

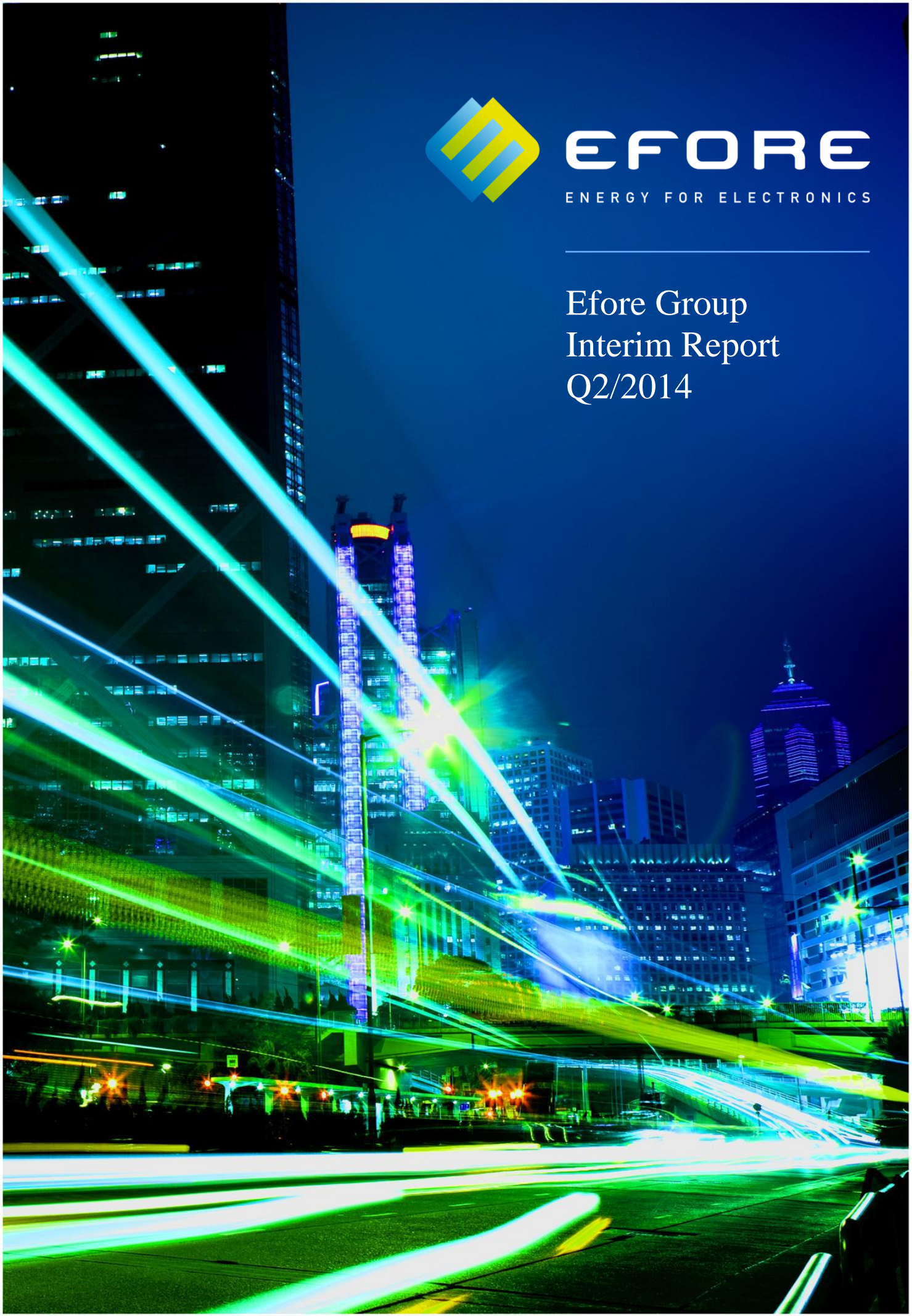


**EFORE**

ENERGY FOR ELECTRONICS

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Efore Group  
Interim Report  
Q2/2014



## EFORE PUBLISHES ITS INTERIM REPORT JANUARY 1, 2014 – JUNE 30, 2014 AND LOWERS ITS FINANCIAL ESTIMATE FOR 2014

As a result of changing Efore's financial year, FY 2013 figures in brackets have been changed to match with the periods of the financial year 2014. Furthermore, when comparing the figures it should be noticed that the last year acquired Roal has been consolidated into Efore Group from the beginning of July 2013. FY 2013 Income Statements figures are shown at the end of this release in a separate table.

