographic information Basware reports geographical areas Finland, Scandinavia, rest of the Europe and Other. In the geographical information net sales is split by customer's location. Net sales and operating profit are also reported by the location of the assets. In annual financial statements the geographical information of non-current assets is reported by the location of the assets.

CEO Esa Tihilä comments in conjunction with the Interim Report:

"The company's ongoing transition process from a software company to a service company is proceeding according to plan. For example, during the first half of the year we connected more than

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1 000 net sales-generating customers that send invoices and 125 new invoice-receiving customers to e-invoicing service production.

Our corporate performance is currently influenced by the decrease in license sales and the planned investments required by the growth and transformation process.

During the second quarter, our net sales increased by 5.3% to EUR 28.7 million, with our operating profit amounting to EUR 1.3 million. Even though our product sales decreased by EUR 1.0 million during the second quarter compared with the corresponding period the previous year, Basware Purchase-to-Pay (P2P) license sales were on a par with last year. In addition, the increase of EUR 1.8 million in Automation Services during the second quarter compensated for the decrease in license sales.

The strong growth in Automation Services continued during the second quarter. Growth in services was largely generated in the international market. The transaction volume processed by Automation Services amounted to 8.2 million during the quarter, up 63.4%. Automation Services account for 20.4% of net sales. Recurring revenue (Maintenance and Automation Services) accounted for an increasing share of net sales compared to the previous year, totaling 54.7% of net sales.

Sales of Software as a Service solutions are increasing at a steady rate, with an increasing number of agreements made as SaaS services and the demand for license sales shifting towards service solutions. We have secured new multi-year SaaS and e-invoicing service agreements with a value of EUR 17.9 million during the first two quarters. Basware Alusta, cloud-based platform for Purchase-to-Pay technology launched during the first quarter, has been received well by our customers.

Our performance during the first two quarters gives a strong foundation for reaching the growth objectives of Automation Services during the rest of the year. The company's growth is expected to speed up during the remainder of the year, supported by the growth in Automation Services, and the results of the transformation will begin to be visible in increasing net sales and profit."

Market outlook and operating environment

According to the most recent market estimates the software market is expected to grow 6.0 percent globally (previous estimate 6.2%) and 7.4 percent in the U.S. (previous estimate 8.0%). The entire IT services market is expected to grow by 4.7 percent globally (forecast unchanged) and by 7.3 percent in the U.S. (forecast unchanged) in 2012. According to research companies, the software market is expected to grow globally in 2013 at a rate of 7.0 percent, IT services by 5.6% and the IT market as a whole by 6.7 percent.

The number of acquisitions and partnerships has increased in the market. Companies active in the market are trying to strengthen their supplier networks and expand geographically. Consolidation is expected to continue in the business environment, with the role of services growing in companies' portfolios. Basware continues active analyzing of acquisition targets especially in European e-Invoicing market according to Basware's strategy.

The launch of Basware's next generation solutions during the first quarter in 2012 will further improve the competitiveness of Basware's solutions and services. Through the acquisition of German e-Invoicing operator in January 2012 we gained innovative technology, which will improve the competitiveness of the company. Also Automation Services will have a positive impact on the competitiveness, improving the predictability and transparency of the company's net sales and profitability in the long term.

Basware aims to become a leading company in e-invoicing worldwide. E-Invoicing and the supporting services are targeted to connect suppliers and buyers also outside of Basware's existing software

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customer base, leading into a higher potential. The penetration rate of e-Invoicing is low, between 5-30 percent depending on the country, which creates a solid foundation for the future growth of Basware Automation Services.

The role of offshoring operations will continue to grow in the company's strategy. R&D and Automation Services operations at Basware's Indian office have already succeeded in gaining a significant role. The company has developed its offshoring operations in order to improve profitability also with regard to new service business operations and internal support functions.

NET SALES

Basware Group's net sales for the period increased by 5.3 percent to EUR 56 153 thousand (EUR 53 338 thousand). The growth in comparable currencies was 3.5 percent.

During the second quarter, net sales increased by 5.3 percent to EUR 28 718 (EUR 27 280). The growth in comparable currencies was 3.1 percent.

Information of products and services:

Net sales (EUR thousand)	4-6/ 2012	4-6/ 2011	Change, %	1-6/ 2012	1-6/ 2011	Change, %	1-12/ 2011
License Sales	4 465	5 474	-18.4	8 543	10 288	-17.0	20 874
Maintenance	9 848	8 943	10.1	19 626	17 822	10.1	36 247
Professional Services	8 536	8 833	-3.4	16 673	17 483	-4.6	34 179
Automation Services	5 869	4 030	45.6	11 311	7 745	46.0	16 449
Group total	28 718	27 280	5.3	56 153	53 338	5.3	107 750

The Company's license sales decreased by 17.0 percent during the period, accounting for 15.2 percent (19.3%) of net sales. Purchase-to-Pay (P2P) license sales, included in license sales, decreased by 8.2%. SaaS sales, reported in Automation Services, grew by 22.7 percent. Maintenance revenue increased by 10.1 percent and accounted for 35.0 percent (33.4%) of net sales. Professional Services revenue decreased by 4.6 percent and accounted for 29.7 percent (32.8%) of net sales.

During the period, Automation Services increased by 46.0 percent and accounted for 20.1 percent (14.5%) of net sales. The transaction volume processed by the Automation Services business continued to increase and it was 16.0 million during the reporting period, growth of 69.8 percent. The estimated revenue to be recognized for current Automation Services agreements that are in production as well as for new, signed agreements in the next twelve months is EUR 27.0 million (growth of 9.7 percent from the estimate made at the end of last quarter).

The international share of Basware's net sales was 55.8 percent (53.4%) in the period. International operations grew by 9.9 percent (7.0%).

FINANCIAL PERFORMANCE

Basware's operating profit for the period decreased by 46.1 percent to EUR 3 120 thousand (EUR 5 788 thousand). Operating profit represented 5.6 percent (10.9%) of net sales.

Operating profit for the second quarter decreased by 54.2 percent to EUR 1 298 thousand (EUR 2 832 thousand). Operating profit represented 4.5 percent (10.4%) of net sales.

