

Proha Plc Stock Exchange Bulletin August 9, 2007 at 9.00 a.m

PROHA PLC FINANCIAL STATEMENTS (IFRS) JANUARY 1, - JUNE 30,2007

Period January - June 2007, continuing operations of Proha:

- Proha net sales grew by 29% and were EUR 22.9 million (17.8 million in corresponding period 2006).
- The net sales for Dovre Consulting and Services division grew by 27% and were EUR 21.0 (16.6) million.
- The net sales for Safran Systems division grew by 51% and were EUR 2.0 (1.3) million.
- The operating result of Proha was EUR -0.3 (-0.8) million.
- The operating result for Dovre Consulting and Services division was EUR 1.0 (0.9) million. The operating result for Safran Systems division was EUR -0.7 (-0.3) million. The operating result for other operations was EUR -0.6 (-1.5) million.

Period April - June 2007, continuing operations of Proha:

- The net sales increased by 15% and were EUR 11.8 million (EUR 10.3 million in April - June 2006).
- The net sales of Dovre Consulting and Services division grew by 12% and were EUR 10.9 (9.7) million.
- The net sales of Safran Systems division grew by 58% and were EUR 1.0 (0.6) million.
- The operating result of Proha was EUR -0.4 (-0.9) million.
- The operating result for Dovre Consulting and Services division was EUR 0.4 (0.4) million. The operating result for Safran Systems division was -0.4 (-0.3) million. The operating result for other operations was -0.4 (-1.0) million.

Period January - June 2007, Proha Group:

- The net sales decreased by 35% due to the divestment in 2006 and were EUR 22.9 million (EUR 35.0 million in January - June 2006).
- The operating result improved clearly and was EUR -0.3 million (The operating result before non-recurring items EUR -3.4 million in January - June 2006).

Period April - June 2007, Proha Group:

- The net sales decreased by 37% due to the divestment in 2006 and were EUR 11.8 million (EUR 18.7 million in April - June 2006).
- The operating result improved clearly and was EUR -0.4 million (the operating result before non-recurring items EUR -1.8 million in April - June 2006).

PROHA CEO PEKKA PERE:

During the first six months of 2007 Proha has focused on the international expansion of the business of Dovre Consulting and Services division and in the development of a new family of products within the Safran Systems division.

The net sales of Dovre Services and Consulting division have continued to grow in the second quarter of 2007. However, there exists plenty of potential for even stronger international growth in the markets. Special attention is paid to improvement of profit margins and resourcing.

Safran Software division has continued to develop the new SafranOne family of products. The first product launch was made in June as Proha introduced the new project management portal solution at the International Project Management Association World Congress in Cracow. Safran has invested strongly on product development and international growth.

For the second half of 2007 the essential themes are strengthening of international business and utilization of synergies between the divisions.

#### KEY RATIOS FOR THE CONTINUING OPERATIONS

(EUR million)	4-6 2007	4-6 2006	Change %	1-6 2007	1-6 2006	Change %	1-12 2006
Net sales	11,8	10,3	14,6 %	22,9	17,8	28,6 %	41,0
Operating result	-0,4	-0,9	55,2 %	-0,3	-0,8	61,0 %	-0,3
% of net sales	-3,5 %	-8,9 %		-1,4 %	-4,8 %		-0,8 %
Result before taxes	-0,4	-1,0	56,1 %	-0,4	-1,0	59,2 %	-0,6
Result for the period	-0,5	-1,1	54,9 %	-0,6	-1,2	53,2 %	-1,1
Return on equity %	-12,8 %	-27,3 %		-7,5 %	-15,6 %		-7,1 %
Return on investment %	-4,9 %	-16,8 %		-1,3 %	-7,7 %		-0,7 %
Cash and cash equivalents	10,9	2,7	298,5 %	10,9	2,7	298,5 %	12,0
Debt to equity ratio %	-28,6 %	27,7 %		-28,6 %	27,7 %		-38,7 %
Equity ratio %	46,1 %	48,9 %		46,1 %	48,9 %		47,0 %
Basic earnings per share, EUR	-0,008	-0,018	54,8 %	-0,009	-0,020	53,0 %	-0,018
Diluted earnings per share, EUR	-0,008	-0,018	54,8 %	-0,009	-0,020	53,0 %	-0,018
Equity per share, EUR	0,24	0,25	-2,6 %	0,24	0,25	-2,6 %	0,25

#### KEY RATIOS OF THE PROHA GROUP

(EUR million)	4-6 2007	4-6 2006	Change %	1-6 2007	1-6 2006	Change %	1-12 2006
Net sales	11,8	18,7	-36,7 %	22,9	35,0	-34,6 %	58,2
Operating result	-0,4	12,7	-103,2 %	-0,3	11,1	-103,0 %	11,6
% of net sales	-3,5 %	68,1 %		-1,4 %	31,8 %		20,0 %
Result before taxes	-0,4	13,3	-103,2 %	-0,4	11,6	-103,3 %	12,0

Result for the period	-0,5	13,0	-103,7 %	-0,6	10,9	-105,2 %	11,0
Return on equity %	-12,8 %	575,1 %		-7,5 %	218,8 %		111,2 %
Return on investment %	-4,9 %	317,1 %		-1,3 %	133,8 %		72,8 %
Cash and cash equivalents	10,9	2,7	298,5 %	10,9	2,7	298,5 %	12,0
Debt to equity ratio %	-28,6 %	27,4 %		-28,6 %	27,4 %		-38,2 %
Equity-ratio	46,1 %	49,2 %		46,1 %	49,2 %		47,3 %
Basic earnings per share, EUR	-0,008	0,211	-103,8 %	-0,009	0,177	-105,3 %	0,179
Diluted earnings per share, EUR	-0,008	0,211	-103,8 %	-0,009	0,177	-105,3 %	0,179
Equity per share, EUR	0,24	0,25	-2,6 %	0,24	0,25	-2,6 %	0,25

#### IFRS REPORTING

The interim report has been prepared according to IAS 34 standard and same accounting principles have been applied as in the year 2006 financial statements. The information presented in the interim report is unaudited.

Artemis sub-group, that was divested on June 30, 2006, was classified as discontinued operations in the year-end financial statements of 2006. Thus the year 2006 comparative figures present continuing and discontinued operations separately. Proha Group has no discontinued operations in 2007 and consequently the figures for the period January 1, - June 30, 2007 include the Group's continuing operations only.