### April – June 2014 (Q2) in brief:

- Net sales totaled EUR 22,5 million (EUR 13,8 million), up 63,3 % compared with the corresponding period last year
- Results from operating activities without one-time items were EUR -0,4 million (EUR -1,4 million)
- Results for the period including one-time items were EUR -1,6 million (EUR -1,9 million), representing -7,3 % of net sales (-13,5%)
- Earnings per share were EUR -0,04 (EUR -0,04)

### January – June 2014 (H1) in brief:

- Net sales totaled EUR 41,7 million (EUR 29,1 million), up 43,2 % compared with the corresponding period last year
- Results from operating activities without one-time items were EUR -0,9 million (EUR -2,6 million)
- Results for the period including one-time items were EUR -2,2 million (EUR -3,4 million), representing -5,3 % of net sales (-11,6 %)
- Earnings per share were EUR -0,05 (EUR -0,09)

Key indicators, EUR million	4-6/14	4-6/13	Change	1-6/14	1-6/13	Change	11/12-12/13
	3 mo	3 mo	%	6 mo	6 mo	%	14 mo
Net Sales	22,5	13,8	63,3	41,7	29,1	43,2	82,5
Telecommunication sector	13,1	9,6	36,0	22,8	20,8	9,6	48,6
Industrial sector	9,5	4,2	125,7	18,9	8,3	127,7	33,9
Results without one-time items	-0,4	-1,4	71,4	-0,9	-2,6	65,4	-4,3
Results from operating activities	-1,6	-1,9	12,3	-2,2	-3,4	35,3	-5,8
Result before taxes	-1,8	-1,8	-1,6	-2,7	-3,5	23,5	-6,1
Net result	-1,9	-1,7	-10,0	-2,8	-3,4	18,5	-6,2
Earnings per share, EUR	-0,04	-0,04	0,0	-0,05	-0,09	44,4	-0,15
Solvency ratio, %	36,3	40,7	-10,8	36,3	40,7	-10,8	39,7
Gearing, %	8,4	15,9	47,2	8,4	15,9	47,2	14,3
Cash flow from business operations	2,0	-1,6		3,6	-2,0		1,4

### Financial estimate for the 2014

Efore Plc lowers its financial estimate for the 2014.

Old financial estimate was: The Company estimated its net sales of financial year 2014 to be EUR 85-95 million and results from operating activities without one-time items to be EUR 1.5-3.5 million.

New financial estimate for the 2014 is:

The Company estimates its net sales of financial year 2014 to be EUR 83-91 million and results from operating activities without one-time items to be EUR 0-2,0 million.

## **Vesa Vähämöttönen, Efore's President and CEO:**

The main targets of Efore's strategy have been balancing business areas by creating a strong industrial sector alongside of the telecommunication sector and by developing the company structure to improve the profitability. The strategic transformation and first steps of ROAL integration have been progressing as planned. The integration requires still more work in order to reach all synergy benefits. One unified manufacturing and sourcing organization and business units for telecommunication and industrial sectors have been created. Sales organization will still be strengthened in North America and Europe. The target to reach annual EUR 1,5 million synergy benefit in material purchases announced together with the acquisition has been met. Broadening of the co-operation with suppliers and focusing on core competencies especially in production is next logical step in the development of the group.

Net sales of Efore's telecommunication sector increased more than 35 % during the second quarter compared with the first quarter of 2014, as expected. Telecom sector product portfolio is renewing and broadening during the year and new products are expected to drive the sales growth, improve margin as well as decrease the demand fluctuations.

Net sales of industrial sector remained on the same level with the first quarter of 2014 which weakened company's profitability. The demand is returning back but sales in the second half of 2014 is forecasted to be at the same level with the first one. In the second half of the year industrial sector is focusing on launching new power products for large LED displays and street lighting. For broader market suitable version of the EMP protected power system, originally developed for the Finnish Defense Forces, has been introduced in the defence and security trade show in Paris last June. New products will also be launched for instrumentation, automation and medical markets.

