Ixonos Plc | Interim report | 23 April 2013, 8.30 a.m.

Interim report for the period 1 January – 31 March 2013

TURNAROUND OF THE COMPANY ADVANCES ACCORDING TO PLAN AND CONTINUES TOWARDS THE END OF THE YEAR

Review period in brief (last year figures in brackets):

- Turnover for the review period was 10.8 MEUR (17.7 MEUR), a change of -38.9 per cent.
- Operating profit was -1.9 MEUR (-10.5 MEUR including goodwill impairment of 9.2 MEUR), -17.7 per cent of turnover.
- Net profit was -1.6 MEUR (-10.2 MEUR), -15.1 per cent of turnover.
- Earnings per share were EUR -0.05 (EUR -0.46).
- Net cash flow from operating activities was -3.1 MEUR (0.4 MEUR).

Future prospects in brief

- The company keeps the guidance unchanged. Estimated turnover for 2013 to be in the range of EUR 40–50 million. Earnings before interest, taxes, depreciation and amortisation (EBITDA) for the entire year are expected to be positive. EBIT in the second half-year is estimated to be better than in the first half.

Esa Harju, President and CEO:

"The year started with a successful completion of stock rights issue, and I wish to thank our shareholders for showing continuous trust in Ixonos.

Our transition process towards restored profitability and positive cash flow has been continuing during the first quarter of the year, with a particular emphasis in adjusting our cost structure in accordance with the business outlook.

Our cash position remains challenging, and we have initiated several cost-saving actions in the company, which will start to have impact mainly from second quarter 2013 onwards. These measures include the discontinuation of our operations in China, and plans to transfer software production operations in Tallinn to the Kosice branch in Slovakia during 2013. Additionally, we needed to implement measures that unfortunately also impact our people, with the announcement of cooperation negotiations in March for our employees in Finland (which were consequently concluded in April).

We announced a number of new solutions during the first quarter. These included Ixonos Media Spark™ solution for media companies, as well as Fast video streaming solution capabilities based on Embedded Linux framework. We also announced a number of new business relationships, including Samsung, National Geographic, Sharp, Firstbeat and Marcopolo.

Going forward, we intend to pay special attention to our business development and sales capabilities, in order to stabilize our profitability and operations. There is ongoing demand for Ixonos' skills within several industries, and our future builds on our growing base of customers. Whilst the first quarter results show unprofitable operations, our profitability is expected gradually recover during the remainder of the year. We are on track with our renewal efforts."

OPERATIONS

Ixonos designs and delivers creative mobile and online solutions. We develop technologies, software and solutions for mobile devices and services. Together with our corporate customers, we design products and services that provide inspiring user experiences. We also improve the competitiveness of our client organizations by shortening the time to market for their devices and services. Our strategy is to position ourselves as a strategic partner to the leading innovators in the mobile and online industry.

We have offices in Finland, Denmark, Estonia, Germany, Great Britain, Slovakia, South Korea and the United States.

Our **Connected Devices** service area comprises of products and services for design and development of connected devices. This includes professional services in software development, testing and system integration for the mobile and embedded industries, as well as device design and consultancy services for a broad range of electronics from consumer appliances to industrial equipment.

The clientele of the Connected Devices area comprises wireless technology suppliers, mobile device manufacturers, telecommunications companies, industrial companies and entertainment electronics manufacturers operating on the international market. Customers include Nokia, Vodafone, Intel, Cargotec, Qualcomm, Huawei and others.

The **Online Solutions** service area encompasses global products and services for development of cloud services and mobile applications, including system integration and expert services for online services. In Finland, the offering is supplemented by online solutions for e-commerce, e-government and service operations.

Our clientele consists of companies in the publishing, communications, telecommunications and service sectors and also includes Finnish public administration organizations. Customers include eZ Systems, the BBC, Fonecta, Kone, Finnish Ministry of Finance, Al Jazeera and others.

Our **Design** service area includes comprehensive set of design strategy, user analysis, concept and design innovation and implementation services for brand-supporting comprehensive user experiences as well as industrial design, user interface products and services for wireless devices, multi-channel online services and cross-platform applications.