In 2006 Proha published its new strategy, according to which two divisions (Dovre Consulting and Services Division and Safran Systems Division) were established in the fourth quarter of 2006. The reporting structure for the Group has been altered to follow the new divisional structure so that Dovre Consulting and Services, Safran Systems, other operations as well as discontinued operations each form a separate reporting business segment. Other operations consist mainly of Proha Group administration. The figures for the review period January 1, - June 30, 2007 together with their comparative data are presented according to the new divisional structure.

#### BUSINESS PERFORMANCE

Proha's net sales mainly consist of oil and gas sector project management business. Dovre Consulting and Services Division accounted for approximately 92%

(93%) and Safran Systems Division 8% (7%) of the net sales of the Group continuing operations during the period January 1, - June 30, 2007.

#### Dovre Consulting and Services Division

Dovre Consulting and Services division consists of Norwegian Dovre International AS and Dovre Fabcon AS together with their international subsidiaries. The division delivers consulting and services within project management and supply chain management globally.

In the first half of 2007, the majority of Dovre Consulting and Services division business came from oil and gas sector, but the division companies are also serving a wide range of other industries and sectors. In the first half of 2007, the demand in the oil and gas sector has continued strong.

The development of Dovre Consulting and Services division has continued steady during the first six months of 2007. In Norway, the planned merger of Dovre's two largest customers, Statoil and Norsk Hydro, has advanced as planned and it has not impacted the operations of Dovre Consulting and Services division so far. Existing frame agreements with Norsk Hydro have been extended. Also two other frame agreements with another major oil company have been extended during the first six months of 2007. Outside the oil and gas sector, Dovre has been involved in several projects of the Norwegian Ministry of Finance as well as in public sector and other energy projects. Otherwise the largest part of new project contracts have been covered by the existing frame agreements.

The business operations in Canada have developed as planned. The required shift in geographical focus of the project operations from North-East Canada to also include oil sands projects in Alberta has advanced as planned.

In the USA, the project operations within the oil and gas industry have continued. Dovre's business in the USA consists mainly of work done for the large international oil companies like ExxonMobile, Chevron and ConocoPhillips. Dovre is internationally involved in several of their largest projects e.g. in the Sakhalin project, in West Africa and in China on Bohai Bay. Additionally, Dovre have laid special focus on Asia and Singapore in last period.

#### Safran Systems division

Safran Systems business is operated by the parent company, Datamar Oy and Norwegian Safran Software Solutions AS.

Safran Software Solutions AS develops and sells project management software specifically for the needs of oil and gas industry and ship building industry.

On the second quarter of 2007 Safran established a new associated company Safran North America with market focus in federal, airspace and defense and oil & gas industries.

The Group parent company and Datamar Oy develop and sell products in the SafranOne family of products, mobile solutions based on intelligent SMS technology (iSMS) and RescuePlanner applications directed to safety and rescue operations.

#### NET SALES

January - June 2007:

Net sales for Proha Group decreased by 35% due to divestment in 2006 and were EUR 22.9 million (EUR 35.0 million in January - June 2006). However, the growth of Dovre Consulting and Services division partially offset the decrease in Group net sales.

Net sales for Proha continuing operations grew by 29% and were EUR 22.9 (17.8) million. The net sales of Dovre Consulting and Services division grew by 27% and were Eur 21.0 (16.6) million. The net sales of Safran Systems division grew by 51% and were EUR 2.0 (1.3) million.

April - June 2007:

The net sales for Proha Group decreased by 37% due to divestment in 2006 and were EUR 11.8 (18.7) million.

The net sales for the continuing operations grew by 15% and were 11.8 (10.3) million. The net sales for Dovre Consulting and Services division grew by 12% and were 10.9 (9.7) million. The net sales for Safran systems division grew by 58% and were EUR 1.0 (0.6) million.

Distribution of net sales for the continuing operations by revenue type (EUR million and % of net sales):

	4-6		4-6		1-6		1-6		1-12	
	2007	%	2006	%	2007	%	2006	%	2006	%
Services	11,6	97,9	10,2	98,4	22,2	96,9	17,4	97,9	40,1	97,7
One time license revenue	0,1	1,1	0,0	0,1	0,3	1,1	0,1	0,4	0,3	0,6
Recurring license revenue	0,1	1,0	0,1	1,4	0,5	2,0	0,3	1,7	0,7	1,7
Total	11,8	100,0	10,3	100,0	22,9	100,0	17,8	100,0	41,0	100,0

In the period January 1, - June 30, 2007, the service revenue was EUR 22.2 (17.4) million or 97% (98%) of the net sales. In the period January 1, - June 30, 2007 the license sales amounted to EUR 0.7 (0.4) million, accounting for 3% (2%) of the net sales.

In the period April 1, - June 30, 2007, the service revenue was EUR 11.6 (10.2) million or 98% (98%) of the net sales. In the period April 1, - June 30, 2007 the license sales amounted to EUR 0.2 (0.2) million, accounting for 2% (2%) of the net sales.

Distribution of net sales by segment:

(EUR million)	4-6	4-6	Change %	1-6	1-6	Change %	1-12
	2007	2006		2007	2006		2006
Dovre	10,9	9,7	12,4 %	21,0	16,6	27,0 %	38,1
Safran	1,0	0,6	58,3 %	2,0	1,3	50,6 %	3,0
Others	0,0	0,1	-100,9 %	0,0	0,1	-86,2 %	0,5
Discontinued operations	0,0	8,4	-100,0 %		17,2	-100,0 %	17,2
Inter-segment net sales	-0,1	-0,1	-33,6 %	-0,2	-0,3	-28,6 %	-0,6
Group total	11,8	18,7	-36,7 %	22,9	35,0	-34,6 %	58,2

Distribution of net sales by geographical segments:

(EUR million)	4-6	4-6	1-6	1-6	1-12
	2007	2006	2007	2006	2006
EMEA	8,8	13,6	17,6	26,6	43,1
AMERICAS	3,2	3,2	6,0	4,9	12,9

APAC	0,3	1,9	0,8	3,5	5,4
Net sales between segments	-0,5	0,0	-1,5	0,0	-3,2
Group total	11,8	18,7	22,9	35,0	58,2

Distribution of net sales by geographical segments (% of net sales):

(% of net sales)	4-6 2007	4-6 2006	1-6 2007	1-6 2006	1-12 2006
EMEA	74,3 %	72,5 %	77,1 %	75,9 %	74,0 %
AMERICAS	27,2 %	17,3 %	26,3 %	14,0 %	22,2 %
APAC	2,5 %	10,0 %	3,4 %	10,1 %	9,3 %
Net sales between segments	-4,0 %	0,2 %	-6,7 %	0,0 %	-5,5 %
Group total	100,0 %	100,0 %	100,0 %	100,0 %	100,0 %

#### PROFITABILITY

Operating result, January - June 2007:

The operating result of Proha Group and the continuing operations was EUR -0.3 million. For the corresponding period in 2006, Group operating result of EUR 11.1 million consisted of the operating result for the continuing operations EUR -0.8 million and that for the discontinued operations EUR 12.0 million.