Second quarter results included EUR 1,3 million one-time items. Almost all of them were related to the structural changes in Italy due to production transfer to Tunisia. Cash effect of these items will be spread over the coming 24 months and the annual cost saving is approximately EUR 1,6 million.

Efore is focusing on final assembly and testing in telecommunication sector manufacturing in its China plant for reaching cost savings. Telecom sector PCB assembly manufacturing will be transferred to an EMS partner by the end of this year. By utilizing the capabilities of an EMS company Efore can get the access to the latest SMT manufacturing technology and capacity in a flexible way and can continue to invest in R&D and expanding of the sales network. Efore will continue PCB assembly manufacturing for certain customer segments and product development purposes.

Efore's long term financial target is to reach 10% EBIT level and an average annual net sales growth of 5-10%. On short term Efore is focusing to improve its profitability. Target is to reach at least 6% EBIT level at the end of 2015.

## **April – June net sales and financial development**

Second quarter net sales totaled EUR 22,5 million (EUR 13,8 million). Net sales increased EUR 3,3 million or 17,2 % compared with the previous quarter. Net sales of telecommunication sector increased EUR 3,4 million or 35,1 % and net sales of industrial sector remained at the same level with the previous quarter.

Results from operating activities without one-time items were EUR -0,4 million (EUR -1,4 million). Second quarter results included EUR 1,3 million one-time items. Almost all of them were related to the structural changes in Italy due to production transfer to Tunisia. Cash effect of these items will be spread over the coming 24 months and the annual cost saving is approximately EUR 1,6 million.

## **January – June net sales and financial development**

Net sales totaled EUR 41,7 million (EUR 29,1 million). Results from operating activities without one-time items were EUR -0,9 million (EUR -2,6 million). Second quarter results included EUR 1,3 million one-time items as expected. Almost all of them were related to the structural changes in Italy due to production transfer to Tunisia. Cash effect of these items will be spread over the coming 24 months and the annual cost saving is approximately EUR 1,6 million.

Investment in product and technology development during the period under review was EUR 3,4 million (EUR 3,3 million) representing 8,1 % of net sales (11,3 %).

## **Business development**

Net sales of Efore's telecommunication sector increased more than 35 % during the second quarter compared with the first quarter of 2014, as expected. Telecom sector product portfolio is renewing and broadening during the year and new products are expected to drive the sales growth, improve margin as well as decrease the demand fluctuations.

Net sales of industrial sector remained on the same level with the first quarter of 2014 which weakened company's profitability. The demand is returning back but sales in the second half of 2014 is forecasted to be at the same level with the first one. In the second half of the year industrial sector is focusing on launching new power products for large LED displays and street lighting. For broader market suitable version of the EMP protected power system, originally developed for the Finnish Defense Forces, has been introduced in the defence and security trade show in Paris last June. New products will also be launched for instrumentation, automation and medical markets.

Efore is focusing on final assembly and testing in telecommunication sector manufacturing in its China plant for reaching cost savings. Telecom sector PCB assembly manufacturing will be transferred to an EMS partner by the end of this year. By utilizing the capabilities of an EMS company Efore can get the access to the latest SMT manufacturing technology and capacity in a flexible way and can continue to invest in R&D and expanding of the sales network. Efore will continue PCB assembly manufacturing for certain customer segments and product development purposes.

## **Outlook**

As a result of the acquisition the group has expanded into new markets which creates better opportunities for the growth. LTE (4G) technology is in a key role in network expansions and Efore has a strong position in this development. Several large network roll-outs have been published after two slow years creating base for demand growth. Power supplies for LED lighting, instrumentation, medical and infrastructure offer several growth areas for Efore in industrial sector.

During the last 18 months the group has started several new product development projects and especially telecom product portfolio is renewing significantly this year. New products make Efore's product portfolio wider, which is expected to be visible as sales growth and as a decrease in demand fluctuations.

Getting new products into volume deliveries as forecasted is essential for the growth and profitability improvement of the company.

