

2015

Interim Report January-June

Stable development continued

 Etteplan

ETTEPLAN OYJ INTERIM REPORT
AUGUST 12, 2015, AT 2:00 PM

ETTEPLAN Q2: STABLE DEVELOPMENT CONTINUED

Review period April-June 2015

- The Group's revenue increased by 1.5% and was EUR 34.2 million (4-6/2014: EUR 33.7 million). At comparable exchange rates revenue increased by 2.4%.
- EBIT from business operations was EUR 2.5 million (EUR 2.0 million) or 7.3% (5.9%) of revenue.
- Operating profit (EBIT) was EUR 2.3 million (EUR 2.3 million) or 6.7% (6.7%) of revenue.
- The profit for the review period was EUR 1.7 million (EUR 1.8 million).
- Operating cash flow improved and was EUR 3.7 million (EUR 3.1) million.
- Earnings per share were EUR 0.09 (EUR 0.09).
- The number of personnel increased and the Group had 1,900 employees at the end of the period (1,843).
- Etteplan updates the estimate of its market outlook and keeps its financial guidance unchanged.

Review period January-June 2015

- The Group's revenue increased by 2.8% and was EUR 68.9 million (1-6/2014: EUR 67.0 million). At comparable exchange rates revenue increased by 3.6%.
- EBIT from business operations was EUR 4.8 million (EUR 3.3 million) or 6.9% (5.0%) of revenue.
- Operating profit (EBIT) was EUR 4.4 million (EUR 3.4 million) or 6.3% (5.1%) of revenue.
- The profit for the review period improved and was EUR 3.1 million (EUR 2.6 million).
- Operating cash flow improved and was EUR 3.8 million (EUR 1.4 million).
- Earnings per share were EUR 0.16 (EUR 0.13).

Market outlook

The most important factor in the development of Etteplan's business operations is the global development of the machinery and metal industry. In spite of political uncertainty, the European markets are showing small signs of improvement. Increased uncertainty in the Asian markets is estimated to continue. The good market situation in North America is expected to continue.

Previous estimate of market outlook

The most important factor in the development of Etteplan's business operations is the global development of the machinery and metal industry. Market development remains uncertain due to the political and economic situation in Europe. Etteplan's customers also operate in the North American and Asian markets, where the demand situation is better than in Europe.

Financial guidance

We expect the revenue and operating profit for the year 2015 to grow compared to 2014.

Key figures

(EUR 1,000)	4-6/2015	4-6/2014	1-6/2015	1-6/2014	1-12/2014
Revenue	34,240	33,737	68,890	67,019	131,916
EBIT from business operations*	2,509 (7.3%)	1,975 (5.9%)	4,763 (6.9%)	3,335 (5.0%)	7,394 (5.6%)
Operating profit (EBIT)	2,305 (6.7%)	2,273 (6.7%)	4,356 (6.3%)	3,430 (5.1%)	7,856 (6.0%)
Basic earnings per share, EUR	0.09	0.09	0.16	0.13	0.30
Equity ratio, %	38.4	33.7	38.4	33.7	39.5
Operating cash flow	3,695	3,058	3,832	1,363	7,754
ROCE, %	19.8	20.7	18.3	15.5	17.8
Personnel at end of the period	1,900	1,843	1,900	1,843	1,859

* EBIT excluding acquisition related items such as amortization on PPA allocations and earn out revaluations

President and CEO Juha Näkki:

“The development of our business was stable in April-June. EBIT from business operations and cash flow improved clearly. Our revenue growth slowed in April-June as the demand situation remained at the previous quarter’s level. Changes in the European demand situation were mostly customer-specific. Uncertainty increased in the Chinese market, which started to affect in the development of the engineering services market as slower decision-making.

In the area of engineering services, sales of service solutions developed favorably. Nevertheless, our revenue decreased slightly in April-June compared to the previous year. This was attributable to the continued prolongation of contract negotiations with a significant customer and weaker work load in some of our units. Our Chinese revenue also declined and the number of working hours sold in the Chinese market was lower than in the comparison period. Last year there was a significant project underway that increased the number of hours in the comparison period. However, the number of Chinese working hours sold in the Chinese market increased and the amount of offshoring work grew. The profitability of engineering services improved as the proportion of revenue represented by high value-added Managed Services grew.

In technical documentation, the development of our business was excellent. Organic revenue growth in April-June exceeded the Group’s growth target of 15 per cent and profitability improved clearly. Our efforts to develop our service offering produced good results. Interest in our outsourcing solutions was particularly at a very good level in all market areas, which offers good growth opportunities going forward. The improvement in the profitability of technical documentation was attributable to the positive development of Managed Services and our software business.

Our operational business progressed systematically during the first half of the year towards our targets, but growth was nevertheless modest. In the second half of the year, we will focus particularly on accelerating growth to get closer to our targets.”

Accounting principles

The interim report has been prepared in accordance with IAS 34 (Interim Financial Reporting) standard and the preparation and accounting policies presented in the 2014 annual financial statements.

This interim report includes forward-looking estimates and assumptions. Accordingly, outcomes may deviate from these estimates, which are based on the management’s best knowledge at the time of interim report.

Market review

The demand for engineering services in the first half of 2015 was, on average, at a better level than in the previous year. In January-March 2015, demand improved clearly compared to the previous year. In April-June, demand was unchanged from the previous quarter and the corresponding period in the previous year. However, there were differences in demand specific to markets and customer industries. The demand for outsourcing services continued to develop favorably.

The presence of global machinery and equipment manufacturers in emerging markets continued to maintain relatively stable demand for engineering and technical documentation services in all of Etteplan's markets. There were clear country-specific differences in investment projects: in Sweden, projects progressed faster than in the first quarter, while in Russia, projects continued to progress slowly. In Finland, the number of investment projects underway was higher than in the previous year.