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Basware recognized a provision of EUR 1 203 thousand related to the restructuring of operations in the fourth quarter of 2011. Negotiations on the restructuring are mainly complete, and EUR 103 thousand of the provision remains unused. The purpose of the arrangement is to allow possibilities for additional investments needed for strategic growth markets.

The Company's fixed costs were EUR 46 270 thousand (EUR 41 440 thousand) in the period, up 11.7 percent on the corresponding period the previous year. Personnel costs made up 72.1 percent (74.2%) or EUR 33 354 thousand (EUR 30 742 thousand) of the fixed costs. Bad debt and change in bad debt provision are included in fixed costs. Bad debt provision at the end of the second quarter amounted to EUR 1 423 thousand (EUR 970 thousand) on the balance sheet.

The research and development expenses amounted to EUR 8 629 thousand (EUR 7 970 thousand), or 15.4 percent (14.9%) of net sales. The expenses grew by 8.3 compared with the corresponding period in previous year. Research and development expenses capitalized during the period amounted to EUR 2 486 thousand (EUR 1 819 thousand). Basware's research and development costs for the period totaled EUR 6 144 thousand (EUR 6 151 thousand), or 10.9 percent (11.5%) of net sales.

The Company's finance income and finance expenses were EUR 95 thousand (EUR 45 thousand). Profit before tax was EUR 3 214 thousand (EUR 5 834 thousand) and profit for the period was EUR 2 425 thousand (EUR 4 430 thousand) or 4.3 percent (8.3%) of net sales. Taxes for the period amounted to EUR 789 thousand (EUR 1 404 thousand). Undiluted earnings per share were EUR 0.19 (EUR 0.35).

FINANCE AND INVESTMENTS

Basware Group's total assets on the balance sheet at the end of the period were EUR 130 210 thousand (EUR 125 200 thousand). The Company's cash and liquid assets were EUR 31 630 thousand (EUR 47 661 thousand), of which cash and cash equivalents were EUR 31 630 thousand (EUR 32 569 thousand).

Equity ratio was 74.4 percent (75.1%) and gearing was -32.0 percent (-48.1%). The Company's interest-bearing liabilities totaled EUR 604 thousand (EUR 2 462 thousand), of which current liabilities accounted for EUR 199 thousand (EUR 1 862 thousand). Return on investment was 6.7 percent (14.3%) and return on equity 4.9 percent (11.0%).

Cash flows from operating activities were EUR 9 946 thousand (EUR 15 800 thousand). Cash flows from investments were EUR -15 174 thousand (EUR -2 585 thousand).

The Company's capital expenditure, resulting from regular additional and replacement investments required for growth, was EUR 705 thousand (EUR 1 297 thousand) in the period. Gross investments which include - in addition to those mentioned above - the acquisition as well as capitalized research and development expenses totaled EUR 16 037 thousand (EUR 3 116 thousand).

Amortization of intangible assets totaled EUR 2 503 thousand (EUR 2 217 thousand). There are no indications of impairments of assets.

On January 17, 2012 Basware acquired the entire share capital of e-Invoicing operator First Businesspost GmbH. The acquisition price was paid in cash in connection with the closing of the acquisition so that 20 percent of the debt free price was paid to an escrow account. The escrow agreement is in place until the end of January 2013. Basware consolidated First Businesspost's figures into its net sales and profit as of January 1, 2012. The acquisition price to be allocated amounts to approximately EUR 12.5 million. EUR 2.6 million associated with customer relationships and associated

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with acquired technology has been allocated to intangible assets, taking deferred tax liabilities into consideration. The value associated with customer relationships is amortized in seven years and value associated with technology in five years, starting in the first quarter of 2012. The purchase price includes approximately EUR 9.1 million of goodwill. The allocation of the purchase price also takes into account the deferred tax assets of EUR 0.8 million related to the utilization of retained losses. The allocation of the acquisition purchase price is preliminary.

The Annual General Meeting decided to authorize the Board of Directors to decide on repurchase of company's own shares in accordance with the proposal of the Board of Directors. By virtue of the authorization, the Board of Directors is entitled to decide on repurchasing a maximum of 1 290 000 company's own shares. The Repurchase Authorization shall be valid until June 30, 2013. A separate stock exchange release has been sent on February 16, 2012. The company has repurchased 49 114 own shares by June 30, 2012 and the total amount of own shares held by the company on June 30, 2012 is 106 875.

RESEARCH, DEVELOPMENT AND NEW PRODUCTS

The research and development expenses amounted to EUR 8 629 thousand (EUR 7 970 thousand), or 15.4 percent (14.9%) of net sales. The expenses grew by 8.3% compared with the corresponding quarter in previous year. Research and development expenses capitalized during the period amounted to EUR 2 486 thousand (EUR 1 819 thousand). Basware's research and development costs for the period totaled EUR 6 144 thousand (6 151 thousand), or 10.9 percent (11.5%) of net sales.

The development of the next generation of software, Basware Alusta, had an effect on the amount of capitalized research and development costs.

Basware Alusta, a cloud-based platform for Purchase-to-Pay technology, was launched in early 2012. Basware Alusta is a flexible, new technology that is designed to bring together Basware's B2B process knowledge with its cloud services optimized to ensure easy connectivity with the Open Network to companies of all sizes. Basware Alusta is also strongly offered as a service and supports Basware's strategic transformation to a services company. It will also have a positive impact on the competitiveness of Basware in the long run.

A total of 345 (292) people worked in R&D of which 163 people in India at the end of June 2012. The number of the R&D personnel is expected to grow moderately in the future.

PERSONNEL

Basware employed 1 270 (1 005) people on average during the period and 1 323 (1 064) at the end of the period. The number of personnel increased by 259 persons and by 24.3 percent compared with the same period the previous year. The increase in the number of personnel is mainly due to the increase in the number of employees in the Indian unit and the personnel joining Basware through the acquisition of a German e-Invoice operator.

