

TJ Group Plc Stock Exchange Release July 26, 2007

TJ GROUP INTERIM REPORT 1 JANUARY-30 JUNE 2007 (IFRS)

- Net sales EUR 1.78 million (EUR 2.12 million)
- Operating result EUR -0.29 million (EUR -0.13 million)
- Result before taxes EUR -42 thousand (EUR -0.24 million)
- Equity ratio -53.2% (-14.0%), shareholders' equity/share EUR -0.02 (EUR -0.01)
- Earnings per share EUR -0.0003 (EUR -0.002)

STRUCTURE OF THE GROUP

During the review period, TJ Group consisted of the subsidiary operating in Finland, Documenta Oy, in which the group had 100% ownership, and the parent company TJ Group Plc. The company had business operations in Finland only, so there are no geographically segmented reports of the net sales, business results and personnel to be presented.

In its business operations, TJ Group Plc focuses on developing its customers' business processes especially by means of document and workflow management systems and development of quality and customer relationship management, with the emphasis on the Finnish markets. The company will continue to use the operating model in which the operative functions have been centralized into the subsidiary/subsidiaries.

NET SALES

TJ Group's net sales for the review period were EUR 1.78 million (EUR 2.12 million). The comparable net sales of the continuing business operations for 1 January-30 June 2006 were EUR 1.85 million.

RESULT DEVELOPMENT

TJ Group's operating result for the review period was EUR -0.29 million (EUR -0.13 million). The comparable operating result of the continuing business operations for 1 January-30 June 2006 was EUR 57 thousand.

The result for the review period was EUR -42 thousand (EUR -0.24 million). The comparable result of the continuing business operations for 1 January-30 June 2006 was EUR -53 thousand.

The financial income of the review period includes a registration of change in the market value of shares amounting to EUR 320 thousand; the GROUP Technologies AG shares owned by the company have been valued at the share price on the last day of the review period. The shares are presented in the balance sheet as other financial assets under long-term assets.

The costs for employment benefits on the review period were EUR 1.14 million (EUR 1.46 million), which equals to 64% of the net sales (69%). The comparable costs for employment benefits on 1 January–30 June 2006 were EUR 1.20 million, which equals to 65% of the net sales. The net sales per person on the review period were EUR 45 thousand (EUR 43 thousand).

At the end of the review period, the group's equity is negative. The loss of share capital of the company has been registered in the Trade register on 20 September 2006.

THE NET SALES AND RESULT DEVELOPMENT OF THE SUBSIDIARY

Documenta Oy

Documenta Oy's net sales for the review period 1 January–30 June 2007 were EUR 1.78 million (EUR 1.82 million). The operating result was EUR 48 thousand (EUR 0.12 million), which is 3% of the net sales.

Documenta Oy is a company specializing in software products for digital workflow and document management, quality management, customer relationship management and intensification of operative processes. Documenta offers information technology based software, maintenance, operation service and integration solutions for companies and public administration. Documenta is also responsible for reselling the GROUP Technologies AG's iQ-Suite and CRM Suite (Gedys Software Holding) product families in Finland directly and through its partners. The CEO of the company is Asko Ojanen.

EVENTS FOLLOWING THE PERIOD

On 5 July 2007, the company announced that on 5 July 2007 the Helsinki Court of Appeal had passed a judgment concerning the share issue and sales of TJ Group Plc in the year 2000 wherein it had sentenced the Member of the Board of the company Jyrki Salminen, the Chairman of the Board of the company Tuomo Tilman and the CFO of the company to conditional sentences of imprisonment. Additionally, the Court had ordered the proceeds of crime benefited by Salminen and Tilman forfeited to the state.

The company has been imposed a corporate fine of EUR 50,000 and a joint and several liability to compensate an aggregate amount of EUR 1,218.57. The Court rejected the confiscation claim of EUR 39,369,600 from the company, but released the state from obligation to compensate the legal expenses of the company.

According to the view of the company, the corporate fine and the compensation liability imposed on the company are unfounded. The company shall apply a leave to appeal from the Supreme Court.