The customers of this service area include National Geographic, Samsung, Sony, Warner Brothers, MBC, Marcopolo, and others.

SEGMENT REPORTING

Ixonos reports its operations as a single segment. The reporting segment comprises the three service areas described above: Connected Devices, Online Solutions and User Experience Design. The product and service offering of the service areas make up the company’s core business, which focuses on wireless devices, online services and mobile-application R&D.

TURNOVER

Consolidated turnover for the review period was EUR 10.8 million (EUR 17.7 million), which is 38,9 per cent less than in the previous year.

The main reason for the decreased turnover was a change in strategy of the company’s biggest single customer during year 2011 and 2012. In a review period, no customer brought turnover more than one fourth.

FINANCIAL RESULT

Consolidated operating profit was EUR −1.9 million (MEUR -10.5 including goodwill impairment of MEUR 9.2) and profit before tax was EUR −2.0 million (EUR -10.6 million). Profit for the period was EUR −1.6 million (EUR -10.2 million). Earnings per share were EUR −0.05 (EUR -0.46). Cash flow from operating activities was EUR −0.10 (EUR 0.02) per share.

RETURN ON CAPITAL

Consolidated return on equity (ROE) was −75.0 per cent (-168.4 per cent) and return on investment (ROI) was −33.6 per cent (-122.2 per cent).

INVESTMENTS

Investments during the period totalled EUR 0.2 million (EUR 0.8 million).

BALANCE SHEET AND FINANCING

The balance sheet total was EUR 32.1 million (EUR 41.7 million). Shareholders' equity was EUR 9.9 million (EUR 19.2 million). The equity ratio was 30.8 per cent (46.0 per cent). The group's liquid assets at the end of the period amounted to EUR 0.7 million (EUR 0.8 million).

At the end of the review period, the balance sheet showed EUR 10.2 million (EUR 7.5 million) in bank loans. This amount includes overdraft in use.

The bank loans have covenants attached to them. These covenants are based on the equity ratio and on the proportion of interest-bearing bank loans to the 12-month rolling operating profit.

At 31 March 2013, the company did not meet the terms of the covenants. The company's non-current borrowings are therefore presented as current liabilities, in accordance with IFRS. However, the company has received waivers from its lenders for the first and second half of the year.

GOODWILL

On 31 March 2013, the consolidated balance sheet included EUR 12.4 million in goodwill. This is EUR 2.0 million less than at the end of the review period 2012. The amount of goodwill has been reduced due to impairment recognised in December 2012.

CASH FLOW

Consolidated cash flow from operating activities during the period was EUR −3.1 million (EUR 0.4 million). By 31 March 2013, the company had sold EUR 2.2 million (EUR 5.2 million) in accounts receivable so as to reduce their turnaround time.

PERSONNEL

The number of personnel averaged 568 (1,022) during the review period. At the end of the period, the company had 557 (1,010) employees. Staff decreased in Finland as well as abroad. At the end of the period, the Group had 396 employees (576) in Finnish companies, while Group companies in other countries employed 161 (434). During the first quarter, the number of employees decreased by 53.

SHARES AND SHARE CAPITAL

Share turnover and price

During the review period, the highest price of the company's share was EUR 0.68 (EUR 1.20) and the lowest price was EUR 0.29 (EUR 0.79). The closing price on 31 March 2013 was EUR 0.30 (EUR 0.98). The average price over the review period was EUR 0.41 (EUR 0.96). The number of shares traded during the review period was 4,240,625 (1,831,953), which corresponds to 12.0 per cent (12.1 per cent) of the total number of shares at the end of the period. According to the closing price on 31 March 2013, the market value of the company's shares was EUR 10,571,739 (EUR 14,800,434).

During the review period Ixonos completed a share issue directed to its present shareholders. All of the issued 20,136,645 shares, totalling of EUR 4.23 million were subscribed.

Share capital

At the beginning of the review period, the company’s registered share capital was EUR 585,394.16 and the number of shares was 15,102,484. At the end of the review period, the company’s registered share capital was EUR 585,394.16 and the number of shares was 35,239,129.