In the near future, Efore is focusing on introducing new products into volume production and on necessary profitability improvement actions. Due to the renewal of product portfolio and streamlining actions financial year 2014 improves towards the end.

## **Investments**

Group investments in fixed assets during the period under review amounted to EUR 2,0 million (EUR 0,5 million) of which capitalization of product development costs were EUR 1,4 million.

At the end of the period under review capitalized product development costs amounted to EUR 5,2million (EUR 0,6 million).

## **Financial position**

Interest-bearing liabilities exceeded the consolidated interest-bearing cash reserves by EUR 1,7 million (EUR 3.3 million on Dec. 31, 2013) at the end of the period under review. The consolidated net financial expenses were EUR 0,5 million (EUR 0,1 million). The cash flow from business operations was EUR 3,6 million (EUR -2,0 million). The cash flow after investments was EUR 1,6 million (EUR -2,4 million).

The Group's solvency ratio was 36,3 % (40,7 %) and the gearing was 8,4 % (15,9 %).

Liquid assets excluding undrawn credit facilities totaled EUR 8,9 million (EUR 9,8 million on Dec. 31, 2013) at the end of the period under review. The balance sheet total was EUR 56,1 million (EUR 58,5 million on Dec. 31, 2013).

## **Personnel**

The number of the Group's own personnel including temporary personnel averaged 895 (753) during the period under review and at the end the period under review it was 920 ( 624).

The Board of Directors of Efore Plc resolved to issue stock options to the key employees of Efore Plc on 17 June 2014 based on the autohorization given by AGM on April 10, 2014.

Separate stock exchange bulletin has been issued on the before mentioned resolution on June 17, 2014.

## **Share, shares and shareholders**

Efore Plc acquired back its own shares from the management team's holding company of Efore Plc on 17 June 2014. Efore Management Ltd held 2 358 242 shares in Efore Plc. Separate stock exchange bulletin has been issued on the before mentioned resolution on June 17, 2014.

At the end of the period under review the number of the Group's own shares was 3 501. 995 pcs.

The highest share price during the period under review was EUR 0,72 and the lowest price was EUR 0,62. The average price during the period under review was EUR 0,69 and the closing price was EUR 0,69. The market capitalization calculated at the final trading price during the period under review was EUR 36,1 million.

The total number of Efore shares traded on the Nasdaq OMX Helsinki during the period under review was 3,9 million pcs and their turnover value was EUR 2,7 million. This accounted for 6,96 % of the total number of shares 55 772 891 pcs. The number of shareholders totaled 2990 (3057) at the end of the period under review.

## **Flagging notifications**

Efore Plc executed an acquisition of its own shares according to which the company's shareholding in Efore Plc exceeded 5 per cent on 17 June 2014. The shareholding of Efore Oyj's own shares following the acquisition was 3 501 995 shares (share of total number of shares and voting rights 6,27 %).

## **Accounting policies**

The report has been drawn up in accordance with IAS 34 Standard on Interim Financial Reporting and the Group's accounting principles presented in the 2013 annual report. In addition, Efore Plc has adopted new and or amended IFRS-standards that have been presented in the previous Financial Statements. These changes have no any major effect on the report. The information in this release is unaudited.

All the figures in the report have been rounded up/down, for which reason the total of the individual figures when added together may be different from the total shown.

## **Short-term risks and factors of uncertainty**

The market typical fluctuation in demand can cause rapid changes in Efore's business. Business risks are related to the success of key customers in their markets and to Efore's delivery capability for the key customers.

Progress of Efore's product development projects depends on the customers' own project schedules and the establishment of the whole market.

Expanding the company's product range to standard products in industrial sector means growth of product liability risk. It has been recognized that global economic development may have an effect on Efore's business environment

A more comprehensive report on risk management is presented on the company's web-sites.

### **Long-term targets**

Efore Group's long term financial target is to reach 10% EBIT level and an average annual net sales growth of 5-10%. Target is to grow especially in industrial sector. Market driven product platforms and better R&D investment utilization are key factors to support company's target to improve profitability.

On short term Efore is focusing to improve its profitability. Target is to reach at least 6% EBIT level at the end of 2015.