Market development in Finland was slow. New orders received by Etteplan's major customers grew in Finland in January-March 2015, but the growth in new orders leveled off in April-June. Order books were at a slightly better level than in the previous year throughout the January-June period. Market development in Sweden was favorable. In Sweden, new orders received by customers grew and order books showed positive development. In the Netherlands, demand continued to improve in technical documentation.

In the Chinese market, the development of demand in January-June was slower than in the previous year. The engineering services market continued to open up, but increased uncertainty slowed down customers' decision-making, which had an unfavorable impact on the development of demand compared to the previous year. The development of the Chinese export industry in January-June was affected by exchange rate fluctuations, which lead engineering industry to shift manufacturing to Europe for products whose end customers are in Europe.

There were no significant changes in the demand for engineering services and technical documentation by customer industry during the first half of the year. The demand for engineering services and technical documentation among mining industry equipment manufacturers improved slightly in January-June 2015 after being at a low level throughout 2014. The demand for engineering services among lifting and hoisting equipment manufacturers remained at a good level on average throughout the first half of the year. The demand for engineering services in the energy and power transmission industry remained at a good level. The demand for engineering services among forest industry equipment manufacturers decreased slightly compared to the high level in the comparison period and remained at a good level. In Sweden, the demand for engineering services in the aerospace and defense industry was at a good level. In Finland, the demand for engineering services in the aerospace and defense industry remained weak. In the transportation and vehicle industry, good demand for testing and analysis services requiring special expertise continued.

Revenue

Etteplan's revenue increased in January-June by 2.8 per cent and was EUR 68.9 million (1-6/2014: EUR 67.0 million). Revenue increased by 3.6 per cent at comparable exchange rates. Organic growth was 2.8 per cent.

In April-June revenue increased by 1.5 per cent and was EUR 34.2 million (4-6/2014: EUR 33.7 million). Revenue increased by 2.4 per cent at comparable exchange rates.

The growth in revenue was attributable to Etteplan's strong market position, demand remaining stable and outsourcing agreements.

Etteplan's business is subject to periodic fluctuation. The periodic fluctuation is affected by holiday seasons and the timing of product development and investment projects in customer companies, mainly at the beginning of the year as well as in the fall. The revenue in the third quarter is typically lower than that of other quarters.

Result

The Company began to report EBIT from business operations from the start of 2015. The new indicator reflects operational performance better. EBIT from business operations improved in January-June by 42.8 per cent and was EUR 4.8 million (1-6/2014: EUR 3.3 million). EBIT from business operations includes non-recurring items with a total of EUR 0.3 million. The operative EBIT margin was 6.9 per cent (5.0 per cent).

EBIT from business operations in April-June amounted to EUR 2.5 million (4-6/2014: EUR 2.0 million), including EUR 0.2 million in non-recurring expenses.

EBIT from business operations does not include acquisition related items such as amortization on PPA allocations and earn out revaluations.

In January–June, operating profit (EBIT) improved by 27.0 per cent and amounted to EUR 4.4 million (1-6/2014: EUR 3.4 million). Operating profit was improved by revenue growth and a better utilization rate of the engineering capacity than in the comparison period. The operational costs increased by 0.7 per cent. Operating profit margin improved and was 6.3 (5.1). The improvement in profitability was attributable to high value-added Managed Services representing a larger share of revenue than in the comparison period.

In April-June, operating profit (EBIT) was EUR 2.3 million (4-6/2014: EUR 2.3 million), or 6.7 per cent (6.7 per cent) of revenue.

In January-June, financial expenses amounted to EUR 0.5 million (1-6/2014: EUR 0.5 million).

Profit before taxes for January-June was EUR 4.0 million (1-6/2014: EUR 3.1 million). Taxes in the income statement amounted to 22.7 per cent (15.5 per cent) of the result before taxes. The amount of taxes was EUR 0.9 million (EUR 0.5 million).

The profit for January-June was EUR 3.1 million (1-6/2014: EUR 2.6 million).

In January-June, earnings per share were EUR 0.16 (1-6/2014: EUR 0.13). Equity per share was EUR 1.49 (EUR 1.28). Return on capital employed (ROCE) before taxes was 18.3 per cent (15.5 per cent).

Financial position and cash flow

Total assets on June 30, 2015 were EUR 79.9 million (June 30, 2014: EUR 75.6 million). Goodwill on the balance sheet was EUR 39.3 million (June 30, 2014: EUR 39.0 million).

The Group's cash and cash equivalents stood at the end of the review period at EUR 3.7 million (June 30, 2014: EUR 1.9 million). The Group's financial liabilities amounted to EUR 21.4 million (June 30, 2014: EUR 23.4 million). The total of unused short-term credit facilities stood at EUR 7.4 million (June 30, 2014: EUR 5.2 million).

The equity ratio was at the end of the review period 38.4 per cent (June 30, 2014: 33.7 per cent). Operating cash flow in January-June was EUR 3.8 million (1-6/2014: EUR 1.4 million). Cash flow after investments was EUR 2.5 million (1-6/2014: EUR -0.4 million). Cash flow accrues unevenly over the four quarters of the year due to periodic fluctuation in business.

Capital expenditures

The Group's gross investments in January-June were EUR 1.7 million (1-6/2014: EUR 2.5 million). Investments comprised, among other things, of license fees for engineering software. Investments in the comparison period included an acquisition.

Personnel

The average number of personnel increased in January-June by 6.1 per cent from the comparison period. The Group employed 1,876 (1-6/2014: 1,768) people on average during the review period and 1,900 (June 30, 2014: 1,843) at the end of the review period. At the end of the review period, 700 people (June 30, 2014: 701) were employed by the Group abroad.

Business review

The development of Etteplan's business in January-June was stable in spite of the slow start to 2015. Key accounts grew faster than other revenue in January-June, with the growth being 7.0 per cent compared to the previous year. In April-June, key accounts grew by 3.4 per cent. Revenue growth was higher in technical documentation than engineering services in January-June. The share of revenue represented by high value-added services grew in line with the company's targets and stood at 45 per cent in January-June (1-6/2014: 36 per cent). In April-June, high value-added services accounted for 44 per cent of revenue (4-6/2014: 37 per cent). Etteplan's market position in Finland was strengthened. The number of temporarily laid off personnel continued to decrease steadily and was under 50. Business in Sweden was favorably affected by the good market situation. In Sweden, attrition and the competition for experts burdened business. In the Netherlands, business continued to develop favorably due to the improved market situation.