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Geographical division of personnel:

Personnel (employed, on average)	4-6/ 2012	4-6/ 2011	Change, %	1-6/ 2012	1-6/ 2011	Change, %	1-12/ 2011
Finland	474	455	4.0	468	443	5.6	454
Scandinavia	127	119	7.0	127	119	6.1	119
Rest of the Europe	170	142	20.0	170	139	22.1	137
India	459	272	68.6	437	240	81.9	284
Other	69	63	10.6	69	63	9.5	64
Group total	1 299	1 050	23.6	1 270	1 005	26.3	1 058

Basware recognized a provision of EUR 1 203 thousand related to the restructuring of operations in the fourth quarter of 2011. Negotiations on the restructuring are mainly complete, and EUR 103 thousand of the provision remains unused. The purpose of the arrangement is to allow possibilities for additional investments needed for strategic growth markets.

The share of personnel working in foreign units has increased compared with the previous year. At the end of the period, 64.0 percent (56.8%) of Basware personnel worked outside of Finland and 36.0 percent (43.2 %) in Finland. 11.1 percent of the personnel work in sales and marketing, 56.4 percent in consulting and services, 26.1 percent in Products, and 6.4 percent in administration.

The average age of employees is 33.9 (34.5) years. Of the employees, 25.4 percent have a Master's degree and 31.0 percent have a Bachelor's degree. Women account for 23.3 percent of employees, men for 76.7 percent. For incentive purposes, the company has a bonus program that covers all employees.

The short-term remuneration of the top management consists of salary, fringe benefits and a possible annual bonus based on performance. Long-term remuneration of the top management consists of warrants and a share-based incentive scheme. The bonus based on performance is no more than 50 percent of annual basic salary. The bonus based performance percentage is not limited in the CEO's contract of employment. The bonus is determined on the basis of the attainment of goals supporting to the company's growth and profitability according to its strategy, and personal objectives. The Board of Directors monitors the fulfillment of the performance and result criteria of the incentive scheme twice a year and approves the bonus to be paid.

A share-based incentive scheme was in use in 2009–2011. The possible reward of the share-based incentive scheme for the vesting period 2009–2011 is based on Basware Corporation's earnings per share (EPS). The bonus for the vesting period 2009 was paid in December 2011, the bonus for the vesting period 2010 will be paid in December 2012, and the bonus for the vesting period 2011 in December 2013, partially as shares in the company and partially in cash. The bonus of the share-based incentive scheme is paid two years after the end of the vesting period, and therefore no other restrictions are associated with the ownership of the shares received.

The Board of Directors of Basware Corporation has approved a new share-based incentive plan for the Basware Group key personnel on February 17, 2012. The aim of the plan is to combine the objectives of the shareholders and the key personnel in order to increase the value of the company, commit the key personnel to the company, and offer them a competitive reward plan based on shareholding in the company. The Board of Directors encourages the Basware Executive Team members to hold shares in the company equaling the value of annual gross base salary.

The system includes three earning periods, calendar years 2012, 2013 and 2014. The system comprises annual earning periods 2012, 2013, and 2014 and fixed earning period 2012–2014.

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Members of Basware Executive Team may be allocated additional shares without consideration against shareholding during the earning period 2012–2014.

The Board of Directors decides on the earnings criteria and related targets separately for each annual earning period at the beginning of the earning period. There are employment-related conditions for eligibility for reward payment.

GEOGRAPHICAL INFORMATION

Geographical division of net sales and operating profit is presented in the summary of financial statements and notes. As geographic information Basware reports geographical areas Finland, Scandinavia, rest of the Europe and Other.

Sales of software as a service solutions are increasing at a steady rate, with an increasing number of deals being made as SaaS services and the demand for license sales shifting towards service solutions. During the first half of the year, new, multi-year SaaS and e-invoicing service agreements were concluded in all geographical areas. The strong growth in Automation Services continued during the second quarter. Growth in services was largely generated in the international market.

OTHER EVENTS OF THE PERIOD

Strategy

Basware continues the realization of the 4-year-period strategy published in January 2011. The company focuses on strong international growth through organic growth and acquisitions.

The company aims to be the leading e-Invoice company worldwide. Acquisitions will support the growth of the e-Invoicing service. Its annual volume in 2011 amounted to 20.8 million transactions. The e-Invoicing market is growing strongly, and Basware aims to reach the 100 million invoice mark by the end of 2014. Through the acquisition of a German e-Invoicing operator in January 2012 Basware is able to complement its offering through innovative technology to turn also accounts receivable into electronic format. This expands our growth potential and delivers value also for our existing customers globally.

We restructured our organization during the last quarter of 2011 and adopted a globally managed function-based organization as of January 1, 2012. The change in the operating model allows Basware to implement its strategy more efficiently, clarify the functions and utilize the growth opportunities offered by the market. We will seek entirely new customer groups with segment-based customer account management and product and service portfolio. According to Basware's view, the significance of the service concept will continue its solid growth in the future as well, which is the reason for marketing the company's next-generation product concept strongly also as services. Basware has adjusted its pricing model to be very flexible according to customer needs. From now on, software solutions will be available to customers with one-time license fee, monthly subscription, and according to the SaaS model.

The role of offshoring operations will continue to grow in the company's strategy. R&D and Automation Services operations at Basware's Indian office have already succeeded in gaining a significant role. The company has developed offshoring in order to improve profitability also with regard to new service business operations and internal support functions.

The new strategic guidelines facilitate strong international growth and positive development of operating profit margin. The long term target is to grow annually 15-30 percent in net sales and more than 50

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percent in Automation Services. The company's long-term target for operating profit margin is 15-20 percent improving towards the end of the period.

SHARE AND SHAREHOLDERS

Basware Corporation's share capital totaled EUR 3 528 368.70 at the end of the period and the number of shares was 12 931 229.

The Board of Directors of Basware Corporation decided to start repurchase of own shares on February 16, 2012. Under the authorization, the Board of Directors may decide on the repurchase of a maximum of 1,290,000 shares in the company. The authorization to repurchase shares is valid until June 30, 2013. The company had repurchased 49 114 of its shares by June 30, 2012, after which the company held 106 875 treasury shares on June 30, 2012. The repurchased shares will be mainly used as a part of Basware Corporation's incentive program.

The company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through public trading on NASDAQ OMX Helsinki Ltd at the market price prevailing at the time of acquisition. The shares shall be repurchased and paid for in accordance with the rules of NASDAQ OMX Helsinki Ltd and Euroclear Finland Ltd.