The operating result of Dovre Consulting and Services Division was EUR 1.0 (0.9) million. The operating result of Safran Systems Division was EUR -0.7 (-0.3) million. The operating result for other operations was EUR -0.6 (-1.5) million.

Operating result, April - June 2007:

The operating result of Proha Group and the continuing operations was EUR -0.4 million. For the corresponding period in 2006, Group operating result of EUR 12.7 million consisted of the operating result for the continuing operations EUR -0.9 million and that for the discontinued operations EUR 13.6 million.

The operating result of Dovre Consulting and Services Division was EUR 0.4 (0.4) million. The operating result of Safran Systems Division was EUR -0.4 (-0.3) million. The operating result for other operations was EUR -0.4 (-1.0) million. The operating result for other operations consisted mainly of the expenses for the Group administration.

Distribution of operating result by segment:

(EUR million)	4-6 2007	4-6 2006	Change %	1-6 2007	1-6 2006	Change %	1-12 2006
Dovre	0,4	0,4	15,0	1,0	0,9	8,8	2,2
Safran	-0,4	-0,3	-62,4	-0,7	-0,3	-125,7	-0,6
Others	-0,4	-1,0	62,0	-0,6	-1,5	56,1	-2,0
Continuing operations	-0,4	-0,9	55,2	-0,3	-0,8	61,0	-0,3
Discontinued operations	0,0	13,6	-100,0	0,0	12,0	-100,0	12,0
Group total	-0,4	12,7	-103,2	-0,3	11,1	-103,0	11,6

Result for January 1, - June 30, 2007:

In the period January 1, - June 30 2007, the result before tax for Proha Group was EUR -0.4 (11.6) million and after tax EUR -0.6 (10.9) million. For the continuing operations the result before taxes was EUR -0.4 (-1.0) million and result after tax was EUR -0.6 (-1.2) million.

#### Earnings per share

Group earnings per share was EUR -0.009 (0.177). For the continuing operations the earnings per share were EUR -0.009 (-0.020).

Group return on investment (ROI) was -1.3% (133.8%). The return on investment (ROI) for the continuing operations was -1.3% (-7.7%).

#### CASH FLOW, FINANCING AND INVESTMENTS

On June 30, 2007, the Group balance sheet total was EUR 33.0 (31.6) million.

On June 30, 2007, the cash and cash equivalents for the Group and continuing operations totaled EUR 10.9 (2.7) million.

In the period January 1, - June 30, 2007, cash flow from operating activities was EUR -1.0 (-0.6) million. The cash flow from operating activities was decreased by the increase of EUR 0.8 million in current non-interest bearing receivables.

The cash flow of investments was EUR -0.3 (-5.7) million in the period January 1, - June 30, 2007. The gross investments totaled EUR 0.3 (2.1) million. The gross investments include capitalized software development expenses of EUR 0.2 (0.0) million.

The balance sheet goodwill totaled EUR 4.9 (4.9) million on June 30, 2007. The Group's goodwill is not amortized but tested for impairment under IAS 36. No indications of impairment of assets exist.

In the period January 1, - June 30, 2007, the cash flow of financing activities was EUR 0.3 (1.7) million. Total of EUR 0.9 (2.1) million new loans were drawn. A total of EUR 0.6 (0.4) million loans were repaid.

Group equity ratio was 46.1% (49.2%) and debt to equity ratio was -28.6% (27.4%). On June 30, 2007, the interest-bearing liabilities amounted to EUR 6.6 (7.0) million, accounting for 20.0% (22.0%) of the Group's shareholders' equity and liabilities total. Of the interest-bearing liabilities, EUR 1.7 (5.8) million were non-current liabilities and EUR 4.9 (1.2) million current liabilities. The Group's Quick Ratio was 1.6 (2.4).

#### RESEARCH AND DEVELOPMENT

The research and development expenses for the Group continuing operations were EUR 0.8 (0.2) million accounting for 4% (3%) of the net sales of the continuing operations. In the period January 1, - June 30, 2006, the research and development expenses EUR 3.4 million consisted of EUR 0.4 million of the research and development expenses for the continuing operations and EUR 3.0 million of the research and development expenses for the discontinued operations. In the period January 1, - June 30, 2007, EUR 0.2 (0.0) million of research and development costs were capitalized.

In the first quarter of 2007, a new version of SafranOne technical platform was released. SafranOne is used as the platform for the separate Safran portal solutions.

In May, 2007 the international central organization of project management associations IPMA (International Project Management Association) chose SafranOne solution developed by Proha as its medium for member communication and Internet platform. Also IPMA's intranet and extranet functions such as documents distribution and common calendar are managed by SafranOne.

In June 2007, Proha launched its new project management portal solution at the International Project Management Association World Congress in Cracow.

The further development of Proha's Safran Project and Safran for Microsoft Project continued as planned.

The implementation project at Oulu-Koillismaa rescue department is proceeding according to plan for RescuePlanner developed by Proha for resource management at rescue departments. The application of Proha's mobile solution is extended at Helsinki Rescue department also for urgent communication between various authorities.

#### PERSONNEL

In January 1, - June 30, 2007, the staff costs for the Group and continuing operations amounted to EUR 21.1 million and EUR 11.0 million in April 1, - June 30, 2007. For the continuing operations the staff costs constituted 92% (93%) of the net sales for the period January 1,- June 30, 2007 and 93% (95%) for the period April 1, - June 30, 2007. In January 1, - June 30, 2006, the Group staff costs EUR 28.7 million constituted of EUR 16.5 million of the staff costs of the continuing operations and EUR 12.2 million of the staff costs of the discontinued operations.