The number of working hours sold in the Chinese market in January-June decreased by 1.5 per cent compared to the previous year. In April-June, the year-on-year decline was 5.5 per cent. The working hours sold in the Chinese market in the January-June comparison period included working hours performed in Finland in relation to a large project delivery. In spite of the decrease in the total number of hours worked, Chinese working hours sold in the Chinese market grew by 24 per cent in January-June and by 15 per cent in April-June. Chinese offshoring as part of Etteplan's service solutions was at a good level in January-June. Etteplan's operations in Kunshan, China, received Advanced Technology status in June. The status, given by the Suzhou Municipal People's Government, is valid from 2015 to 2018. The status is given to companies that the local government regards as contributing the most to growing the knowledge base of Chinese companies. Companies that have received the status pay 15 per cent income tax instead of 25 per cent, and they also have the possibility of applying for government subsidies.

Engineering services

Engineering services refer to the innovation, engineering, and technical calculations of machinery or equipment for the purpose of product development and manufacturing. Assignments are typically product development or delivery engineering for a new product, involving the customization of the product in accordance with end customer requirements and the legislation of the market area in question.

(EUR 1,000)	4-6/2015	4-6/2014	Change to prev. year	1-6/2015	1-6/2014	Change to prev. year	1-12/2014
Revenue	27 124	27 589	-1,7 %	54 774	54 494	0,5 %	106 603
EBIT from business operations*	1 767	1 668	5,9 %	3 320	2 593	28,0 %	5 503
EBIT from business operations, %*	6,5	6,0		6,1	4,8		5,2
Managed Services index	43	35		42	34		36

* EBIT excluding acquisition related items such as amortization on PPA allocations and earn out revaluations

Engineering services accounted for 79.5 per cent of Etteplan's revenue in January-June (1-6/2014: 81.3 per cent). The service area's revenue in January-June grew by 0.5 per cent, amounting to EUR 54.8 million (1-6/2014: EUR 54.5 million). In April-June, revenue decreased by 1.7 per cent compared to the previous year, amounting to EUR 27.1 million (4-6/2014: EUR 27.6 million). The factors contributing to the decrease in revenue in the second quarter included the continued uncertain market situation, the continued postponement of the signing of a frame agreement with one of Etteplan's customers, and the weaker workload in a few of our units. The Russian project business contracted in January-June and was at a lower level compared to the previous year.

In engineering services, EBIT from business operations improved in January-June and amounted to EUR 3.3 million (1-6/2014: EUR 2.6 million), or 6.1 per cent (4.8 per cent) of revenue. The improvement in profitability was attributable to high value-added Managed Services growing to account for a larger share of revenue. In April-June, EBIT from business operations improved and amounted to EUR 1.8 million (4-6/2014: EUR 1.7 million), or 6.5 per cent (6.0 per cent) of revenue. The utilization rate of engineering services was at a relatively good level in January-June.

In June, Etteplan secured a significant order from Outotec concerning the planning of process piping for a digestion plant to be constructed in Turkey. Eti Bakir's new plant in Mazidagi is expected to be inaugurated by the end of 2016. The plant will manufacture fertilizers, sulfuric acid, metals, and metallic compounds.

Technical documentation

Technical documentation refers to product-related documentation, such as manuals and service instructions for the users of a product, as well as related content production and distribution. Technical documentation services include the software business and SaaS services. For an industrial customer, technical documentation is typically a non-core operation that has a significant impact on the end customer's user experience and the efficiency of Etteplan's customer's maintenance service operations.

(EUR 1,000)	4-6/2015	4-6/2014	Change to prev. year	1-6/2015	1-6/2014	Change to prev. year	1-12/2014
Revenue	7 169	6 153	16,5 %	14 111	12 500	12,9 %	25 205
EBIT from business operations*	683	415	64,6 %	1 268	873	45,2 %	2 031
EBIT from business operations, %*	9,5	6,7		9,0	7,0		8,1
Managed Services index	60	50		59	51		53

* EBIT excluding acquisition related items such as amortization on PPA allocations and earn out revaluations

The share of Etteplan's revenue represented by technical documentation in January-June was 20.5 per cent (1-6/2014: 18.7 per cent) and the service area's revenue grew by 12.9 per cent in January-June, amounting to EUR 14.1 million (1-6/2014: EUR 12.5 million). In April-June, revenue grew by 16.5 per cent and amounted to EUR 7.2 million (4-6/2014: EUR 6.2 million). The growth in revenue in technical documentation was attributable to the continued trend of outsourcing and Etteplan's market position, which strengthened due to the company's unique service offering. New agreements on the outsourcing of technical documentation were signed at a steady rate in January-June.

In technical documentation, EBIT from business operations improved in January-June and amounted to EUR 1.3 million (1-6/2014: EUR 0.9 million), or 9.0 per cent (7.0 per cent) of revenue. In April-June, EBIT from business operations improved and amounted to EUR 0.7 million (EUR 0.4 million), or 9.5 per cent (6.7 per cent) of revenue. The higher profitability of technical documentation compared to engineering services was based on the software business and the higher proportion of Managed Services. In January-June, high value-added services accounted for 59 per cent (51 per cent) of revenue. The utilization rate of technical documentation services in the second quarter of 2015 was higher than in the comparison period in 2014.

Patria outsourced technical documentation and design engineering to Etteplan in June. Starting from August 2015, Etteplan is responsible for Patria Land Systems Oy's spare parts book production and part of its vehicle equipment engineering. Five Patria employees were transferred to Etteplan.