Share price and trade

During the reporting period, the highest price of the share was EUR 24.00 (EUR 27.90), the lowest was EUR 16.70 (EUR 23.02) and the closing price was EUR 22.45 (EUR 27.85). The average price of the share was EUR 20.31 (EUR 25.76) during the period.

A total of 994 328 (3 326 886) shares were traded during the period, equivalent to 7.7 percent (26.6%) of the average number of shares. Market capitalization with the period's closing price on June 30, 2012 was EUR 287 906 747 (EUR 357 619 873).

Shareholders

Basware had 14 732 (15 332) shareholders on June 30, 2012 including nominee-registered holdings (10). Nominee-registered holdings accounted for 12.5 percent (11.7%) of the total number of shares.

The company holds 106 875 Basware Corporation shares, corresponding to approximately 0.8% of all shares in the company.

Share holdings of the Executive Team and Board of Directors members

According to the share register maintained by Euroclear Finland Ltd, CEO Esa Tihilä holds 6 225 shares in Basware Corporation, Matti Copeland 2 771 shares, Mika Harjuaho 4 375 shares, Steve Muddiman 4 462 shares and Jukka Virkkunen 1 575 shares on June 30, 2012. Other members of the Executive Team did not hold shares in Basware Corporation.

According to the share register maintained by Euroclear Finland Ltd, Hannu Vaajoensuu held 758 076, Pentti Heikkinen 2 609, Ilkka Sihvo 881 675, Eeva Sipilä 1 593 and Anssi Vanjoki 5 000 shares in Basware Corporation on June 30, 2012.

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GOVERNANCE

The Annual General Meeting of Shareholders on February 16, 2012, confirmed the number of Board members as five. The Annual General Meeting resolved to agree on the proposal to elect Ilkka Sihvo, Pentti Heikkinen, Eeva Sipilä, Hannu Vaajoensuu and Anssi Vanjoki as members of the Board of Directors. In its first meeting held after the Annual General Meeting, the Board of Directors elected Hannu Vaajoensuu as chairman and Ilkka Sihvo as vice chairman of the Board.

The Annual General Meeting further resolved to elect Ernst & Young Oy, Authorized Public Accountants as the auditor, with APA Heikki Ilkka in charge and APA Terhi Mäkinen as the deputy auditor.

Authorizing the Board of Directors to decide on the repurchase of the company's own shares

The Annual General Meeting decided to authorize the Board of Directors to decide on repurchase of company's own shares in accordance with the proposal of the Board of Directors. By virtue of the authorization, the Board of Directors is entitled to decide on repurchasing a maximum of 1 290 000 company's own shares. The company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through public trading on NASDAQ OMX Helsinki Ltd at the market price prevailing at the time of acquisition. The shares shall be repurchased and paid for in accordance with the rules of NASDAQ OMX Helsinki Ltd and Euroclear Finland Ltd. The shares shall be repurchased for use as consideration in possible acquisitions or other arrangements related to the company's business, as financing for investments or as part of the company's incentive program or to be held by the company, to be conveyed by other means or to be cancelled. The Board of Directors shall decide on other terms and conditions related to the repurchase of the company's own shares. The Repurchase Authorization shall be valid until June 30, 2013.

Authorizing the Board of Directors to decide on share issue as well as on the issuance of options and other special rights entitling to shares

The Annual General Meeting decided to authorize the Board of Directors to decide on issuing new shares and/or conveying the company's own shares held by the company and/or granting special rights entitling to shares pursuant to Chapter 10, Section 1 of the Finnish Companies Act in accordance with the proposal of the Board of Directors.

The Board of Directors shall decide on all other related to the authorization. The authorizations shall be valid until June 30, 2013. A separate stock exchange release has been sent on February 16, 2012.

The company issues a Corporate Governance Statement for 2011, composed in accordance with Recommendation 51 of the new Corporate Governance Code and Chapter 2, Section 6 of the Finnish Securities Market Act. The Corporate Governance Statement is issued separately from the company's annual report.

The Corporate Governance Statement can be read at:

http://www.basware.com/Investors/corporate_governance/Pages/default.aspx

Basware Executive Team as of April 1, 2012

Esa Tihilä, CEO; Matti Copeland, Senior Vice President, Strategy; Mika Harjuaho, CFO; Henrik Hasselbalch, Senior Vice President, Professional Services; Mari Heusala, Senior Vice President, HR&Dev; Jorma Kemppainen, Senior Vice President, Products; Pekka Lindfors, Senior Vice President,

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Volume Sales; Steve Muddiman, Senior Vice President, Global Marketing; Riku Roos, Senior Vice President, Automation Services; Matti Rusi, Senior Vice President, Support and Jukka Virkkunen, Senior Vice President, Enterprise Sales.

SHORT-TERM RISKS AND UNCERTAINTY FACTORS

In accordance with Basware's risk management policy, risks are divided into six categories: risks related to business operations, products, personnel as well as legal, financial and data security risks. Basware takes risks that are a natural part of its strategy and objectives. These risks are managed and decreased in various ways. Short-term risks are considered to be risks in the current reporting year.

During 2012, the company will be undergoing a strong transformation from a software company into a service company, which will change our operating methods, solutions, and services, and require additional investments.

The global economy and markets are unstable, which may result in a decrease in the demand for license sales and services. In addition, the conversion of license sales to SaaS solutions may have an increasingly negative effect on the growth in net sales, especially with the company's next-generation software family, Basware Alusta which was launched during the first quarter of 2012. The shift in demand from license sales towards SaaS solutions will support the long-term growth targets of the Automation Services business in the future.

Competitiveness in acquiring new customers is fundamental to the growth pursued by the company. Basware will publish a next-generation software suite during the first quarter of 2012. The next-generation software family aims to ensure Basware's product leadership in Purchase to Pay (P2P) software and services as well as increase the number of new customers.

Securing the annual maintenance and service revenue generated by the existing software customers is the foundation of the company's profitable growth. Therefore, the company aims to ensure that existing customers migrate to next-generation software and services in future financial periods in a controlled way.