Distribution of personnel by segment (average):

Personnel	4-6			1-6			1-12
	2007	2006	Change %	2007	2006	Change %	2006
Dovre	263	234	12,4 %	263	209	25,7 %	237
Safran	52	44	16,5 %	52	42	23,4 %	46
Other	7	9	-25,0 %	6	9	-32,7 %	18
Discontinued operations	0	283	-100,0 %	0	288	-100,0 %	168
Total	322	571	-43,6 %	322	549	-41,4 %	469

On June 30, 2007, the Proha Group employed 323 (312) people worldwide. The average number of Group personnel was 322 (549) for the period January 1, - June 30, 2007.

#### DECISIONS OF PROHA ANNUAL GENERAL MEETING OF SHAREHOLDERS

On April 18, 2007 the Annual General Meeting of Proha Plc made the following decisions:

1. The issues inherent to the Annual General Meeting under section 11 of the Articles of Association

The Annual General Meeting confirmed the 2006 Financial Statements and discharged the Board of Directors and CEO from liability. The Annual General Meeting approved the Board of Directors' proposal that the net result for the financial period be transferred to profit/loss brought forward account and no dividend is paid.



The Annual General Meeting decided to alter the number of Board members to four. Proha CEO Pekka Pere and Pekka Mäkelä resigned from the Board. Mr. Gjalt de Vries was elected as a new member to the Board. Mr. de Vries is a citizen of the Netherlands. Olof Ödman, Birger Flaa and Ernst Jilderda continue as members of the Proha Board.

The Annual General Meeting decided that, following the present practice, the Chairman of the Board be paid EUR 18,000 and each Board member, at the moment of election not employed by the Proha Group or by such company which owns more than five percents of Proha's share capital and who does not exercise dominant influence over such company, to be paid EUR 10,000 per year as remuneration for board work. Additionally, it was decided that the auditors will be paid in accordance with a reasonable invoice.

Ernst & Young Oy was elected to continue as the Company's auditor, with Ulla Nykky, APA, as the auditor in charge.

## 2. Amendment of the Articles of Association

The Annual General Meeting decided to amend the Articles of Association due to the new Companies Act, effective as of September 1, 2006 as proposed by the Board as follows:

- Article 4 containing provisions on minimum and maximum share capital as well as the number of shares was removed.
- The provisions on record date from Article 5 were removed.
- The provisions in Article 8 on the right to represent the Company were amended to align with the terminology of the new law.
- The list of agenda items of the Annual General Meeting in Article 11 was amended to correspond to the new law.
- The provisions in Article 13 on the notice period of the Annual General Meeting were amended to the effect that the notice must be published no earlier than three (3) months prior to the latest date of registration. Also the method of notice is amended so that as an alternative to publishing the notice in a nationally published newspaper, the notice can be sent in writing. Previously, the alternative method of notice has been a registered letter.

In addition, the Company's field of business (Article 3) was expanded to include consulting in business management and engineering. The new articles of association were presented in the appendix of stock exchange bulletin on March 28, 2007.

## 3. Recording the subscription prices for shares issued based on stock options in the fund for invested non-restricted equity

The Annual General Meeting decided to complete the terms and conditions of Proha Stock Option Plans 2005 and 2006 to the effect that the total amount of the subscription prices paid for new shares issued after the date of the General Meeting, based on stock options under Plans 2005 and 2006, be recorded in the fund for invested non-restricted equity.

## 4. Option rights to key personnel and Board of Directors

The Annual General Meeting approved without changes the Board proposition to issue a maximum of 2,110,000 option rights, that are offered deviating from the shareholders' pre-emptive subscription right to the Board of Directors and to the key personnel of the Group companies.

The subscription of the option rights began immediately and will end on April 17, 2008. The proposed share subscription price will be the weighted average

price of Proha share within the period of 30 days before the General Meeting, from March 19 through April 17, 2007, i.e. EUR 0.37. The exercise period of the option rights for share subscription will commence in steps between years 2008 and 2010 and will end on May 31, 2011. If only newly issued shares are used for share subscriptions, the shares subscribed under the Stock Option Plan 2007 constitute a maximum of 3.33 percent of the total number of Proha shares after the subscription. The complete terms and conditions are presented in the appendix of stock exchange bulletin on March 28, 2007.

5. Board of Directors' proposal to authorize the Board of Directors to resolve on the issuance of shares and special rights entitling to shares

The Annual General Meeting authorized the Board of Directors to resolve to issue a maximum of 12,243,734 shares through issuance of shares or special rights entitling to shares (including stock options) under Chapter 10, Section 1 of the Companies Act, in one or more issues. The authorization includes both the issuance of new shares as well as shares held by the Company, and corresponded to 20 percent of the Company's total number of shares at the date of the Annual General Meeting.

The authorization may be used to finance or execute acquisitions or other arrangements, to carry out equity-based incentive plans, or to other purposes resolved by the Board. The authorization includes the right for the Board to decide on all the terms and conditions of the issuance of shares or special rights under Chapter 10, Section 1 of the Companies Act, including to whom shares or special rights may be issued as well as the consideration to be paid. The authorization thereby includes the right for issuance in deviation from the shareholders' pre-emptive rights within the limits set by law.

The authorization is effective until April 17, 2012.

#### CORPORATE GOVERNANCE

Proha Plc follows the recommendations of the Helsinki Stock Exchange, the Central Chamber of Commerce and the Confederation of Finnish Industries and Employers regarding the corporate governance of publicly held companies. Proha makes two exceptions from the recommendation: 1) Proha Board of Directors comprises of four members and 2) A share-based bonus system may also be applied to those members of the Board, who do not have an employment relationship with the company. Proha's corporate governance principles can be found on the company's website at [www.proha.com](http://www.proha.com).

#### SHARE CAPITAL AND AUTHORIZATIONS TO ISSUE SHARES

Proha Plc has one class of shares. The book value of the shares is EUR 0.26 per share. Each share entitles the shareholder to one vote. Proha Plc shares are traded on the Nordic Exchange of OMX Group.