In June, Etteplan and the Dutch company Thesus Talking Image signed an agreement according to which five Thesus Ti employees and the company's business operations are transferred to Etteplan. The agreement became effective on July 1, 2015. Thesus Talking Image specializes in advanced visual instructions and high-quality technical illustrations.

Governance

Annual General Meeting

The Annual General Meeting of Shareholders of Etteplan Oyj (the "Company") was held on March 27, 2015, at the premises of the Company in Vantaa. In accordance with the proposal of the Nomination and Remuneration Committee of the Board of Directors, the Annual General Meeting re-elected Robert Ingman, Patrick von Essen, Pertti Nupponen, Teuvo Rintamäki and Leena Saarinen as members of the Board of Directors and elected Matti Huttunen as a new member to the Board of Directors.

The Annual General Meeting approved the financial statements and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2014.

PricewaterhouseCoopers Oy, Authorized Public Accounting Firm, with Authorized Public Accountant Kaj Wasenius as the main responsible auditor and Certified Auditor Olli Wesamaa were elected as the Company's auditors. The auditors' fees were resolved to be paid according to invoice approved by the Company.

The Annual General Meeting authorized the Board of Directors to resolve on the repurchase of the Company's own shares in one or more tranches using the Company's unrestricted equity. A maximum of 2,000,000 shares in the Company may be repurchased. The Company may deviate from the obligation to repurchase shares in proportion to the shareholders' current holdings, i.e., the Board has the right to decide on a directed repurchase of the Company's own shares.

The authorization includes the right for the Board to resolve on the repurchase of the Company's own shares through a tender offer made to all shareholders on equal terms and conditions and at the price determined by the Board, or in public trading organized by the NASDAQ OMX Helsinki Ltd at the market price valid at any given time, so that the Company's total holding of own shares does not exceed ten (10) per cent of all the shares in the Company. The minimum price for the shares to be repurchased is the lowest market price quoted for the shares in the Company in public trading and, correspondingly, the maximum price is the highest market price quoted for the shares in the Company in public trading during the validity of the authorization.

Should the shares in the Company be repurchased in public trading, such shares will not be purchased in proportion to the shareholders' current holdings. In that case there must be a weighty financial reason for the Company to repurchase its own shares. The shares may be repurchased in order to be used as consideration in potential acquisitions or in other structural arrangements. The shares may as well be used for carrying out Company's incentive schemes for its personnel. The repurchased shares may be retained by the Company, invalidated or transferred further.

The repurchase of the Company's own shares will reduce the non-restricted equity of the Company.

The authorization is valid for 18 months from the date of the resolution of the Annual General Meeting starting on March 27, 2015 and ending on September 26, 2016. The authorization will replace the corresponding previous authorization.

Dividend

The Annual General Meeting on March 27, 2015 passed a resolution, in accordance with the proposal of the Board of Directors, that a dividend of EUR 0.15 per share be paid for the financial year 2014 and the remaining funds shall be left to the unrestricted equity. The dividend was paid to the shareholders registered on the record date in the shareholders' register maintained by Euroclear Finland Ltd. The record date of the payment of dividend was March 31, 2015. The dividend was paid on April 9, 2015.

Shares

Etteplan's shares are listed in NASDAQ OMX Helsinki Ltd's Small Cap market capitalization group in the Industrials sector under the ETT1V ticker.

The Company's share capital on June 30, 2015 was EUR 5,000,000.00, and the total number of shares was 20,179,414. The Company has one series of shares. All shares confer an equal right to a dividend and the Company's funds.

The Company held 308,886 of its own shares on June 30, 2015, which corresponds 1.53 per cent of all shares and voting rights (December 31, 2014: 308 886). In January-June 2015 the Company did not acquire or transfer any company-held shares.

The number of Etteplan Oyj shares traded during the review period was 612,766, to a total value of EUR 2.4 million. The share price low was EUR 3.00, the high EUR 4.44, the average EUR 3.95 and the closing price EUR 4.10. Market capitalization on June 30, 2015 was EUR 81.5 million.

On June 30, 2015, the members of the Company's Board of Directors and the President and CEO owned a total of 41,876 (December 31, 2014: 41,876) shares, or 0.21 per cent of the total share base.

Flaggings

Etteplan Oyj received no flagging notices in January-June 2015.

Share-based incentive plans

The Board of Directors of Etteplan Oyj decided on February 12, 2014 on a new share-based incentive plan for the Company's President and CEO. The new Restricted Stock Plan includes one three year vesting period. The potential reward of the Plan is bound to the validity of the CEO's service. The reward from the vesting period will be paid partly in the Company's shares and partly in cash in February 2017. The reward to be paid on the basis of the Restricted Stock Plan 2014 will amount up to a maximum total of 25,000 Etteplan Oyj shares. In addition, the Company will pay taxes and tax-related costs arising from the reward to the CEO.

The Board of Directors of Etteplan Oyj decided on June 3, 2014 to establish a new share-based incentive plan for the Group key personnel. The Plan includes one earning period which includes calendar years 2014, 2015 and 2016. The earnings criteria are Etteplan Group's revenue increase and the development of Total Shareholder Return (TSR). Approximately 15 people belong to the target group of the Plan. The rewards to be paid on the basis of the plan will correspond to the value of an approximate maximum total of 450,000 Etteplan Oyj shares (including also the proportion to be paid in cash).

The shares to be paid out as potential rewards will be transferred from the shares held by the company or shares acquired from the market.

Operating risks and uncertainty factors

Etteplan's financial results are exposed to a number of strategic, operational and financial risks.

Etteplan's risk management review will be included in the 2014 Annual Report on pages 30-35.

Operating risks and uncertainty factors in the review period

The uncertainty caused by the general economic development continued in January-June. The demand for engineering services and technical documentation remained at a relatively good level in the review period.

The Company's operations are based on skilled staff. The availability of competent professionals is an important factor for ensuring profitable growth and operations. During the review period, increased difficulties in recruiting professional staff in Sweden continued to present a business risk.