The long-term target in Automation Services is annual growth of more than 50 percent. SaaS and e-invoicing are scalable business models with a high business potential. Achieving the targeted growth requires continuous strong growth in the number of customers and transaction volumes. We restructured our organization during the last quarter of 2011 and adopted a globally directed function-based organization. The change of the business model allows Basware to better utilize the growth opportunities offered by the market.

Basware has complemented its organic growth through acquisitions in line with its strategy. Ensuring the success of acquisitions is fundamental to the company's profitable growth. In implementing acquisition projects, the aim is to follow due diligence and utilize the company's internal and external expertise in the planning phase, take over phase and when integrating the acquired functions into the company's operations.

Managing the increasing costs through the cost benefits offered by offshoring sites is an essential part of the continuous improvement of the company's profitability.

Goodwill is tested for impairment during the last quarter in 2011. According to testing for asset impairment, goodwill has not been impaired, and there are no indications of impairment.

In other respects, no significant changes have taken place in Basware's short-term risks and uncertainties during the financial period.

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EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period to report.

FUTURE OUTLOOK

Operating environment and market outlook

According to the most recent market estimates the software market is expected to grow 6.0 percent globally (previous estimate 6.2%) and 7.4 percent in the U.S. (previous estimate 8.0%). The entire IT services market is expected to grow by 4.7 percent globally (forecast unchanged) and by 7.3 percent in the U.S. (forecast unchanged) in 2012. According to research companies, the software market is expected to grow globally in 2013 at a rate of 7.0 percent, IT services by 5.6% and the IT market as a whole by 6.7 percent.

Basware strategic goal is to grow more than 50% in Automation Services. During 2012, the company will be undergoing a strong transformation from a software company into a service company, which will change our operating methods, solutions, and services, and require additional investments.

The world economy and markets are unstable, which may result in a decrease in license sales and demand for services. In addition, the conversion of license sales to SaaS solutions may have an increasingly negative effect on the growth in net sales, particularly with the next-generation Basware Alusta software suite launched during the first quarter of 2012. The shift in demand from license sales towards SaaS solutions will support the long-term growth targets of the Automation Services business in the future.

Outlook for 2012

The performance of the first half of the year gives a good starting point to reach the growth targets of Automation Services during the rest of the year. Demand for recurring services (Maintenance and Automation Services) is expected to continue strong. The Basware Alusta software family is expected to improve outcome of license sales compared to the first half of the year. The resourcing and utilization rate of Professional Services are expected to develop positively as well as the net sales of Professional Services is expected to progress in a more positive manner than in the beginning of the year.

Additional investments needed for transformation and growth of Automation Services will be realized further in the end of the year according to plans, as defined in Basware strategy.

Basware expects its net sales for 2012 to grow from the previous year, and operating profit (EBIT) is expected to be EUR 8–13 million. The company estimates that its net sales for the latter half of the year will see a stronger growth than for the ended review period.

Previously, the company expected its net sales for 2012 to grow from the previous year, and operating profit (EBIT) to be EUR 8–18 million.

Espoo, Finland, July 11, 2012

BASWARE CORPORATION
Board of Directors

July 11, 2012

For more information, please contact

CEO Esa Tihilä, Basware Corporation
Tel. +358 40 480 7098

Interim Report briefing & conference call

Basware arranges a briefing on the Interim Report for the press and analysts on July 11, 2012 at 11:00 a.m. in Hotel Kämp (Kluuvikatu 2, 2nd floor), Helsinki, Finland. During this briefing CEO Esa Tihilä and CFO Mika Harjuaho will comment on the events and financial performance of the quarter. More information and registration: Sirje Ahvenlampi, Manager, Investor Relations, tel. +358 (0)50 557 3822, [sirje.ahvenlampi \(at\) basware.com](mailto:sirje.ahvenlampi@basware.com).

A conference call for analysts who are not able to attend the briefing will take place on July 11, 2012 at 3 p.m. EET:

Preregistration is required to listen to the conference call:

<http://emea.directeventreg.com/registration/event/98332524>

Preregistration is required to see the presentation during the conference call:

http://webeventservices.reg.meeting-stream.com/66082_basware

Capital Markets Day in September

Basware arranges a Capital Markets Day for investors and analysts in London on September 4, 2012. The aim of the event is to tell about Basware's strategy and operations. The program will consist of management presentations, given by the CEO Esa Tihilä and other representatives of the company's top management. More information about the event will be available on the company's website.

Distribution:

NASDAQ OMX Helsinki Ltd

Key media

www.basware.com

July 11, 2012

SUMMARY OF FINANCIAL STATEMENTS AND NOTES JANUARY 1 – JUNE 30, 2012

Basis of preparation:

The Interim Report has been prepared in accordance with the IAS 34 Interim Reports standard. The company has adopted certain new or revised IFRS standards and IFRIC interpretations at the beginning of the financial period as described in the Financial Statements for 2011. However, the adoption of these new and amended standards has not yet had an effect on the reported figures in practice. In other respects, the same accounting policies have been followed as in the Financial Statements for 2011. Key indicator calculations remain unchanged and have been presented in the 2011 Financial Statements.

Preparation of financial statements in accordance with the IFRS standards requires Basware's management to make estimates and assumptions that have an effect on the amount of assets and liabilities on the balance sheet at the closing date as well as the amounts of income and expenses for the financial period. In addition, the management must exercise its judgment regarding the application of accounting policies. Since the estimates and assumptions are based on the views at the date of the Interim Report, they include risks and uncertainties. The actual results may differ from the estimates and assumptions.

The amounts presented in the income statement and balance sheet are Group figures. The amounts presented in the release are rounded, so the sum of individual figures may differ from the sum reported. The Interim Report is unaudited.