Efore does not consider the long term targets as market guidance for any given year. It will issue separate financial estimate.

## TABLES

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	4/14- 6/14 3 mo	4/13- 6/13 3 mo	1/14- 6/14 6 mo	1/13- 6/13 6 mo	11/12- 12/13 14 mo
Net sales	22,5	13,8	41,7	29,1	82,5
Change in inventories of finished goods and work in progress	-2,2	-2,6	-1,2	-2,6	-0,9
Work performed for own purposes and capitalised	0,0	0,0	0,0	0,0	0,0
Other operating income	0,4	0,1	0,6	0,1	1,4
Materials and services	-13,3	-7,6	-26,6	-18,5	-56,9
Employee benefits expenses	-5,6	-3,4	-10,1	-6,9	-17,7
Depreciation	-0,9	-0,4	-1,8	-1,0	-3,2
Other operating expenses	-2,7	-1,8	-4,8	-3,6	-10,9
<b>Results from operating activities</b>	<b>-1,6</b>	<b>-1,9</b>	<b>-2,2</b>	<b>-3,4</b>	<b>-5,8</b>
% net sales	-7,3	-13,5	-5,3	-11,6	-7,0
Financing income	0,3	0,3	0,4	0,6	1,7
Financing expenses	-0,5	-0,2	-0,9	-0,7	-2,0
<b>Result before tax</b>	<b>-1,8</b>	<b>-1,8</b>	<b>-2,7</b>	<b>-3,5</b>	<b>-6,1</b>
% net sales	-8,0	-13,2	-6,5	-12,1	-7,3
Tax on income from operations	-0,1	0,1	-0,1	0,1	-0,1
<b>Result for the period</b>	<b>-1,9</b>	<b>-1,7</b>	<b>-2,8</b>	<b>-3,4</b>	<b>-6,2</b>
<b>Other comprehensive income</b>					
Items that may be reclassified subsequently to profit or loss					
Translation differences	0,1	-0,2	-0,1	0,3	-0,6
<b>Total comprehensive income</b>	<b>-1,8</b>	<b>-1,9</b>	<b>-2,9</b>	<b>-3,1</b>	<b>-6,7</b>
<b>Net profit/loss attributable</b>					
To equity holders of the parent	-2,0	-1,7	-2,9	-3,4	-6,1
To non-controlling interest	0,2	0,0	0,2	0,0	-0,1
<b>Total comprehensive income attributable to:</b>					
Equity holders of the parent	-1,9	-1,8	-3,1	-3,1	-6,7
Non-controlling interest	0,2	0,0	0,2	0,0	-0,1
<b>EARNINGS PER SHARE CALCULATED ON PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT:</b>					
Earnings per share, basic,eur	-0,04	-0,04	-0,05	-0,09	-0,15
Earnings per share, diluted, eur	-0,04	-0,04	-0,05	-0,09	-0,15

<b>NET SALES BY AREAS</b>	4-6/14	4-6/13	1-6/14	1-6/13	11/12-12/13
<b>EUR million</b>	3 mo	3 mo	6 mo	6 mo	14 mo
Americas	3,1	0,2	6,5	0,3	7,5
EMEA	9,0	7,4	16,9	15,3	40,4
FINLAND	6,0	3,6	11,1	8,3	10,9
APAC	4,4	2,6	7,2	5,2	23,7
Total	22,5	13,8	41,7	29,1	82,5
<b>NET SALES BY CUSTOMER GROUPS</b>	4-6/14	4-6/13	1-6/14	1-6/13	11/12-12/13
<b>EUR million</b>	3 mo	3 mo	6 mo	6 mo	14 mo
Telecom	13,1	9,6	22,8	20,8	48,6
Industrial	9,5	4,2	18,9	8,3	33,9
Total	22,5	13,8	41,7	29,1	82,5