Estimate of operating risks and uncertainty factors in the near future

The uncertainty caused by the general economic development continues to be a risk for Etteplan's business. In particular, the uncertain political development in Europe and the resulting economic risks, as well as uncertainty in the Chinese market, is expected to continue. The possibility of changes in customers' business operations is a significant risk to Etteplan's operations.

The Company's operations are based on skilled staff. The availability of competent professionals is an important factor for ensuring profitable growth and operations. The availability of personnel in Sweden continues to present a business risk.

Risks related to business operations are still at a significant level, but they are not estimated to grow.

Market outlook

The most important factor in the development of Etteplan's business operations is the global development of the machinery and metal industry. In spite of political uncertainty, the European markets are showing small signs of improvement. Increased uncertainty in the Asian markets is estimated to continue. The good market situation in North America is expected to continue.

Financial guidance 2015

We expect the revenue and operating profit for the year 2015 to grow compared to 2014.

Financial information in 2015

Etteplan Oyj's third quarter interim report will be published on Thursday October 29, 2015.

Vantaa, August 12, 2015

Etteplan Oyj

Board of Directors

Additional information:

Juha Näkki, President and CEO, tel. +358 400 606 372

APPENDIX:

Financial Statement Summary and Notes

Consolidated Statement of Comprehensive Income

Consolidated Statement of Financial Position

Consolidated Statement of Cash Flows

Consolidated Statement of Changes in Equity

Notes to the Financial Statement Summary

The information presented herein has not been audited.

Releases and other corporate information are available on Etteplan's Web site at www.etteplan.com.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR 1 000)	4-6/2015	4-6/2014	1-6/2015	1-6/2014	1-12/2014
Revenue	34 240	33 737	68 890	67 019	131 916
Other operating income	156	495	172	576	1 567
Materials and services	-2 095	-2 437	-4 092	-5 516	-9 524
Staff costs	-24 475	-24 181	-49 649	-48 090	-94 367
Other operating expenses	-4 780	-4 693	-9 541	-9 259	-19 108
Depreciation and amortization	-741	-647	-1 424	-1 300	-2 629
Operating profit (EBIT)	2 305	2 273	4 356	3 430	7 856
Financial income	130	143	145	197	394
Financial expenses	-271	-308	-514	-541	-1 082
Profit before taxes	2 164	2 108	3 986	3 087	7 168
Income taxes	-491	-324	-903	-478	-1 020
Profit for the financial year	1 673	1 783	3 083	2 609	6 147
Other comprehensive income, that may be subsequently reclassified to profit or loss					
Foreign subsidiary net investment hedge	-67	70	-42	98	154
Currency translation differences	250	-702	576	-984	-1 599
Change in fair value of investments available-for-sale	13	3	27	4	1
Tax from items, that may be subsequently reclassified to profit or loss	11	-15	3	-21	-31
Other comprehensive income, net of tax	207	-643	564	-902	-1 475
Total comprehensive income for the year	1 879	1 140	3 648	1 707	4 673
Income attributable to					
Equity holders of the parent company	1 691	1 711	3 116	2 482	5 930
Non-controlling interest	-19	73	-33	126	218
	1 673	1 783	3 083	2 609	6 147
Total comprehensive income attributable to					
Equity holders of the parent company	1 895	1 070	3 686	1 576	4 466
Non-controlling interest	-15	70	-39	130	207
	1 879	1 140	3 648	1 707	4 673
Earnings per share calculated from the result attributable to equity holders of the parent company					
Basic earnings per share, EUR	0,09	0,09	0,16	0,13	0,30
Diluted earnings per share, EUR	0,09	0,09	0,16	0,13	0,30

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR 1 000)	30.6.2015	30.6.2014	31.12.2014
ASSETS			
Non-current assets			
Tangible assets	2 137	1 557	1 866
Goodwill	39 256	38 973	38 642
Other intangible assets	5 907	6 422	5 876
Investments available-for-sale	668	645	642
Deferred tax assets	148	75	110
Non-current assets, total	48 117	47 673	47 136
Current assets			
Trade and other receivables	28 110	25 871	25 442
Current tax assets	0	225	321
Cash and cash equivalents	3 663	1 879	2 575
Current assets, total	31 773	27 974	28 337
TOTAL ASSETS	79 890	75 648	75 474
EQUITY AND LIABILITIES			
Capital attributable to equity holders of the parent company			
Share capital	5 000	5 000	5 000
Share premium account	6 701	6 701	6 701
Unrestricted equity fund	2 364	2 614	2 364
Own shares	-871	-1 912	-912
Cumulative translation adjustment	-937	-930	-1 472
Other reserves	212	193	177
Retained earnings	13 980	11 030	11 030
Profit for the financial year	3 116	2 482	5 930
Capital attributable to equity holders of the parent company, total	29 566	25 179	28 818
Non-controlling interest	-104	-141	-65
Equity, total	29 462	25 038	28 753
Non-current liabilities			
Deferred tax liabilities	999	1 228	1 087
Financial liabilities	9 059	12 136	9 137
Other non-current liabilities	62	273	57
Non-current liabilities, total	10 121	13 637	10 280
Current liabilities			
Financial liabilities	12 359	11 260	9 681
Trade and other payables	27 419	25 625	26 666
Current income tax liabilities	529	88	94
Current liabilities, total	40 307	36 973	36 441
Liabilities, total	50 428	50 610	46 721
TOTAL EQUITY AND LIABILITIES	79 890	75 648	75 474