GROUP INCOME STATEMENT

EUR thousand	1.4.– 30.6.2012	1.4.– 30.6.2011	Change, %	1.1.– 30.6.2012	1.1.– 30.6.2011	Change, %	1.1.– 31.12.2011
NET SALES	28 718	27 280	5.3	56 153	53 338	5.3	107 750
Other operating income	58	41	42.2	116	83	39.1	172
Materials and services	-1 957	-1 727	13.3	-4 018	-3 676	9.3	-7 788
Employee benefits expense	-17 282	-16 004	8.0	-33 354	-30 742	8.5	-61 575
Depreciation and amortization	-1 495	-1 279	16.9	-2 861	-2 517	13.7	-5 004
Other operating expenses	-6 745	-5 478	23.1	-12 916	-10 698	20.7	-21 275
Operating profit	1 298	2 832	-54.2	3 120	5 788	-46.1	12 280
Finance income	75	125	-40.1	221	175	25.8	510
Finance expenses	-76	-53	44.7	-126	-130	-2.8	-458
Profit before tax	1 296	2 904	-55.4	3 214	5 834	-44.9	12 332
Tax on income from operations	-347	-742	-53.2	-789	-1 404	-43.8	-2 661
PROFIT FOR THE PERIOD	949	2 162	-56.1	2 425	4 430	-45.3	9 671
Other comprehensive income:							
Exchange differences on translating foreign operations	503	57	782.5	501	-282	-277.7	368
Income tax relating to components of other comprehensive income	207	35	491.4	199	204	-2.5	54
Other comprehensive income, net of tax	710	92	671.7	700	-78	-997.4	422
TOTAL COMPREHENSIVE INCOME	1 659	2 254	-26.4	3 125	4 352	-28.2	10 093

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EUR thousand	1.4.– 30.6.2012	1.4.– 30.6.2011	Change, %	1.1.– 30.6.2012	1.1.– 30.6.2011	Change, %	1.1.– 31.12.2011
Profit attributable to:							
Equity holders of the parent company	949	2 162	-56.1	2 425	4 430	-45.3	9 671
	949	2 162	-56.1	2 425	4 430	-45.3	9 671
Total comprehensive income attributable to:							
Equity holders of the parent company	1 659	2 254	-26.4	3 125	4 352	-28.2	10 093
	1 659	2 254	-26.4	3 125	4 352	-28.2	10 093
Earnings per share (undiluted), EUR	0.07	0.17	-56.1	0.19	0.35	-46.7	0.76
Earnings per share (diluted), EUR	0.07	0.17	-56.1	0.19	0.35	-46.6	0.76

GROUP BALANCE SHEET

EUR thousand	30.6.2012	30.6.2011	Change, %	31.12.2011
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	23 144	18 543	24.8	19 208
Goodwill	41 638	32 148	29.5	32 210
Tangible assets	1 488	1 175	26.6	1 244
Available-for-sale investments	38	38	0.0	38
Long-term trade and other receivables	1	0	0.0	0
Deferred tax assets	2 648	2 091	26.7	2 680
Non-current assets	68 958	53 995	27.7	55 379
CURRENT ASSETS				
Inventories	130	166	-21.4	143
Trade and other receivables	28 327	23 156	22.3	23 091
Income tax receivables	1 164	222	424.9	374
Financial assets at fair value through profit or loss	0	15 093	-100.0	0
Cash and cash equivalents	31 630	32 569	-2.9	42 977
Current assets	61 252	71 205	-14.0	66 586
TOTAL ASSETS	130 210	125 200	4.0	121 966

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EUR thousand	30.6.2012	30.6.2011	Change, %	31.12.2011
EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	3 528	3 528	0.0	3 528
Share premium account	1 187	1 187	0.0	1 187
Own shares	-1 379	-629	-119.3	-429
Fair value reserve and other reserves	62 503	62 716	-0.3	62 516
Translation differences	-389	-1 766	78.0	-1 266
Retained earnings	31 442	28 988	8.5	34 340
Shareholders' equity	96 893	94 025	3.1	99 877
NON-CURRENT LIABILITIES				
Deferred tax liability	1 790	2 424	-26.2	2 079
Interest-bearing liabilities	405	599	-32.4	524
Non-interest-bearing liabilities	754	1 142	-34.0	486
Non-current liabilities	2 948	4 165	-29.2	3 090
CURRENT LIABILITIES				
Interest-bearing liabilities	199	1 862	-89.3	158
Trade payables and other liabilities	29 170	24 741	17.9	16 765
Tax liability from income tax	693	406	70.5	873
Provisions	308	0	0.0	1 203
Current liabilities	30 369	27 010	12.4	19 000
TOTAL EQUITY AND LIABILITIES	130 210	125 200	4.0	121 966

GROUP STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

EUR thousand	Share- holder capital	Share issue	Share premium account	Own shares	Inv.non- restricted equity	Other reserves	Translation differences	Retained earnings	Total
SHAREHOLDERS' EQUITY 1.1.2011									
	3 507	255	1 187	-629	34 263	540	-1 688	29 644	67 079
Compr. income							-78	4 430	4 352
Dividend distribution								-5 120	-5 120
Share issue					27 345				27 345
Granted warrants								234	234
Changes in rep. period	21	-255			568			-199	135
SHAREHOLDERS' EQUITY 30.6.2011	3 528	0	1 187	-629	62 176	540	-1 766	28 988	94 025
SHAREHOLDERS' EQUITY 1.1.2012									
	3 528	0	1 187	-429	61 976	540	-1 266	34 340	99 877
Compr. income							877	2 247	3 125
Dividend distribution								-5 278	-5 278
Changes in rep. period				-950	-13			133	-830
SHAREHOLDERS' EQUITY 30.6.2012	3 528	0	1 187	-1 379	61 963	540	-389	31 442	96 893

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GROUP CASH FLOW STATEMENT

EUR thousand	1.1.– 30.6.2012	1.1.– 30.6.2011	1.1.– 31.12.2011
Cash flows from operating activities			
Profit for the period	2 425	4 430	9 671
Adjustments for profit	3 707	3 916	7 613
Working capital changes	6 157	9 810	2 456
Interest paid	-5	-28	-285
Interest received	101	166	483
Other financial items in operating activities	-28	-94	-285
Income taxes paid	-2 412	-2 401	-4 446
Net cash from operating activities	9 946	15 800	15 207
Cash flows from investing activities			
Purchase of tangible and intangible assets	-3 195	-2 585	-5 631
Acquired subsidiaries	-11 978	0	0
Net cash used in investing activities	-15 174	-2 585	-5 631
Cash flows from financing activities			
Share issue	0	27 679	28 063
Purchase of own shares	-963	0	0
Repayments of short-term loans	-88	0	0
Repayments of long-term borrowings	0	-1 775	-3 550
Dividends paid	-5 278	-5 120	-5 120
Net cash used in financing activities	-6 329	20 784	19 393
Net change in cash and cash equivalents according to cash flow statement			
	-11 556	33 999	28 969
Cash and cash equivalents at beginning of period	42 977	13 822	13 822
Effects of exchange rate changes on cash and cash equivalents	209	-159	187
Cash and cash equivalents at end of period	31 630	47 661	42 977