Option plan 2011

The Board of Directors of Ixonos Plc decided on 30 November 2011 to grant new options. This decision was based on the authorisation given by the Annual General Meeting on 29 March 2011.

The options were issued by 31 December 2011, free of charge, to a subsidiary wholly owned by Ixonos Plc. This subsidiary will distribute the options, as the Board decides, to employees of Ixonos Plc and other companies in the Ixonos Group, to increase their commitment and motivation. Options will not be issued to members of the Board of Directors of Ixonos Plc or to the Ixonos Group’s senior management (Ixonos Management Invest Oy shareholders).

The options will be marked IV/A, IV/B and IV/C. A total of 600,000 options will be issued. According to the terms of the options, the Board of Directors decides how the options will be divided between option series and, if needed, how undistributed options will be converted from one series to another.

Each option entitles its holder to subscribe for one new or treasury share in Ixonos Plc. The shares that can be subscribed for with options comprise 3.82 per cent of all Ixonos Plc shares and votes on a fully diluted basis.

The exercise period for the IV/A options will begin on 1 October 2014, for the IV/B options on 1 October 2015 and for the IV/C options on 1 October 2016. The exercise periods for all options will end on 31 December 2018. The exercise price for each option series is a trade volume weighted average price at NASDAQ OMX Helsinki. The period during which this average price is determined is 1 September – 30 November 2011 for the IV/A options (resulting in an exercise price of EUR 0.86), 1 June – 31 August 2012 for the IV/B options and 1 June – 31 August 2013 for the IV/C options. The exercise prices will be reduced by the amount of dividends, and they can also be adjusted under other circumstances specified in the option terms.

A total of 410,000 options have been allocated to series IV/A and granted to employees of group companies, in accordance with the terms of the option plan.

Shareholders

On 31 March 2013, the company had 3,348 shareholders (3,137). Private persons owned 51.8 per cent (56.3 per cent) and institutions 48.2 per cent (43.7 per cent) of the shares. Foreign ownership was 9.0 per cent (7.5 per cent) of all shares.

OTHER EVENTS DURING THE REVIEW PERIOD

Market events in the first quarter of 2013

At the beginning of 2013, Ixonos announced new accounts, including National Geographic Society and Firstbeat Technologies. Ixonos and Sharp Europe reported that they would collaborate to create a mobile device for a mutual customer. Ixonos announced that Samsung Electronics had chosen Ixonos as its innovation partner, particularly to develop the Android user experience.

Ixonos Media Spark was launched in January 2013. In February, Ixonos launched technology components for embedded systems. These components include a modern embedded Linux solution as well as a fast HD video streaming solution suitable e.g. for closed circuit TV.

New registration document

On 21 January 2013, Ixonos published its registration document, which the Financial Supervisory Authority had approved on 17 January 2013, as provided in the Securities Market Act (746/2012). The registration document contains information about the company, its operations and its financial position. It is valid for 12 months from the date of approval. The new registration document includes a working capital statement noting that the company’s present working capital will not be sufficient for the company’s needs over the next twelve months, but that the company’s working capital will be sufficient for the company's needs over the next twelve months if the company's cash flow develops as forecast and planned and if the share issue is completed in its entirety. However, there is no guarantee that the company will be able to fulfil its financial covenants under all circumstances. If the company cannot comply with its covenants, the financiers are entitled to e.g. call in the loans or renegotiate the terms of the loans. The company and its financiers have begun negotiations on additional financing. The management of the company trusts that should the working capital requirements cause a need for additional financing, the company will be able to meet that need.