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	June 30, 2014	Dec 31, 2013	change %
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	7,6	6,9	
Goodwill	1,1	1,1	
Tangible assets	7,1	7,8	
Trade receivables and other receivables, non-current	0,0	0,0	
Other long-term investments	0,0	0,0	
Deferred tax asset	2,2	2,3	
<b>Total non-current assets</b>	18,1	18,1	0,1
<b>CURRENT ASSETS</b>			
Inventories	13,6	14,6	
Trade receivables and other receivables	14,7	15,2	
Tax receivable, income tax	0,8	0,8	
Cash and cash equivalents	8,9	9,8	
<b>Total current assets</b>	38,0	40,4	-5,8
<b>TOTAL ASSETS</b>	56,1	58,5	-4,0
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	15,0	15,0	
Treasury shares	-2,4	-2,4	
Other reserves	28,7	29,0	
Translation differences	1,2	1,4	
Retained earnings	-22,5	-19,9	
Equity attributable to equity holders of the parent	20,0	23,0	
Equity attributable to non-controlling interests	0,0	0,2	
<b>Total equity</b>	20,0	23,2	-13,7



<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	0,9	0,9	
Interest-bearing liabilities	3,9	3,9	
Interest-free liabilities	0,1	0,0	
Pension liabilities	1,6	1,6	
Other provisions	0,9	0,0	
<b>Total non-current liabilities</b>	<b>7,4</b>	<b>6,4</b>	<b>14,6</b>
<b>CURRENT LIABILITIES</b>			
Interest-bearing liabilities	6,7	9,2	
Trade payables and other liabilities	21,7	19,1	
Tax liabilities	0,3	0,5	
Provisions	0,0	0,0	
<b>Total current liabilities</b>	<b>28,7</b>	<b>28,8</b>	
<b>Liabilities</b>	<b>36,1</b>	<b>35,3</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>56,1</b>	<b>58,5</b>	<b>-4,0</b>

<b>GROUP KEY FIGURES, EUR million</b>	<b>4-6/14</b>	<b>4-6/13</b>	<b>1-6/14</b>	<b>1-6/13</b>	<b>11/12-12/13</b>
	<b>3 mo</b>	<b>3 mo</b>	<b>6 mo</b>	<b>6 mo</b>	<b>14 mo</b>
Earnings per share, basic,eur	-0,04	-0,04	-0,05	-0,09	-0,15
Earnings per share, diluted, eur	-0,04	-0,04	-0,05	-0,09	-0,15
Equity per share, eur	0,38	0,38	0,38	0,38	0,44
Return on equity-%(ROE)	-35,5	-10,0	-25,7	-19,3	-28,1
Return on investment-%(ROI)	-19,8	-8,1	-13,8	-17,7	-17,5
Net interest-bearing liabilities	1,7	-2,6	1,7	-2,6	3,3
Investments (intangible and tangible assets)	1,1	0,3	2,0	0,5	3,6
as percentage of net sales	5,0	2,0	4,8	1,6	4,3
Average personnel	904	703	895	753	836

<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>	<b>1-6/14</b>	<b>1-6/13</b>	<b>Change</b>	<b>11/12-12/13</b>
EUR million	<b>6 mo</b>	<b>6 mo</b>	<b>%</b>	<b>14 mo</b>
<b>Cash flows from operating activities</b>				
Cash receipts from customers	42,6	25,6		95,3
Cash paid to suppliers and employees	-38,3	-27,4		-93,5
Cash generated from operations	4,4	-1,9		1,8
Interest paid	-0,2	-0,2		-0,3
Interest received	0,0	0,0		0,0
Other financial items	-0,3	0,2		0,0
Income taxes paid	-0,2	0,0		-0,2
<b>Net cash from operating activities (A)</b>	<b>3,6</b>	<b>-2,0</b>		<b>1,4</b>
<b>Cash flows from investing activities</b>				
Purchase of tangible and intangible assets	-2,0	-0,5		-2,9
Proceeds from sale of tangible and intangible assets	0,0	0,0		0,2
Acquisition of subsidiaries, net of cash acquired	0,0	0,0		-4,1
Purchase of investments	0,0	0,0		0,0
Loans granted	0,0	0,0		0,0
Additon/deduction of cash equivalent	0,0	0,0		0,0
Income taxes paid	0,0	0,0		0,0
<b>Net cash used in investing activities (B)</b>	<b>-2,0</b>	<b>-0,5</b>	<b>-322,2</b>	<b>-6,9</b>