On January 1, 2007, the subscribed capital of Proha Plc was EUR 15,916,854.20 and the number of shares is 61,218,670. No changes were made on the share capital during the period under review.

No shares were subscribed for with Proha Plc's option during the period under review.

The option plans 2002 and 2003 ended on April 1, 2007. A total of 500 shares were subscribed for under the plan 2002 and no shares were subscribed for under the plan 2003.

The Annual General Meeting authorized the Board of Directors to resolve to issue a maximum of 12,243,734 shares through issuance of shares or special rights entitling to shares (including stock options) under Chapter 10, Section 1 of the Companies Act, in one or more issues. The authorization includes both the issuance of new shares as well as shares held by the Company, and corresponded to 20 percent of the Company's total number of shares at the date of the Annual General Meeting. The authorization is effective until April 17, 2012.

The Annual General Meeting approved without changes the Board proposition to issue a maximum of 2,110,000 option rights, that are offered deviating from the shareholders' pre-emptive subscription right to the Board of Directors and to the key personnel of the Group companies.

In its meeting on June 28, 2007, Proha Board of Directors approved subscriptions of the option issue. A total of 1,707,000 Proha Plc stock options were subscribed, entitling to the subscription of 1,707,000 shares.

The subscription of the option rights began on April 18, 2007 and will end on April 17, 2008. The share subscription price is EUR 0.37 i.e. the weighted average price of Proha share within the period of 30 days before the General Meeting, from March 19 through April 17, 2007. The exercise period of the option rights for share subscription will commence in steps between years 2008 and 2010 and will end on May 31, 2011. The complete terms and conditions are presented in the appendix of stock exchange bulletin on March 28, 2007.

#### TRADING ON THE HELSINKI STOCK EXCHANGE

The number of registered shareholders of Proha Plc totaled 3,541 on June 30, 2007. In the period January 1, - June 30, 2007, the share price was EUR 0.35 at its lowest and EUR 0.45 at its highest. The closing price on June 29, 2007 was EUR 0.39. Market capitalization was approximately EUR 23.9 million at the end of the period under review. The trading volume of the Proha share on the OMX Nordic Exchange was approximately EUR 9.0 million during the period under review. Proha Plc has liquidity providing agreement with Remium AB for the Proha share.

#### RISKS AND UNCERTAINTIES IN THE NEAR FUTURE

The demand in oil and gas sector together with the level of investments in the sector impact the success of Dovre Consulting and Services division. The companies operating in oil and gas industry are challenged also by the adequacy of resources and added personnel turnover.

General competitive situation and technological solutions developed by the competition impact the business of Safran Systems division. The profitable growth for Safran business call for successful creation of international distribution and partner networks.

The development of Proha's international business includes also possible acquisitions and shareholdings in companies operating in the field. Such strategic acquisitions always include risks. They are being managed, among others, by ensuring that the size of acquisitions is reasonable.

#### PROSPECTS FOR 2007

According to the strategy Proha seeks international growth and profitability by concentrating on project management services and software and by emphasizing the synergies between the group businesses.

Though the focus of Proha business will continue to be in demanding oil and gas industry companies and projects, the company will also expand its business operations in other industries.

Especially the developments in the oil and gas market sector impact the future development. The high energy prices and strong demand are anticipated to continue. They will keep the number of international investments in the field high. The development of Proha's present software business is impacted by the general development of IT markets and, following the new partnership strategy, by the advancement of Microsoft's new products in the markets.

The general outlook is good for business development of Dovre Consulting and Services division. The consulting and services business is anticipated to continue developing favorably. The recruiting of experienced consultants remains challenging.

In 2007 the focus areas of Safran Systems division are software products development as well as building and strengthening of international delivery and partnership networks. To strengthen the network Proha's Growth Ventures operations aim to make strategic acquisition at a low risk level that will create basis for rapid growth in the future around the world.

In 2007 the comparable net sales of the Group are anticipated to grow from the previous year. The profitability of Dovre Consulting and Services division is anticipated to remain on the same level as in 2006. Due to investments made by Safran Systems division its operating result will remain negative. The Group administrative expenses are anticipated to decline somewhat from the level of 2006. The Group operating result for 2007 is anticipated to be negative.

#### PRESS CONFERENCE

Proha Plc will hold a press conference for the media and financial analysts on August 9, 2007 at 12.00 a.m., in Cabinet 1 at World Trade Center, address Aleksanterinkatu 17, Helsinki.

More information

PROHA PLC  
 CEO Pekka Pere, tel +358 (0)20 4362 000  
 pekka.pere@proha.com  
 www.proha.com

DISTRIBUTION:  
 Helsinki Stock Exchange  
 Major Media

#### GROUP INCOME STATEMENT AND BALANCE SHEET JANUARY 1 - JUNE 30, 2007

The figures are unaudited.

#### GROUP INCOME STATEMENT

##### CONTINUING OPERATIONS

(EUR thousand)	4-6 2007	4-6 2006	Change %	1-6 2007	1-6 2006	Change %	1-12 2006
NET SALES	11 821	10 316	14,6	22 863	17 780	28,6	41 021
Other operating income	8	34	-76,6	31	177	-82,2	392

Gain on disposal of discontinued operations		-472	100,0		-472	100,0	-472
Material and services	-12	-123	-90,3	-40	-126	-68,0	-85
Employee benefits expense	-11 043	-9 825	12,4	-21 120	-16 524	27,8	-37 887
Depreciation and amortisation	-99	-92	8,0	-188	-178	5,8	-374
Other operating expenses	-1 085	-753	44,1	-1 875	-1 501	24,9	-2 920
OPERATING RESULT	-410	-915	55,2	-330	-846	61,0	-326
Financing income	200	7		243	14		222
Financing expenses	-159	-62	158,0	-251	-125	101,5	-539
Share of result in associates	-57			-52			-2
RESULT BEFORE TAX	-426	-970	56,1	-390	-956	59,2	-645
Tax on income from operations	-58	-103	-43,7	-179	-259	-30,8	-455
RESULT FOR THE PERIOD	-484	-1 073	54,9	-569	-1 215	53,2	-1 100
ALLOCATION OF RESULT FOR THE PERIOD							
Result attributable to equity holders of the parent	-490	-1 085	54,8	-578	-1 230	53,0	-1 108
Result attributable to minority interest	6	12	-49,5	9	15	-39,1	8
	-484	-1 073	54,9	-569	-1 215	53,2	-1 100
Earnings/share (undiluted), EUR	-0,008	-0,018	54,8	-0,009	-0,020	53,0	-0,018
Earnings/share (diluted), EUR	-0,008	-0,018	54,8	-0,009	-0,020	53,0	-0,018
DISCONTINUED OPERATIONS							
(EUR thousand)	4-6 2007	4-6 2006	Change %	1-6 2007	1-6 2006	Change %	1-12 2006
NET SALES		8 357	-100,0		17 195	-100,0	17 195
Other operating income		79	-100,0		116	-100,0	116
Gain on disposal of discontinued operations		15 006	-100,0		15 006	-100,0	15 006
Material and services		-784	-100,0		-1 744	-100,0	-1 744
Employee benefits expense		-5 880	-100,0		-12 210	-100,0	-12 210
Depreciation and amortisation							
Other operating expenses		-3 139	-100,0		-6 402	-100,0	-6 402
OPERATING		13 640	-100,0		11 961	-100,0	11 961