Share issue

Ixonos Plc's rights issue ended on 7 February 2013. All 20,136,645 shares offered were subscribed for. The number of shares after the issue is 35,239,129. A total of 19,052,212 shares were subscribed for with subscription rights. This amount corresponds to approximately 94.6 per cent of the shares offered. In the secondary subscription, 5,358,879 shares were subscribed for without subscription rights, and subscriptions for 1,084,433 shares were accepted. The subscriptions thus correspond to approximately 121.2 per cent of the shares offered. Ixonos raised approximately EUR 4.23 million gross through the issue. As all offered shares were subscribed for, the underwriting commitments that had been provided were not used.
On 16 January 2013, because of the rights issue, Ixonos' Board of Directors adjusted the subscription ratio and exercise price associated with the option rights in the 2011 option plan, in accordance with the terms of the options. The adjustment was made to ensure equal treatment of option holders and shareholders. It was announced in a stock exchange release on 13 February 2013.

Changes in the Management Team

During the review period the following changes have been taking place:

- Esa Harju was appointed as President and CEO. He took up his duties on 1 January 2013.
- CFO Timo Leinonen left the company on 22 January 2013.
- Teppo Talvinko took up his duties as CFO on 1 February 2013.

EVENTS AFTER THE REVIEW PERIOD

Changes in the Management Team

Vice president Pasi Iljin left the company on 11 April 2013.

From 12 April 2013, the Group Management Team consisted of CEO Esa Harju, Senior Vice President Teppo Talvinko, Senior Vice President Timo Kaisla, Vice President Teppo Kuisma and Vice President Sami Paihonen.

Ixonos co-operation negotiations have been concluded

Ixonos commenced co-operation negotiations with its personnel on 4 March 2013, for reasons related to production, financial position and reorganization of operations.

The negotiations applied to all Ixonos personnel in Finland and the actions were estimated to impact a maximum of 87 employees in Finland.

The co-operation negotiations have been concluded. As a result 20 persons will be made redundant and 50 persons will be temporarily laid-off in Finland.

RISK MANAGEMENT AND NEAR-FUTURE UNCERTAINTY FACTORS

Ixonos Plc's risk management aims to ensure undisturbed continuity and development of the company's operations, support attainment of the commercial targets set by the company and promote increasing company value. Details on the risk management organisation and process as well as on recognised risks are presented on the company's website at www.ixonos.com.

Changes in key customer accounts may have adverse effects on Ixonos' operations, earning power and financial position. Should a major customer switch its purchases from Ixonos to its competitors or make forceful changes to its own operating model, Ixonos would have limited ability to acquire, in the short term, new customer volume to compensate for such changes.

The reduction and rationalisation of the company's operations cause one-time expenses, such as redundancy payments in various countries. This increases the company's need for short-term financing. The company manages this need by creating, together with financiers, adequate buffers to ensure sufficient funds as well as by facilitating the circulation of working capital.

The company's balance sheet also includes a significant amount of goodwill, which may still be impaired should internal or external factors reduce the profit expectations of the company or any of its cash generating units. Goodwill is tested during the final quarter of each year and, if necessary, at other times.

The company's financial agreements have covenants attached to them. A covenant breach may increase the company's financial expenses or lead to a call for swift partial or full repayment of non-equity loans. The main risks related to covenant breaches are associated with operating profit fluctuation due to the market situation and with a potential need to increase the company's working capital through non-equity funding. The company manages these risks by negotiating with financiers and by maintaining readiness for various financing methods.

There is a risk that the company's working capital will not be sufficient to fund the company's operations over the next twelve months. Although the company considers that it will be able to cover its need for working capital over the next twelve months through various means, there is no guarantee that the company will be able to ensure sufficient working capital under all circumstances. A shortage of working capital may have a substantial adverse effect on the company's operations, result and financial position.

LONG-TERM GOALS AND STRATEGY

In the long term, Ixonos aims to achieve an operating profit of at least 10 per cent. To reach its long-term goals, Ixonos focuses its strategy on deepening the company's product, solution and service operations as well as on new accounts in selected industries.

Our value proposition – *Dream, Design, Deliver* – works best for customers for whom a short time to market and a well thought-through user experience are crucial. Our ability to combine design studio skills, productised solutions, advanced online services and device deliveries is at the top level globally.

FUTURE PROSPECTS

In accordance with its strategy, Ixonos continues to strengthen and expand its customer base by focusing on products, solutions and services for technology suppliers, mobile device manufacturers, consumer electronics manufacturers, the different industry segments and other customers in Finland as well as internationally.