<b>Cash flows from financing activities</b>			
Purchase of own shares	0,0	0,0	5,3
Proceeds from issue of shares	0,0	0,0	0,0
Proceeds from sale of own shares	0,0	0,1	0,0
Proceedings from short-term borrowings	0,0	7,9	9,8
Repayment of short-term borrowings	-2,5	-1,2	-4,9
Proceeds from long-term borrowings	0,0	1,6	3,0
Repayment of long-term borrowings	0,0	-0,3	-2,0
Financial leasing repayment	0,0	-0,1	-0,2
<b>Net cash used in financing activities (C)</b>	<b>-2,5</b>	<b>8,0</b>	<b>11,0</b>
<b>Net increase/decrease in cash and cash equivalents (A+B+C)</b>	<b>-0,8</b>	<b>5,5</b>	<b>5,5</b>
Cash and cash equivalents at beginning of period	9,8	2,4	4,5
Net increase/decrease in cash and cash equivalents	-0,8	5,5	5,5
Change in group structure	-0,3	0,0	0,0
Effects of exchange rate fluctuations on cash held	0,3	0,1	-0,2
Cash and cash equivalents at end of period	8,9	8,1	9,8

#### GROUP CONTINGENT LIABILITIES

EUR million

	30.6.2014	30.6.2013	31.12.2013
<b>Security and contingent liabilities</b>			
For others			
Other contingent liabilities	0,1	0,1	0,1
<b>Operating lease commitments</b>			
Group as lessee			
Non-cancellable minimum operating lease payments:			
Less than 1 year	0,8	1,5	1,0
1-5 years	0,2	0,6	0,4
<b>Fair values of derivate financial instruments</b>			
Currency derivatives, not hedge			
Option contract			
Nominal amount	0,0	0,0	2,0
Negative fair value	0,0	0,0	0,0

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A Share capital  
 B Treasury shares  
 C Unrestricted equity reserve  
 D Other reserves  
 E Translation differences  
 F Retained earnings  
 G Equity holders of the parent  
 H Non-controlling interests  
 I Total

EUR million	A	B	C	D	E	F	G	H	I
<b>EQUITY</b>	15,0	-2,5	18,8	1,0	0,7	-13,7	19,3	0,2	19,5
<b>January 1, 2013</b>									
Comprehensive income	0,0	0,0	0,0	0,0	0,3	-3,4	-3,1	0,0	-3,2
Equity	15,0	-2,5	18,8	1,0	0,9	-17,1	16,1	0,2	16,3
June 30, 2013									

EUR million	A	B	C	D	E	F	G	H	I
<b>EQUITY</b>	15,0	-2,4	28,0	1,0	1,4	-19,9	23,0	0,2	23,2
<b>January 1, 2014</b>									
Comprehensive income	0,0	0,0	0,0	0,0	-0,1	-2,9	-3,1	0,2	-2,9
Share-based incentive programme	0,0	0,0	0,0	0,0	0,0	0,1	0,1	0,0	0,1
Other changes	0,0	0,0	0,0	-0,3	0,0	0,4	0,0	0,0	0,0
Change in group structure	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-0,3	-0,3
<b>EQUITY</b>	15,0	-2,4	28,0	0,7	1,2	-22,5	20,0	0,0	20,0
<b>June 30, 2014</b>									