CONSOLIDATED STATEMENT OF CASH FLOWS

(EUR 1 000)	4-6/2015	4-6/2014	1-6/2015	1-6/2014	1-12/2014
Operating cash flow					
Cash receipts from customers	34 935	34 569	67 965	65 506	131 858
Operating expenses paid	-31 089	-30 629	-63 552	-62 706	-121 506
Operating cash flow before financial items and taxes	3 846	3 940	4 413	2 801	10 352
Interest and payment paid for financial expenses	-127	-198	-326	-387	-743
Interest received	21	11	24	16	24
Income taxes paid	-45	-695	-279	-1 067	-1 879
Operating cash flow (A)	3 695	3 058	3 832	1 363	7 754
Investing cash flow					
Purchase of tangible and intangible assets	-773	-274	-881	-457	-885
Acquisition of subsidiaries	0	-2	-440	-1 394	-1 396
Proceeds from sale of tangible and intangible assets	0	6	0	84	80
Proceeds from sale of investments	1	0	1	0	1
Loan receivables, decrease	0	4	0	4	1
Investing cash flow (B)	-773	-266	-1 320	-1 763	-2 200
Cash flow after investments (A+B)	2 922	2 792	2 512	-400	5 554
Financing cash flow					
Short-term loans, increase	-2 220	1 857	3 679	2 388	266
Short-term loans, decrease	-626	-1 478	-6 671	-1 629	-4 562
Long-term loans, increase	5 007	19	5 007	3 019	3 048
Payment of finance lease liabilities	-243	-221	-463	-455	-879
Dividend paid and other profit distribution	-2 981	-2 169	-2 981	-2 169	-2 169
Financing cash flow (C)	-1 063	-1 992	-1 428	1 155	-4 295
Variation in cash (A+B+C) increase (+) / decrease (-)	1 859	800	1 084	755	1 258
Assets at the beginning of the period	1 815	964	2 575	975	975
Exchange gains or losses on cash and cash equivalents	-11	115	5	148	341
Assets at the end of the period	3 663	1 879	3 663	1 879	2 575

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Legends for table columns

- A) Share Capital
- B) Share Premium Account
- C) Unrestricted Equity Fund
- D) Other Reserves
- E) Own Shares
- F) Cumulative Translation Adjustment
- G) Retained Earnings
- H) Total
- I) Non-controlling Interest
- J) Equity total

(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
Equity 1.1.2014	5 000	6 701	2 614	189	-1 912	-21	13 180	25 753	-272	25 481
Comprehensive income										
Profit for the financial year	0	0	0	0	0	0	5 930	5 930	218	6 147
Fair value reserve available-for-sale assets	0	0	0	1	0	0	0	1	0	1
Foreign subsidiary net investment hedge	0	0	0	0	0	123	0	123	0	123
Cumulative translation adjustment	0	0	0	0	0	-1 588	0	-1 588	-11	-1 599
Total comprehensive income for the year	0	0	0	1	0	-1 465	5 930	4 466	207	4 673
Transactions with owners										
Dividends	0	0	0	0	0	0	-2 169	-2 169	0	-2 169
Reclassifications	0	0	0	-14	0	13	19	19	0	19
Change in contingent consideration	0	0	-250	0	747	0	0	497	0	497
Share based incentive plan	0	0	0	0	252	0	0	252	0	252
Transactions with owners, total	0	0	-250	-14	999	13	-2 150	-1 401	0	-1 401
Equity 31.12.2014	5 000	6 701	2 364	177	-912	-1 472	16 960	28 818	-65	28 753
(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
Equity 1.1.2015	5 000	6 701	2 364	177	-912	-1 472	16 960	28 818	-65	28 753
Comprehensive income										
Profit for the financial year	0	0	0	0	0	0	3 116	3 116	-33	3 083
Fair value reserve available-for-sale assets	0	0	0	22	0	0	0	22	0	22
Foreign subsidiary net investment hedge	0	0	0	0	0	-33	0	-33	0	-33
Cumulative translation adjustment	0	0	0	0	0	582	0	582	-6	576
Total comprehensive income for the year	0	0	0	22	0	548	3 116	3 686	-39	3 648
Transactions with owners										
Dividends	0	0	0	0	0	0	-2 981	-2 981	0	-2 981
Reclassifications	0	0	0	14	0	-14	0	0	0	0
Share based incentive plan	0	0	0	0	42	0	0	42	0	42
Transactions with owners, total	0	0	0	14	42	-14	-2 981	-2 939	0	-2 939
Equity 30.6.2015	5 000	6 701	2 364	212	-871	-937	17 096	29 566	-104	29 462

(EUR 1 000)	A	B	C	D	E	F	G	H	I	J
Equity 1.1.2014	5 000	6 701	2 614	189	-1 912	-21	13 180	25 753	-272	25 481
Comprehensive income										
Profit for the financial year	0	0	0	0	0	0	2 482	2 482	126	2 609
Fair value reserve available-for-sale assets	0	0	0	3	0	0	0	3	0	3
Foreign subsidiary net investment hedge	0	0	0	0	0	79	0	79	0	79
Cumulative translation adjustment	0	0	0	0	0	-988	0	-988	4	-984
Total comprehensive income for the year	0	0	0	3	0	-910	2 482	1 576	130	1 707
Transactions with owners										
Dividends	0	0	0	0	0	0	-2 169	-2 169	0	-2 169
Reclassifications	0	0	0	0	0	0	19	19	0	19
Transactions with owners, total	0	0	0	0	0	0	-2 150	-2 150	0	-2 150
Equity 30.6.2014	5 000	6 701	2 614	193	-1 912	-930	13 512	25 179	-141	25 038

NOTES TO THE FINANCIAL STATEMENT SUMMARY

General

The parent company of Etteplan Group is Etteplan Oyj (the Company), a Finnish public limited company established under Finnish law. The Company is domiciled in Vantaa.

Etteplan provides engineering services and technical product information solutions to the world's leading companies in the manufacturing industry. Company's services are geared to improve the competitiveness of customers' products and engineering processes throughout the product life cycle. The results of Etteplan's innovative engineering can be seen in numerous industrial solutions and everyday products.

In 2014, Etteplan had turnover of EUR 131.9 million. The company has 1,900 professionals in Finland, Sweden, the Netherlands and China. Etteplan's shares are listed on NASDAQ OMX Helsinki Ltd under the ETT1V ticker.

The Etteplan Oyj Board of Directors has approved this interim report for publication at its meeting of August 12, 2015.