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GROUP QUARTERLY INCOME STATEMENT

EUR thousand	1-3/ 2012	1-3/ 2011	4-6/ 2012	4-6/ 2011	7-9/ 2011	10-12/ 2011
NET SALES	27 435	26 058	28 718	27 280	24 185	30 227
Other operating income	58	42	58	41	43	46
Materials and services	-2 061	- 1 948	-1 957	-1 727	-1 933	-2 179
Employee benefit expenses	-16 072	-14 738	-17 282	-16 004	-13 293	-17 539
Depreciation and amortization	-1 366	- 1 237	-1 495	-1 279	-1 270	- 1 218
Other operating expenses	-6 171	- 5 219	-6 745	-5 478	-4 694	-5 883
Operating profit	1 822	2 957	1 298	2 832	3 038	3 454
%	6.6%	11.3%	4.5%	10.4%	12.6%	11.4%
Finance income	146	51	75	125	102	232
Finance expenses	-50	-77	-76	-53	-115	-213
Profit before tax	1 918	2 930	1 296	2 904	3 024	3 473
%	7.0%	11.2%	4.5%	10.6%	12.5%	11.5%
Income tax expense	-442	-662	-347	-742	-723	-533
PROFIT FOR THE PERIOD	1 476	2 268	949	2 162	2 301	2 940
%	5.4%	8.7%	3.3%	7.9%	9.5%	9.7%

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COMMITMENTS AND CONTINGENT LIABILITIES

EUR thousand	30.6.2012	30.6.2011	31.12.2011
Own guarantees			
Business mortgages of own debts	1 200	1 200	1 200
Commitments on behalf of subsidiaries and group companies			
Guarantees	243	1 250	1 290
Other own guarantees			
Lease liabilities			
Current lease liabilities	944	838	825
Lease liabilities maturing in 1–5 years	992	899	899
Total	1 936	1 736	1 723
Other rental liabilities			
Current rental liabilities	4 377	3 863	4 551
Rental liabilities maturing in 1–5 years	5 514	7 424	7 016
Total	9 891	11 287	11 568
Other own contingent liabilities, total	11 827	13 023	13 291

SEGMENT REPORTING

Basware Corporation reports one operating segment: Purchase to Pay, P2P. The reportable operating segment consists of the whole group, and the segment information is consistent with the group figures.

GEOGRAPHICAL INFORMATION

As geographic information Basware reports geographical areas Finland, Scandinavia, rest of the Europe and Other. In the geographical information net sales is split by customer's location. Net sales and operating profit are also reported by the location of the assets. Finland's geographical area includes the business operations in Finland, Russia, Asia-Pacific (excluding Australia) and the head office functions. Other geographical area includes the business operations in North America and Australia.

Net sales by the location of customer:

Net sales (EUR thousand)	4–6/ 2012	4–6/ 2011	Change, %	1–6/ 2012	1–6/ 2011	Change, %	1–12/ 2011
Finland	12 776	12 975	-1.5	24 816	24 831	-0.1	48 660
Scandinavia	6 257	6 048	3.4	12 473	12 132	2.8	25 381
Rest of the Europe	6 128	4 862	26.0	12 181	10 118	20.4	20 187
Other	3 558	3 395	4.8	6 683	6 257	6.8	13 522
Group total	28 718	27 280	5.3	56 153	53 338	5.3	107 750

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Geographical information by the location of assets

Net sales (EUR thousand)	4-6/ 2012	4-6/ 2011	Change, %	1-6/ 2012	1-6/ 2011	Change, %	1-12/ 2011
Finland	15 756	14 924	5.6	30 349	28 580	6.2	57 685
Scandinavia	6 337	6 241	1.5	12 719	12 337	3.1	25 693
Rest of the Europe	6 209	5 097	21.8	12 319	10 615	16.1	20 940
Other	3 299	3 235	2.0	6 224	5 846	6.4	12 737
Sales between areas	-2 882	-2 217	30.0	-5 456	-4 040	35.0	-9 305
Group total	28 718	27 280	5.3	56 153	53 338	5.3	107 750

Net sales (EUR thousand)	4-6/ 2012	4-6/ 2011	Change, %	1-6/ 2012	1-6/ 2011	Change, %	1-12/ 2011
Finland	1 095	1 752	-37.5	2 313	3 533	-34.5	6 812
Scandinavia	- 419	1 073	-139.1	464	2 194	-78.9	4 533
Rest of the Europe	485	285	70.0	746	805	-7.4	1 629
Other	304	136	124.5	17	81	-79.6	963
Operating profit between areas	-167	-413	-59.5	-420	-826	-49.2	-1 657
Group total	1 298	2 832	-54.2	3 120	5 788	-46.1	12 280

Personnel (employed, on average)	4-6/ 2012	4-6/ 2011	Change, %	1-6/ 2012	1-6/ 2011	Change, %	1-12/ 2011
Finland	474	455	4.0	468	443	5.6	454
Scandinavia	127	119	7.0	127	119	6.1	119
Rest of the Europe	170	142	20.0	170	139	22.1	137
India	459	272	68.6	437	240	81.9	284
Other	69	63	10.6	69	63	9.5	64
Group total	1 299	1 050	23.6	1 270	1 005	26.3	1 058

Net sales by business

Basware reports income for products and services as follows: License sales, Professional Services, Maintenance and Automation Services. License sales consists of Purchase to Pay product family together with payment, financial planning and reporting solutions sold only in Finland. Automation Services include e-Invoicing, scanning services, printing services, catalogue management, purchase message exchange, activation services and SaaS services.