Ixonos aims to restore positive cash flow and profitability by rationalising its operations.

The company keeps it's guidance unchanged. Estimated turnover for 2013 to be in the range of EUR 40–50 million. Earnings before interest, taxes, depreciation and amortisation (EBITDA) for the entire year are predicted to be positive. EBIT in the second half-year is estimated to be better than in the first half.

NEXT REPORTS

The interim report for the period 1 April – 30 June 2013 will be published on 6 August 2013.

IXONOS PLC
Board of Directors

For more information, please contact:
Ixonos Plc
- Esa Harju, President and CEO, tel. +358 40 844 3367, esa.harju@ixonos.com
- Teppo Talvinko, CFO, tel. +358 40 715 3660, teppo.talvinko@ixonos.com

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THE IXONOS GROUP

ABBREVIATED FINANCIAL STATEMENTS 1 January – 31 March 2013

Accounting policies

This financial statement bulletin has been prepared in accordance with IAS 34 (Interim Financial Reporting) and the accounting policies for the annual financial statement of 31 December 2012. The IFRS amendments and interpretations that entered into force on 1 January 2012 have not affected the consolidated financial statements.

Preparing the financial statements in accordance with IFRS requires Ixonos' management to make estimates and assumptions that affect the amounts of assets and liabilities on the balance sheet date as well as the amounts of income and expenses for the review period. In addition, judgment must be used in applying the accounting policies. As the estimates and assumptions are based on views prevailing at the time of releasing the interim report, they involve risks and uncertainty factors. Actual results may differ from estimates and assumptions.

The figures in the income statement and balance sheet are consolidated. The consolidated balance sheet includes all group companies as well as Ixonos Management Invest Oy, a company owned by members of Ixonos' management. The original interim report is in Finnish. The interim report in English is a translation of the original report.

As the figures in the report have been rounded, sums of individual figures may differ from the sums presented. The interim report is unaudited.

CONSOLIDATED INCOME STATEMENT, EUR 1,000

	1.1.–31.3.2013	1.1.–31.3.2012	Change %	1.1.–31.12.2012
Turnover	10,799	17,661	-38.9	56,852
Operating expenses	-12,715	-18,928	-32.8	-69,969
OPERATING PROFIT BEFORE GOODWILL IMPAIRMENT	**-1,916**	**-1,267**	**51.2**	**-13,117**
Goodwill impairment	0	-9,200		-11,200
OPERATING PROFIT	**-1,916**	**-10,467**	**-81.7**	**-24,317**
Financial income and expenses	-99	-93	6.7	-700
Profit before tax	-2,015	-10,560	-80.9	-25,018
Income tax	386	323	19.5	3,043
PROFIT FOR THE PERIOD	**-1,629**	**-10,236**	**-84.1**	**-21,975**
Attributable to:				
Equity holders of the parent	-1,711	-10,228	-83.3	-21,948
Non-controlling interests	82	-8		-27

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, EUR 1,000

Profit for the period	-1,629	-10,236	-84.1	-21,975
Other comprehensive income				
Change in translation difference	78	-36		-11
COMPREHENSIVE INCOME FOR THE PERIOD	**-1,551**	**-10,272**		**-21,987**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, EUR 1,000