RESULT							
Financing income		709	-100,0		1 004	-100,0	1 004
Financing expenses		-60	-100,0		-369	-100,0	-369
Share of result in associates							
RESULT BEFORE TAX		14 289	-100,0		12 596	-100,0	12 596
Tax on income from operations		-237	-100,0		-489	-100,0	-489
RESULT FOR THE PERIOD		14 052	-100,0		12 106	-100,0	12 106
ALLOCATION OF RESULT FOR THE PERIOD							
Result attributable to equity holders of the parent		14 031	-100,0		12 070	-100,0	12 070
Result attributable to minority interest		21	-100,0		36	-100,0	36
		14 052	-100,0		12 106	-100,0	12 106
Earnings/share (undiluted), EUR		0,229			0,197		0,197
Earnings/share (diluted), EUR		0,229			0,197		0,197
GROUP TOTAL							
(EUR thousand)	4-6 2007	4-6 2006	Change %	1-6 2007	1-6 2006	Change %	1-12 2006
NET SALES	11 821	18 673	-36,7	22 863	34 974	-34,6	58 215
Other operating income	8	113	-93,0	31	293	-89,3	508
Gain on disposal of discontinued operations		14 534	-100,0		14 534	-100,0	14 534
Material and services	-12	-907	-98,7	-40	-1 871	-97,8	-1 829
Employee benefits expense	-11 043	-15 705	-29,7	-21 120	-28 734	-26,5	-50 097
Depreciation and amortisation	-99	-92	8,0	-188	-178	5,8	-374
Other operating expenses	-1 085	-3 892	-72,1	-1 875	-7 903	-76,3	-9 322
OPERATING RESULT	-410	12 725	-103,2	-330	11 115	-103,0	11 635
Financing income	200	716	-72,1	243	1 019	-76,1	1 227
Financing expenses	-159	-122	30,9	-251	-494	-49,2	-908
Share of result in associates	-57			-52			-2
RESULT BEFORE TAX	-426	13 319	-103,2	-390	11 640	-103,3	11 951
Tax on income	-58	-340	-82,9	-179	-748	-76,0	-944

from operations RESULT FOR THE PERIOD	-484	12 979	-103,7	-569	10 892	-105,2	11 007
ALLOCATION OF RESULT FOR THE PERIOD							
Result attributable to equity holders of the parent	-490	12 946	-103,8	-578	10 841	-105,3	10 962
Result attributable to minority interest	6	33	-82,2	9	51	-82,4	45
	-484	12 979	-103,7	-569	10 892	-105,2	11 007
Earnings/share (undiluted), EUR	-0,008	0,211	-103,8	-0,009	0,177	-105,3	0,179
Earnings/share (diluted), EUR	-0,008	0,211	-103,8	-0,009	0,177	-105,3	0,179

#### GROUP BALANCE SHEET

(EUR thousand)	30.6. 2007	30.6. 2006	Change %	31.12. 2006
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	2 118	2 133	-0,7	1 999
Goodwill	4 911	4 909	0,0	4 758
Tangible assets	209	257	-18,7	216
Investments in associates	980	962	1,9	982
Available-for-sale investments	48	39	0,2	36
Non-current trade and other receivables	192	373	-48,5	130
Deferred tax asset	253	97	159,4	208
<b>Non-current assets</b>	<b>8 711</b>	<b>8 772</b>	<b>-0,7</b>	<b>8 328</b>
<b>Current assets</b>				
Trade receivables and other receivables	13 339	20 100	-33,6	12 339
Cash and cash equivalents	10 902	2 736	298,5	12 022
<b>Current assets</b>	<b>24 241</b>	<b>22 836</b>	<b>6,2</b>	<b>24 361</b>
<b>TOTAL ASSETS</b>	<b>32 952</b>	<b>31 608</b>	<b>4,3</b>	<b>32 689</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity</b>				
Share capital	15 917	15 917	0,0	15 917
Share premium account	4 379	4 379	0,0	4 379
Fair value reserve and other reserves	361	407	-11,5	368
Translation differences	251	268	-6,2	38
Retained earnings	-5 980	-5 652	-5,8	-5 497
Equity attributable to equity holders of the parent	14 927	15 319	-2,6	15 205
Minority interest	110	116	-5,0	112
<b>Shareholders' equity</b>	<b>15 037</b>	<b>15 434</b>	<b>-2,6</b>	<b>15 316</b>

Non-current liabilities					
Deferred tax liability	492	543	-9,5	491	
Long-term liabilities, interest-bearing	1 702	5 791	-70,6	1 958	
Liabilities from defined benefit plan	530	148	259,2	379	
Non-current liabilities	2 724	6 482	-58,0	2 828	
Current liabilities					
Short-term interest- bearing liabilities	4 898	1 167	319,6	4 205	
Trade payables and other liabilities	9 848	8 051	22,3	9 783	
Tax liability, income tax	446	473	-5,6	556	
Current liabilities	15 192	9 691	56,8	14 545	
TOTAL EQUITY AND LIABILITIES	32 952	31 608	4,3	32 689	