Net sales (EUR thousand)	4-6/ 2012	4-6/ 2011	Change, %	1-6/ 2012	1-6/ 2011	Change, %	1-12/ 2011
License Sales	4 465	5 474	-18.4	8 543	10 288	-17.0	20 874
Maintenance	9 848	8 943	10.1	19 626	17 822	10.1	36 247
Professional Services	8 536	8 833	-3.4	16 673	17 483	-4.6	34 179
Automation Services	5 869	4 030	45.6	11 311	7 745	46.0	16 449
Group total	28 718	27 280	5.3	56 153	53 338	5.3	107 750

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GROUP KEY INDICATORS

Financial Performance Indicators

EUR thousand	1-6/2012	1-6/2011	1-6/2010	1-12/2011
Net sales	56 153	53 338	49 743	107 750
Growth of net sales, %	5.3%	7.2%	11.9%	4.5%
EBITDA	5 981	8 305	7 688	17 284
% of net sales	10.7%	15.6%	15.5%	16.0%
Operating profit before IFRS3 amortization	4 302	6 791	6 258	14 290
% of net sales	7.7%	12.7%	12.6%	13.3%
Operating profit	3 120	5 788	5 143	12 280
Growth of operating profit, %	-46.1%	12.6%	37.6%	-8.9%
% of net sales	5.6%	10.9%	10.3%	11.4%
Profit before tax	3 214	5 834	5 095	12 332
% of net sales	5.7%	10.9%	10.2%	11.4%
Profit for the period	2 425	4 430	3 724	9 671
% of net sales	4.3%	8.3%	7.5%	9.0%
Return on equity, %	4.9%	11.0%	12.8%	11.6%
Return on investment, %	6.7%	14.3%	16.0%	14.9%
Interest bearing liabilities	604	2 462	5 507	682
Liquid assets *	31 630	47 661	18 554	42 977
Gearing, %	-32.0%	-48.1%	-21.8%	-42.3%
Equity ratio, %	74.4%	75.1%	62.3%	81.9%
Total assets	130 210	125 200	96 171	121 966
Gross investments **	16 037	3 116	1 264	6 331
% of net sales	28.6%	5.8%	2.5%	5.9%
Capital expenditure	705	1 297	341	2 014
% of net sales	1.3%	2.4%	0.7%	1.9%
Research and development costs	8 629	7 970	7 836	16 489
% of net sales	15.4%	14.9%	15.8%	15.3%
R&D personnel at end of the period	345	292	200	311
Personnel, average for the period	1 270	1 005	812	1 058
Personnel, at end of the period	1 323	1 064	833	1 182
Growth of personnel, %	24.3%	27.7%	12.3%	29.5%

*) Includes cash, cash equivalents and financial assets at fair value through profit or loss

**) Includes capitalized R&D costs and acquisitions

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Group share indicators

	1-6/2012	1-6/2011	1-6/2010	1-12/2011
Earnings per share (basic), EUR	0.19	0.35	0.33	0.76
Earnings per share (diluted), EUR	0.19	0.35	0.32	0.76
Equity per share, EUR	7.49	7.27	5.16	7.72
Parent company's shareholders' equity per share, EUR	7.56	7.32	5.20	7.76
Price per earnings (P/E)	118.96	78.66	53.57	21.57
Share price performance, share issue adjusted				
lowest price	16.70	23.02	15.00	14.95
highest price	24.00	27.90	19.60	28.10
average price	20.31	25.76	17.66	21.58
closing price	22.45	27.85	17.50	16.45
Market capitalization at end of period	287 906 747	357 619 873	201 589 920	211 737 063
Share issue adjusted number of traded shares	994 328	3 326 886	1 385 665	5 079 523
% of average number of shares	7.7%	26.6%	12.2%	40.1%
Average number of shares				
- during the period	12 849 448	12 512 529	11 399 277	12 679 281
- at end of the period	12 931 229	12 931 229	11 609 724	12 931 229
- at end of the period, diluted	12 849 448	12 527 550	11 498 619	12 686 792

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Major shareholders, June 30, 2012

		Shares	Votes %
1.	Ilmarinen Keskinäinen Eläkevakuutusyhtiö	1 586 737	12.3
2.	Sihvo, Ilkka	881 675	6.8
3.	Eräkangas, Kirsi	827 300	6.4
	<i>Eräkangas, Kirsi</i>	<i>576 900</i>	<i>4.5</i>
	<i>Eräkangas, Lotta</i>	<i>250 400</i>	<i>1.9</i>
4.	Vaajoensuu, Hannu	673 800	5.2
	<i>Havacment Oy</i>	<i>266 500</i>	<i>2.1</i>
	<i>Vaajoensuu, Hannu</i>	<i>323 500</i>	<i>2.5</i>
	<i>Vaajoensuu, Matias</i>	<i>83 800</i>	<i>0.6</i>
5.	Perttunen, Sakari	665 900	5.1
6.	Keskinäinen Työeläkevakuutusyhtiö Varma	530 000	4.1
7.	Sijoitusrahasto Nordea Nordic Small Cap	387 585	3.0
8.	Pensionsförsäkringsaktiebolaget Veritas	372 041	2.9
9.	Op-Suomi Pienyhtiöt	366 546	2.8
10.	Fondita Nordic Micro Cap Placeringsf	363 000	2.8
11.	Pöllänen, Antti	299 023	2.3
	<i>Pöllänen, Antti</i>	<i>299 023</i>	<i>2.3</i>
12.	Sijoitusrahasto Aktia Capital	273 313	2.1
13.	Valtion Eläkerahasto	256 000	2.0
14.	Op-Delta -Sijoitusrahasto	202 500	1.6
15.	Perttunen, Meimi	175 400	1.4
16.	Sr Danske Invest Suomi Kasvuosake	174 679	1.4
17.	Fim Fenno Sijoitusrahasto	170 000	1.3
18.	Ahonen, Asko	168 736	1.3
19.	Fim Forte Sijoitusrahasto	150 000	1.2
20.	Sijoitusrahasto Evli Suomi Osake	107 489	0.8
	20 largest shareholders total	9 191 513	64.8
	Nominee registered shares	1 621 585	12.5
	Others	2 118 131	22.8
	Total	12 931 229	100.0