ASSETS	31.3.2013	31.3.2012	31.12.2012
NON-CURRENT ASSETS			
Goodwill	12,447	14,447	12,447
Other intangible assets	2,367	4,974	2,646
Property, plant and equipment	3,093	3,900	3,410
Deferred tax assets	3,207	333	2,780
Available-for-sale investments	19	110	19
TOTAL NON-CURRENT ASSETS	**21,133**	**23,763**	**21,303**
CURRENT ASSETS			
Trade and other receivables	10,257	17,175	11,551
Cash and cash equivalents	674	769	477
TOTAL CURRENT ASSETS	**10,931**	**17,944**	**12,028**
TOTAL ASSETS	**32,064**	**41,708**	**33,331**
EQUITY AND LIABILITIES	31.3.2013	31.3.2012	31.12.2012
SHAREHOLDERS' EQUITY			
Share capital	585	585	585
Share premium reserve	219	219	219
Invested non-restricted equity fund	24,171	20,288	20,247
Retained earnings	-13,633	8,119	8,214
Profit for the period	-1,711	-10,228	-21,948
Equity attributable to equity holders of the parent	**9,631**	**18,983**	**7,317**
Non-controlling interests	254	192	172
TOTAL SHAREHOLDERS' EQUITY	**9,885**	**19,175**	**7,489**
LIABILITIES			
Non-current liabilities	1,273	4,112	1,521
Current liabilities	20,906	18,421	24,320
TOTAL LIABILITIES	**22,179**	**22,533**	**25,841**
TOTAL EQUITY AND LIABILITIES	**32,064**	**41,708**	**33,331**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY, EUR 1,000

A: Share Capital
B: Share premium reserve
C: Share issue
D: Invested non-restricted equity fund
E: Translation dirrerence
F: Retained earnings
G: Total equity attributable to equity holders of the parent
H: Non-controlling interests
I: Total equity

	A	B	C	D	E	F	G	H	I
Shareholders' equity at 1 January 2012	585	219	0	20,313	86	8,045	29,248	200	29,448
Profit for the period						-10,228	-10,228	-8	-10,036
Other comprehensive income:									
Change in translation difference					-36		-36		-36
Transactions with shareholders:									
Expenses for equity procurement				-25			-25		-25
Share-based remuneration						23	23		23
Shareholders' equity at 31 March 2012	585	219	0	20,288	50	-2,160	18,983	192	19,175
Shareholders' equity at 1 January 2013	585	219	0	20,247	75	-13,810	7,317	172	7,489
Profit for the period						-1,711	-1,711	82	-1,629
Other comprehensive income:									
Change in translation difference					78		78		78
Transactions with shareholders:									
Share issue				4,229			4,229		4,229
Expenses for equity procurement				-305			-305		-305
Share-based remuneration						23	23		23
Shareholders' equity at 31 March 2013	585	219	0	24,171	153	-15,498	9,631	253	9,885

CONSOLIDATED CASH FLOW STATEMENT, EUR 1,000

	1.1.- 31.3.2013	1.1.- 31.3.2012	1.1.- 31.12.2012
Cash flow from operating activities			
Profit for the period	-1,629	-10,236	-21,975
Adjustments to cash flow from operating activities			
Income tax	-386	-323	-3,043
Depreciation and impairment	-736	10,323	16,823
Financial income and expenses	-99	93	700
Other adjustments	-62	-2	-13
Change in provisions	-545	0	1,066
Cash flow from operating activities before change in working capital	**-1,786**	**-146**	**-6,441**
Change in working capital	-1,217	785	6,491
Interest received	116	51	79
Interest paid	-219	-113	-796
Tax paid	-34	-177	-372
Net cash flow from operating activities	**-3,140**	**402**	**-1039**
Cash flow from investing activities			
Investments in tangible and intangible assets	29	-823	-1,275
Dividends received	0	0	4
Net cash flow from investing activities	**29**	**-823**	**-1,271**
Net cash flow before financing	**-3,111**	**-422**	**-2,310**
Cash flow from financing activities			
Increase in long-term borrowings	0	0	4,415
Repayment of long-term borrowings	0	-506	-1,920
Increase in short-term borrowings	0	727	588
Repayment of short-term borrowings	-630	-456	-1,740
Proceeds from share issue	4 229	0	0
Expenses for equity procurement	-305	-25	-18
Net cash flow from financing activities	**3,294**	**-260**	**1,325**
Change in cash and cash equivalents	196	-697	-989
Liquid assets at the beginning of the period	477	1,466	1,466
Liquid assets at the end of the period	673	769	477