Basis for preparation

The interim report has been prepared in accordance with IAS 34 (Interim Financial Reporting) standard and the preparation and accounting policies presented in the 2014 annual financial statements.

Monetary figures in the interim report are presented in thousands of euros. All figures in the tables have been rounded up or down, due to which the sums of figures may deviate from the sum totals presented.

In the interim report the accounting principles used were the same as for the 2014 annual financial statements. The annual financial statements are available at <http://www.etteplan.com/investors/annual-and-interim-reports/2015.aspx> and the accounting policy is detailed on pages 47-53 of the annual report 2014. Formulas for the key figures are detailed at the end of this interim report.

Use of estimates

This interim report includes forward-looking estimates and assumptions. Accordingly, outcomes may deviate from these estimates, which are based on the management's best knowledge at the time of interim report.

Income taxes

The taxes listed in the consolidated income statement have been calculated with the tax rate appropriate for the projected full-year result. The estimated average effective tax rate for the year has been set separately for each relevant country. Taxes in the income statement amounted to 22.7 per cent (1-6/2014: 15.5 per cent) calculated of the result before taxes.

Risks

Etteplan's financial results are exposed to a number of strategic, operational and financial risks. A description of risks can be found in Etteplan's annual report 2014 on pages 30-35. A detailed financial risk analysis can be found in Etteplan's annual report 2014 on pages 53-58.

KEY FIGURES

(EUR 1 000)	1-6/2015	1-6/2014	1-12/2014	Change to prev. year
Revenue	68 890	67 019	131 916	2,8 %
EBIT from business operations*	4 763	3 335	7 394	42,8 %
EBIT from business operations, %*	6,9	5,0	5,6	
Operating profit (EBIT)	4 356	3 430	7 856	27,0 %
EBIT, %	6,3	5,1	6,0	
Profit before taxes	3 986	3 087	7 168	29,1 %
Profit before taxes, %	5,8	4,6	5,4	
Return on equity, %	21,2	20,7	22,7	
ROCE, %	18,3	15,5	17,8	
Equity ratio, %	38,4	33,7	39,5	
Gross interest-bearing debt	21 418	23 396	18 818	-8,5 %
Net gearing, %	60,3	85,9	56,5	
Balance sheet, total	79 890	75 648	75 474	5,6 %
Gross investments	1 673	2 477	3 565	-32,5 %
Operating cash flow	3 832	1 363	7 754	181,2 %
Basic earnings per share, EUR	0,16	0,13	0,30	23,1 %
Diluted earnings per share, EUR	0,16	0,13	0,30	23,1 %
Equity per share, EUR	1,49	1,28	1,45	16,4 %
Personnel, average	1 876	1 768	1 813	6,1 %
Personnel at end of the period	1 900	1 843	1 859	3,1 %

* EBIT excluding acquisition related items such as amortization on PPA allocations and earn out revaluations

REVENUE AND OPERATING PROFIT (EBIT) QUARTERLY

(EUR 1 000)	1-3/2015	1-3/2014	4-6/2015	4-6/2014
Revenue	34 650	33 282	34 240	33 737
Operating profit (EBIT)	2 051	1 157	2 305	2 273
EBIT, %	5,9	3,5	6,7	6,7

EXCEPTIONAL ITEMS

Items that are material either because of their size or their nature, or that are non-recurring are considered as exceptional items and are presented within the line items to which they best relate. The lines in which they are included in the income statement are specified in the table below:

(EUR 1 000)	4-6/2015	4-6/2014	1-6/2015	1-6/2014
Other operating income	0	500	0	500
Staff costs and other operating expenses	-195	-307	-294	-349
Operating profit (EBIT)	-195	193	-294	151
Financial expenses	0	-55	-6	-82
Profit for the financial year	-195	138	-300	69

TANGIBLE ASSETS

TANGIBLE ASSETS 2015 EUR 1,000	Land and water	Machinery and equipment	Machinery and equipment, finance lease	Other tangible assets	Total
Acquisition cost at 1.1.	19	10 434	6 133	414	17 000
Translation difference	0	113	14	4	131
Additions	0	178	530	12	721
Reclassifications between items	0	7	0	0	7
Acquisition cost 30.6.	19	10 732	6 677	430	17 859
Cumulative depreciation 1.1.	0	-9 661	-5 147	-326	-15 134
Translation difference	0	-91	-10	-1	-102
Cumulative depreciation on reclassifications	0	-7	0	0	-7
Depreciation for the financial period	0	-138	-328	-13	-479
Cumulative depreciation 30.6.	0	-9 898	-5 484	-340	-15 722
Book value 30.6.2015	19	834	1 193	90	2 137

TANGIBLE ASSETS 2014 EUR 1,000	Land and water	Machinery and equipment	Machinery and equipment, finance lease	Other tangible assets	Total
Acquisition cost at 1.1.	19	10 327	5 317	918	16 581
Translation difference	0	-93	-20	0	-113
Acquisition of subsidiaries	0	0	0	9	9
Additions	0	199	315	3	517
Disposals	0	-262	0	-568	-830
Acquisition cost 30.6.	19	10 171	5 612	362	16 164
Cumulative depreciation 1.1.	0	-9 681	-4 561	-297	-14 538
Translation difference	0	90	14	0	104
Cumulative depreciation on disposals	0	245	0	0	245
Depreciation for the financial period	0	-96	-315	-7	-418
Cumulative depreciation 30.6.	0	-9 442	-4 862	-304	-14 607
Book value 30.6.2014	19	729	750	58	1 557