GROUP STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 1-6/2007

(EUR thousand)	Sha- re capi- tal	Share pre- mium ac- count	Fair value reserve and other reserve	Trnsl diff.	Re- tai- ned- earn- ings	Total	Mino- rity intr	Total
SHAREHOLDERS' EQUITY								
1.1.2007	15 917	4 379	368	38	-5 497	15 205	112	15 316
Change in translation differences			12	213	43	268	-12	256
Share based payments					26	26		26
Transfers between items			-26		26			
Other changes			6			6		6
NET PROFITS /LOSSES RECOGNIZED DIRECTLY TO SHAREHOLDERS' EQUITY			-7	213	94	300	-12	288
Result for the period					-578	-578	10	-568
TOTAL PROFITS AND LOSSES SHAREHOLDERS' EQUITY			-7	213	-483	-278	-2	-279
30.6.2007	15 917	4 379	361	251	-5 980	14 927	110	15 037

GROUP STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 1-6/2006



(EUR thousand)	Share capital	Share premium account	Re-valuation reserve	Trnsl diff.	Re-tained earnings	Total	Minority intr	Total
SHAREHOLDERS' EQUITY								
1.1.2006	15 917	4 808	430	463	-17 219	4 400	73	4 473
Change in translation differences			3	49	-9	43		43
Share based payments					35	35		35
Transfers between items			-26		26			
Disposal of Artemis		-429		-244	673		-50	-50
Fabcon acquisition							57	57
NET PROFITS /LOSSES RECOGNIZED DIRECTLY TO SHAREHOLDERS' EQUITY		-429	-23	-196	726	78	7	85
Result for the period					10 841	10 841	51	10 892
Dividend distribution							-15	-15
TOTAL PROFITS AND LOSSES		-429	-23	-196	11 567	10 919	43	10 961
SHAREHOLDERS' EQUITY								
30.6.2006	15 917	4 379	407	268	-5 652	15 319	116	15 434

GROUP CASH FLOW STATEMENT

(EUR thousand)	1-6 2007	1-6 2006	1-12 2006
Cash flow from operating activities			
Operating result	-330	11 115	11 635
Adjustments			
Disposal of Artemis		-11 292	-11 292
Other operating income			-71
Depreciation and amortisation	162	35	319
Employee benefits expense	188	178	374
Other adjustments		71	-99
Adjustments, total	350	-11 008	-10 769
Changes in net working capital			
Increase (-) / decrease (+) in current receivables	-848	-419	-3 860
Increase (+) / decrease (-) in current liabilities	-21	35	3 045
Other adjustments		-119	
Changes in net working capital, total	-869	-503	-815
Interest paid	-112	-108	-555
Interest received	263	12	267
Other financial expenses paid	-37	-418	-355
Other financial income received	10	388	373
Income taxes paid	-342	-71	-353

Cash flow from operating activities	-1 065	-593	-572
Cash flow from investing activities			
Investments in tangible and intangible assets	-301	-18	-36
Acquisition of subsidiaries net cash acquired		-1 949	-1 949
Investments in associates	-48		-23
Investments in other investments	-12		
Proceeds from disposal of subsidiaries net cash disposed of		6 579	6 579
*) Receivable for disposal of Artemis		-10 043	
Proceeds from other investments	74		
Proceeds (-) and repayments (+) of loan receivables	-62	-265	-118
Dividends received	2	2	2
Cash flow from investing activities	-347	-5 694	4 455
Cash flow from financing activities			
Proceeds from short-term loans	931	504	579
Repayments of short-term loans	-624	-350	-742
Proceeds from long-term loans		1 619	1 619
Repayments of long-term loans	-3	-41	-463
Dividends paid		-15	-15
Cash flow from financing activities	304	1 717	978
Change in cash and cash equivalents	-1 108	-4 570	4 861
Cash and cash equivalents at beginning of the period	12 022	7 293	7 293
Foreign exchange rate adjustment	-18	14	-132
Cash and cash equivalents of subsidiaries acquired		213	213
Cash and cash equivalents of subsidiaries divested		-3 464	-3 464
Effects on fair value implementation	6		
Change in cash and cash equivalents for the continuing operations		-1 319	8 112
Change in cash and cash equivalents	-1 108		
Cash and cash equivalents at end of the period	10 902	2 736	12 022

\*) Payment for the receivable received in July 2007.

#### COMMITMENTS AND CONTINGENT LIABILITIES

	30.6.	30.6	31.12.
(EUR thousand)	2007	2006	2006

#### COLLATERAL FOR OWN COMMITMENTS

Debts secured by corporate mortgages			
Loans from financing institutions	3 349	3 313	3 028
Book value of shares of Dovre International AS and Dovre Fabcon AS and current assets of Dovre Fabcon AS given as security	6 315	6 256	5 672
Debts secured by assets			
Loans and checking account credit lines	251	378	0
Book value of trade receivables and fixed assets given as security	385	406	1 106

Debts secured by shares			
Loans and checking account credit lines	12	36	24
Book value of pledged shares	511	511	511
Future minimum lease payments under non-cancellable operating leases			
Not later than one year	284	252	328
Later than one year and not later than five years	1 180	1 009	1 204
Total	1 464	1 262	1 533

#### INCOME STATEMENT QUARTERLY

##### CONTINUING OPERATIONS

(EUR thousand)	1-3 2007	1-3 2006	4-6 2007	4-6 2006	7-9 2006	10-12 2006
NET SALES	11 041	7 464	11 821	10 316	11 058	12 183
Other operating income	24	143	8	34	46	169
Gain on disposal of discontinued operations	0	0	0	-472	0	0
Materials and services	-28	-3	-12	-123	76	-35
Employee benefits expense	-10 077	-6 699	-11 043	-9 825	-10 159	-11 204
Depreciation and amortisation	-89	-86	-99	-92	-101	-94
Other operating expenses	-791	-748	-1 085	-753	-621	-797
OPERATING RESULT	80	70	-410	-915	299	222
%	0,7 %	0,9 %	-3,5 %	-8,9 %	2,7 %	1,8 %
Financing income	44	7	200	7	56	151
Financing expenses	-91	-63	-159	-62	-69	-345
Share of result in associates	5		-57			-2
RESULT BEFORE TAX	37	15	-426	-970	286	26
%	0,3 %	0,2 %	-3,6 %	-9,4 %	2,6 %	0,2 %
Tax on income from operations	-121	-156	-58	-103	-173	-23
RESULT FOR THE PERIOD	-85	-141	-484	-1 073	113	2
%	-0,8 %	-1,9 %	-4,1 %	-10,4 %	1,0 %	0,0 %