CONSOLIDATED INCOME STATEMENT, QUARTERLY, EUR 1,000

	Q1/2013 1.1.– 31.3.13	**Q4/2012** 1.10.– 31.12.12	**Q3/2012** 1.7.– 30.9.12	**Q2/2012** 1.4.- 30.6.12	**Q1/2012** 1.1.– 31.3.12
Turnover	10,799	12,786	9,977	16,428	17,661
Operating expenses	-12,715	-16,060	-17,216	-17,766	-18,928
OPERATING PROFIT BEFORE GOODWILL IMPAIRMENT	-1,916	-3,273	-7,239	-1,338	-1,267
Goodwill impairment	0	-2,000	0	0	-9,200
OPERATING PROFIT	-1,916	-5,273	-7,239	-1,338	-10,467
Financial income and expenses	-99	-309	-183	-116	-93
Profit before tax	-2,015	-5,582	-7,422	-1,454	-10,560
Income tax	386	1,162	1,190	367	323
PROFIT FOR THE PERIOD	-1,629	-4,420	-6,232	-1,087	-10,236

CHANGES IN FIXED ASSETS, EUR 1,000

	Goodwill	Intangible assets	Property, plant and equipment	Available-for-sale investments	Total
Carrying amount at 1 January 2012	23,647	5,138	3,391	110	32,286
Additions		528	959		1,488
Changes in exchange rates		-4	-7		-11
Disposals and transfers			-9		-9
Impairment	-9,200				-9,200
Depreciation for the period		-689	-434		-1,123
Carrying amount at 31 March 2012	14,447	4,974	3,900	110	23,431
Carrying amount at 1 January 2013	12,447	2,646	3,410	19	18,522
Additions		17	149		166
Changes in exchange rates			-1		-1
Disposals and transfers			-24		-24
Impairment					0
Depreciation for the period		-296	-440		-736
Carrying amount at 31 March 2013	12,447	2,367	3,094	19	17,927

FINANCIAL RATIOS

	1.1.–31.3.2013	1.1.–31.3.2012	1.1.–31.12.2012
Earnings per share, diluted, EUR	-0.05	-0.46	-1.00
Earnings per share, EUR	-0.05	-0.46	-1.00
Equity per share, EUR	0.27	1.26	0.48
Operating cash flow per share, diluted, EUR	-0.10	0.02	-0.04
Return on investment, per cent	-33.6	-122.2	-81.6
Return on equity, per cent	-75.0	-168.4	-119.0
Operating profit/turnover, per cent	-17.7	-59.3	-42.8
Net gearing, per cent	116.0	48.0	161.95
Equity ratio, per cent	30.8	46.0	22.5

OTHER INFORMATION

	1.1.– 31.3.2013	1.1.– 31.3.2012	1.1.– 31.12.2012
PERSONNEL Employees, average	568	1,022	824
Employees, at the end of the period	557	1,010	610
COMMITMENTS, EUR 1,000	31.3.2013	31.3.2012	31.12.2012
Collateral for own commitments			
Corporate mortgages	19,800	19,800	19,800
Leasing and other rental commitments			
Falling due within 1 year	2,382	5,413	2,726
Falling due within 1–5 years	3,698	2,393	3,408
Falling due after 5 years	97	0	243
Total	6,177	7,807	6,377
Nominal value of interest rate swap agreement			
Falling due within 1 year	0	1,219	0
Falling due within 1–5 years	5,270	1,357	5,270
Falling due after 5 years	0	0	0
Total	5,270	2,576	5,270
Fair value	-67	-27	-87

CALCULATION OF KEY FIGURES

Diluted earnings per share = profit for the period ⁄ number of shares, adjusted for issues and dilution, average

Earnings per share = profit for the period ⁄ number of shares, adjusted for issues, average

Shareholders’ equity per share = shareholders’ equity ⁄ number of shares, undiluted, on the closing date

Cash flow from operating activities, per share, diluted = net cash flow from operating activities ⁄ number of shares, adjusted for issues and dilution, average

Return on investment = (profit before taxes + interest expenses + other financial expenses) ⁄ (balance sheet total − non-interest-bearing liabilities, average) × 100

Return on equity = net profit ⁄ shareholders’ equity, average × 100

Gearing = (interest-bearing liabilities – liquid assets) / shareholders’ equity × 100