**FY 2013 - CONSOLIDATED  
STATEMENT OF  
COMPREHENSIVE INCOME**

EUR million	Nov/12 Dec/12 2 months	Jan/13 March/13 3 months	April/13 June/13 3 months	July/13 Sep/13 3 months	Oct/13 Dec/13 3 months	Nov/12 Dec/13 14 months
Net sales	8,0	15,3	13,8	22,0	23,3	82,5
Change in inventories of finished goods and work in progress	1,4	0,0	-2,6	2,1	-1,8	-0,9
Work performed for own purposes and capitalised	0,0	0,0	0,0	0,0	0,0	0,0
Other operating income	0,1	0,0	0,1	0,4	0,8	1,4
Materials and services	-6,9	-10,9	-7,6	-17,3	-14,2	-56,9
Employee benefits expenses	-2,4	-3,6	-3,4	-4,3	-4,0	-17,7
Depreciation	-0,4	-0,6	-0,4	-1,0	-0,9	-3,2
Other operating expenses	-1,1	-1,8	-1,8	-3,3	-3,0	-10,9
<b>Results from operating activities</b>	-1,2	-1,5	-1,9	-1,3	0,2	-5,8
% net sales	-15,5	-9,9	-13,5	-5,9	0,8	-7,0
Financing income	0,2	0,3	0,3	0,5	0,3	1,7
Financing expenses	-0,2	-0,5	-0,2	-0,5	-0,5	-2,0
<b>Result before tax</b>	-1,3	-1,7	-1,8	-1,3	0,0	-6,1
% net sales	-16,0	-11,1	-13,2	-5,7	0,0	-7,3
Tax on income from operations	0,1	0,0	0,1	0,0	-0,4	-0,1
<b>Result for the period</b>	-1,1	-1,7	-1,7	-1,2	-0,4	-6,2

**Other comprehensive income:**

Items that may be reclassified subsequently to profit or loss

Translation differences	-0,2	0,4	-0,2	-0,4	-0,2	-0,6
Total comprehensive income	-1,4	-1,3	-1,9	-1,7	-0,6	-6,7

**Net profit/loss attributable**

To equity holders of the parent	-1,1	-1,7	-1,7	-1,2	-0,4	-6,1
To non-controlling interest	0,0	0,0	0,0	0,0	0,0	-0,1

**Total comprehensive income attributable to:**

Equity holders of the parent	-1,4	-1,3	-1,8	-1,7	-0,6	-6,7
Non-controlling interest	0,0	0,0	0,0	0,0	0,0	-0,1

**Calculation of key figures**

$$\text{Return on investment (ROI), \%} = \frac{\text{Profit before taxes + interest and other financing expenses}}{\text{Equity + interest bearing liabilities (average)}} \times 100$$

$$\text{Return on Equity (ROE), \%} = \frac{\text{Profit/loss for the period}}{\text{Equity (average)}} \times 100$$

$$\text{Current ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}$$

$$\text{Solvency ratio, \%} = \frac{\text{Equity}}{\text{Total assets - advance payments received - own shares*}} \times 100$$

$$\text{Net interest-bearing liabilities} = \frac{\text{Interest bearing liabilities - financial assets at fair value through profit or loss - cash and cash equivalents}}{\text{Equity}}$$

$$\text{Gearing, \%} = \frac{\text{Net interest-bearing liabilities}}{\text{Equity}} \times 100$$

$$\text{Earnings per share} = \frac{\text{Profit or loss attributable to ordinary equity holders of the parent entity}}{\text{The weighted average number of ordinary shares outstanding}}$$

$$\text{Earnings per share (diluted)} = \frac{\text{Profit or loss attributable to ordinary equity holders of the parent entity}}{\text{The weighted average number of ordinary shares outstanding including dilutive effect}}$$

$$\text{Dividend per share} = \frac{\text{Dividend for the financial year}}{\text{Number of shares - own shares*}}$$

Dividend payout ratio, %	=	$\frac{\text{Dividend per shares}}{\text{Earnings per share}} \times 100$
Effective dividend yield, %	=	$\frac{\text{Dividend per share}}{\text{Adjusted share price at balance sheet date}} \times 100$
Equity per share	=	$\frac{\text{Equity} - \text{own shares}^*}{\text{Number of shares at balance sheet date}}$
P/E ratio	=	$\frac{\text{Adjusted share price at balance sheet date}}{\text{Earnings per share}}$
Market capitalization	=	Adjusted share price at balance sheet date x outstanding number of shares at balance sheet date
Average personnel	=	The average number of employees at the end of each calendar month during the accounting period

All share-specific figures are based on the issue-adjusted number of shares.

When calculating per share performance measures equity is the equity attributable to the shareholders of the parent company, when calculating other performance measures equity includes equity attributable to the shareholders of the parent company and non-controlling interests.

\* There were own shares held by company at the end of the period under review.

EFORE PLC  
Board of Directors

### Further information

For further information please contact Mr.Vesa Vähämöttönen, President and CEO, on August 12, 2014 at 9 – 10 a.m., tel. +358 9 4784 6312.

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