##### DISCONTINUED OPERATIONS

(EUR thousand)	1-3 2007	1-3 2006	4-6 2007	4-6 2006	7-9 2006	10-12 2006
NET SALES		8 837		8 357		
Other operating income		37		79		
Gain on disposal of discontinued operations		0		15 006		
Materials and services		-961		-784		
Employee benefits expense		-6 330		-5 880		
Depreciation and amortisation		0		0		

Other operating expenses	-3 263	-3 139
OPERATING RESULT	-1 679	13 640
%	-19,0 %	163,2 %
Financing income	295	709
Financing expenses	-309	-60
RESULT BEFORE TAX	-1 694	14 289
%	-19,2 %	171,0 %
Tax on income from operations	-252	-237
RESULT FOR THE PERIOD	-1 946	14 052
%	-22,0 %	168,1 %

GROUP TOTAL

(EUR thousand)	1-3 2007	1-3 2006	4-6 2007	4-6 2006	7-9 2006	10-12 2006
NET SALES	11 041	16 301	11 821	18 673	11 058	12 183
Other operating income	24	180	8	113	46	169
Gain on disposal of discontinued operations	0	0	0	14 534	0	0
Materials and services	-28	-964	-12	-907	76	-35
Employee benefits expense	-10 077	-13 029	-11 043	-15 705	-10 159	-11 204
Depreciation and amortisation	-89	-86	-99	-92	-101	-94
Other operating expenses	-791	-4 011	-1 085	-3 892	-621	-797
OPERATING RESULT	80	-1 610	-410	12 725	299	222
%	0,7 %	-9,9 %	-3,5 %	68,1 %	2,7 %	1,8 %
Financing income	44	302	200	716	56	151
Financing expenses	-91	-372	-159	-122	-69	-345
Share of result in associates	5		-57			-2
RESULT BEFORE TAX	37	-1 679	-426	13 319	286	26
%	0,3 %	-10,3 %	-3,6 %	71,3 %	2,6 %	0,2 %
Tax on income from operations	-121	-408	-58	-340	-173	-23
RESULT FOR THE PERIOD	-85	-2 087	-484	12 979	113	2
%	-0,8 %	-12,8 %	-4,1 %	69,5 %	1,0 %	0,0 %

GROUP KEY RATIOS

(EUR million)	4-6 2007	4-6 2006	1-6 2007	1-6 2006	1-12 2006
Net sales, Group	11,8	18,7	22,9	35,0	58,2
Net sales, continuing operations	11,8	10,3	22,9	17,8	41,0
Net sales, discontinued operations	0,0	8,4	0,0	17,2	17,2
Operating result, Group	-0,4	12,7	-0,3	11,1	11,6
% of Net sales	-3,5 %	68,1 %	-1,4 %	31,8 %	20,0 %
Operating result, continuing operations	-0,4	-0,9	-0,3	-0,8	-0,3
Operating result, discontinued operations	0,0	13,6	0,0	12,0	12,0
Result before taxes	-0,4	13,3	-0,4	11,6	12,0

% of Net sales	-3,6 %	71,3 %	-1,7 %	33,3 %	20,5 %
Result for the period	-0,5	13,0	-0,6	10,9	11,0
% of net sales	-4,1 %	69,3 %	-2,5 %	31,0 %	18,8 %
Return on equity, %	-12,8 %	575,1 %	-7,5 %	218,8 %	111,2 %
Return on investment%	-4,9 %	317,1 %	-1,3 %	133,8 %	72,8 %
Interest-bearing liabilities	6,6	7,0	6,6	7,0	6,2
Cash and cash equivalents	10,9	2,7	10,9	2,7	12,0
Debt to equity ratio, %	-28,6 %	27,4 %	-28,6 %	27,4 %	-38,2 %
Equity ratio, %	46,1 %	49,2 %	46,1 %	49,2 %	47,3 %
Balance sheet total	33,0	31,6	33,0	31,6	32,7
Gross Investments	0,1	2,0	0,3	2,1	2,2
% of Net sales	1,0 %	11,0 %	1,4 %	6,0 %	3,8 %
R & D expenses	0,4	1,6	0,8	3,4	4,0
% of Net sales	3,4 %	8,5 %	3,6 %	9,7 %	6,8 %
Personnel average for the period	322	571	322	549	469
Personnel at the end of the period	323	312	323	312	325
Undiluted earnings per share, EUR	-0,008	0,211	-0,009	0,177	0,179
Diluted earnings per share, EUR	-0,008	0,211	-0,009	0,177	0,179
Equity per share, EUR	0,24	0,25	0,24	0,25	0,25

Average share number	4-6 2007	4-6 2006	1-6 2007	1-6 2006	1-12 2006
Undiluted	61 218 670	61 218 670	61 218 670	61 218 670	61 218 670
Diluted	61 221 588	61 263 623	61 220 129	61 255 219	61 236 944
Number of shares at the end of the period	61 218 670	61 218 670	61 218 670	61 218 670	61 218 670

LARGEST SHAREHOLDERS ON JUNE 29, 2007

Shareholder	Number of shares	Percentage of all shares and voting rights
Dovregruppen A.S.*)	6 560 646	10.7
Etra-Invest Oy	6 211 500	10.1
Pekka Mäkelä	2 882 375	4.7
Pekka Pere**)	2 381 105	3.9
Etola Erkki	2 000 000	3.3
Eficor Oyj**)	1 860 000	3.0
Lars Nyqvist	1 260 555	2.1
Thominvest Oy	1 043 500	1.7
Lapuan Osuuspankki	900 000	1.5
Eero Ruokostenpohja	703 950	1.1
Reino Jokinen	530 000	0.9
Hinkka Invest Oy	509 790	0.8
Astea AS	471 257	0.8
Kefura AB	450 000	0.7
Risto Saikko	443 090	0.7
Nordea Pankki Suomi Oyj (nominee registered)	425 947	0.7
Petri Hinkka	400 000	0.6
Jari Jyväsjarvi	400 000	0.6
Vesa Olsson	400 000	0.6
Markku Mäkinen	276 142	0.6

- \*) Birger Flaa holds control over Dovregruppen A.S.
- \*\*\*) Pekka Pere holds control over Eficor Oy