INTANGIBLE ASSETS

INTANGIBLE ASSETS 2015 EUR 1,000	Intangible rights	Internally created intangible assets	Other intangible assets	Other intangible assets, finance lease	Total
Acquisition cost at 1.1.	8 729	1 588	5 696	1 573	17 585
Translation difference	52	0	47	5	104
Acquisition of subsidiaries	0	0	0	0	0
Additions	704	3	0	245	952
Reclassifications between items	0	0	0	0	0
Disposals	0	0	0	-9	-9
Acquisition cost 30.6.	9 485	1 591	5 743	1 813	18 632
Cumulative amortization 1.1.	-7 448	-837	-2 208	-1 216	-11 710
Translation difference	-39	0	-25	-4	-68
Amortization for the financial period	-241	-158	-408	-141	-949
Cumulative amortization 30.6.	-7 728	-995	-2 641	-1 361	-12 726
Book value 30.6.2015	1 757	596	3 102	452	5 907

INTANGIBLE ASSETS 2014 EUR 1,000	Intangible rights	Internally created intangible assets	Other intangible assets	Other intangible assets, finance lease	Total
Acquisition cost at 1.1.	8 469	1 399	4 512	1 429	15 808
Translation difference	-19	0	-4	-8	-31
Acquisition of subsidiaries	110	0	1 183	0	1 293
Additions	133	0	0	57	190
Disposals	-72	0	0	0	-72
Acquisition cost 30.6.	8 621	1 399	5 691	1 478	17 188
Cumulative amortization 1.1.	-7 004	-572	-1 378	-960	-9 914
Translation difference	15	0	3	6	24
Amortization for the financial period	-275	-68	-403	-131	-877
Cumulative amortization 30.6.	-7 264	-640	-1 778	-1 085	-10 767
Book value 30.6.2014	1 357	759	3 913	393	6 421

GOODWILL

GOODWILL 2015

EUR 1,000	Goodwill	Consolidated goodwill	Total
Acquisition cost at 1.1.	837	37 805	38 642
Translation difference	7	607	614
Acquisition cost 30.6.	844	38 413	39 256
Book value 30.6.2015	844	38 413	39 256

GOODWILL 2014

EUR 1,000	Goodwill	Consolidated goodwill	Total
Acquisition cost at 1.1.	737	38 395	39 131
Translation difference	-12	-839	-851
	121	573	693
Acquisition cost 30.6.	845	38 128	38 973
Book value 30.6.2014	845	38 128	38 973

FINANCIAL LIABILITIES

(EUR 1 000)	30.6.2015	30.6.2014	31.12.2014
Non-current	9 059	12 136	9 137
Current	12 359	11 260	9 681
Total	21 418	23 396	18 818

PLEDGES, MORTGAGES AND GUARANTEES

(EUR 1 000)	30.6.2015	30.6.2014	31.12.2014
Other Contingencies	104	48	50
Leasing liabilities			
For payment under one year	1 538	1 324	1 450
For payment 1-5 years	1 704	1 347	1 527
Total	3 346	2 719	3 027

FAIR VALUE OF FINANCIAL INSTRUMENTS

The tables below analyse financial instruments carried at fair value, by valuation method.

The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Available for sale financial assets recognized at fair value through profit or loss

EUR 1,000	30.6.2015				30.6.2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Listed shares	161	0	0	161	136	0	0	136
Premises shares	0	480	0	480	0	480	0	480
Unlisted shares	0	0	29	29	0	0	29	29
Total	161	480	29	668	136	480	29	645

Reconciliation of available for sale financial assets recognized at fair value through profit or loss

EUR 1,000	30.6.2015				30.6.2014			
	Listed shares	Premises shares	Unlisted shares	Total	Listed shares	Premises shares	Unlisted shares	Total
Opening balance at Jan 1	134	480	29	642	132	480	29	641
Gain/loss recognized in other comprehensive income	27	0	0	27	4	0	0	4
Closing balance Jun 30	161	480	29	668	136	480	29	645

Financial liabilities recognized at fair value through profit or loss

EUR 1,000	30.6.2015				30.6.2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Contingent liability from acquisitions	0	0	0	0	0	0	1 632	1 632
Total	0	0	0	0	0	0	1 632	1 632

Reconciliation of financial liabilities recognized at fair value through profit or loss

EUR 1,000	2015		2014	
	Contingent liability from acquisitions	Total	Contingent liability from acquisitions	Total
Opening balance at Jan 1	434	434	1 823	1 823
Additions	0	0	226	226
Gain/loss recognized in the income statement	5	5	-418	-418
Payment transaction	-440	-440	0	0
Closing balance Jun 30	0	0	1 632	1 632

MAJOR SHAREHOLDERS JUNE 30, 2015

Name	Number of shares	Holding of shares, %
Ingman Group Oy Ab	13 650 000	67,64
Oy Fincorp Ab	2 071 259	10,26
Varma Mutual Pension Insurance Company	821 328	4,07
Tuori Klaus	351 000	1,74
Etteplan Oyj	308 886	1,53
Sijoitusrahasto Taaleritehdas Mikro Markka	296 208	1,47
Tuori Aino	256 896	1,27
Nordea Pankki Suomi Oyj	223 564	1,11
Kempe Anna	220 000	1,09
Kempe Lasse	100 000	0,50
Kempe Pia	97 700	0,48
Euroclear Bank Sa/Nv	68 440	0,34
4Capes Oy	68 216	0,34
Kylänpää Osmo	53 200	0,26
Kurra Jorma	36 300	0,18
Ingman Robert	30 000	0,15
Burmeister Dorrit	26 928	0,13
Hemholmen Oy Ab	26 000	0,13
Otavan Kirjasäätiö	24 772	0,12
Skandinaviska Enskilda Banken AB	22 442	0,11
Other shareholders	1 426 275	7,08
Total	20 179 414	100,00
Nominee-registered shares	351 718	1,74

FORMULAS FOR KEY FIGURES

EBIT from business operations

Operating profit (EBIT) + amortization on PPA allocations - earn out revaluation items

Return on equity (ROE)

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

Return on capital employed (ROCE), before taxes

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

Equity ratio, %

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

Net gearing, %

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

Earnings per share

$$\frac{(\text{Profit before taxes and non-controlling interest} - \text{taxes} - \text{non-controlling interest})}{\text{Adjusted average number of shares during the financial year}}$$

Equity per share

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