The company announced on 19 July 2007 that the Board of Directors of TJ Group Plc had received on 19 July 2007 a notification that the Chairman of the Board Tuomo Tilman and a member of the Board of Directors Jyrki Salminen had resigned from their duties. Additionally, based on an agreement made on 19 July 2007, the CFO of the company has transferred to other duties within the group and resigned from the position as a deputy member of the Board of Directors.

The Board of Directors of the company has decided to call for an Extraordinary General Meeting on 5 September 2007. The issues to be discussed in the

meeting and the place and time of the meeting will be published in a separate invitation to the General Meeting.

TJ Group Plc's goal for 2007 has been to increase the group's net sales and improve the result compared to 2006. This has been pursued by means of organic growth and possible business arrangements. It had been set as a prerequisite for reaching the goal that the ongoing legal process would have a positive outcome for the company.

The decision by the Helsinki Court of Appeal on 5 July 2007 is harmful to the company and, from the company's point of view, unfounded. The company will seek a permission to appeal to the Supreme Court about the decision. The continuing of the legal process may prohibit the realization of any business arrangements and also cause additional expenses to the parent company. As the legal process continues, it will also harm the operative functions of the group's subsidiary, especially sales to new customers. Due to the above-mentioned reasons, reaching the goals concerning the net sales and result in 2007 is not probable.

THE CURRENT AUTHORIZATIONS OF THE BOARD OF DIRECTORS

The Annual General Meeting on 19 June 2007 authorized the Board of Directors to grant new shares against payment in a share issue and to grant special rights in accordance with the Chapter 10, Section 1 of the Companies Act, including option rights, which give the right to subscribe shares against payment. The amount of new shares issued by the company and new shares subscribed on the basis of special rights shall be 26,000,000 at the maximum.

The authorization includes the right to grant shares or special rights entitling to shares in a directed issue, that is, to deviate from the shareholders privilege on the basis of the prerequisites specified in the Companies Act. A directed share issue requires a weighty financial reason on the part of the company, such as financing or implementing acquisitions or other business arrangements, implementing incentive systems targeted at the company's personnel, or other important financial reason for the company specified by the Board of Directors. On the basis of the authorization, the Board of Directors has the right to decide on all other terms of the issuing of new shares or granting of the mentioned special rights, including the recipients of shares or special rights and the amount of compensation to be paid. The authorization shall be valid until 31 December 2010.

FINANCING AND INVESTMENTS

The value of TJ Group's cash and liquid current assets totalled EUR 2.49 million (EUR 3.03 million) at the end of the review period. The equity ratio of the group was -53.2% (-14.0%).

TJ Group's sales receivables at the end of the review period were EUR 0.54 million (EUR 0.72 million).

On the review period, the group's gross investments totalled EUR 23 thousand (EUR -0.3 million), which equals to 1% (-16%) of the net sales.

RESEARCH AND DEVELOPMENT COSTS

The research expenses have been entered directly as costs. The product development expenses have been entered in accordance with the IAS 38 standard

in such a way that the development expenses for entirely new products and new product versions including significant improvements have been activated, if their future accumulateness can be reliably verified. Other product development expenses have been entered as costs in the profit and loss statement at the time they incurred. No product development costs have been activated in the balance sheet during the review period.

PERSONNEL

At the end of the review period, the group had 40 (49) employees. The group employed an average of 40 (49) persons during the review period.

THE COMPANY'S BOARD OF DIRECTORS AND AUDITORS

As of 19 July 2007, the Board of Directors of TJ Group Plc consists of the members Hannu Jokela and Jörg Ott and the deputy member Markku Montonen.

The auditor selected by the Annual General Meeting is Ernst Young Oy Authorised Public Accounting Firm with Arto Tenhula (CA) as the principal accountant.

SHARES, SHARE CAPITAL, AND SHAREHOLDERS

TJ Group Plc's share capital on 30 June 2007 was EUR 2,569,853.92, and the total number of shares was 128,492,696. The countervalue of a share is EUR 0.02. Shareholders' equity/share was EUR -0.02. At the end of the review period, the equities of the group and the parent company were negative. The loss of share capital of the parent company has been registered in the Trade register on 20 September 2006.

At the end of the review period, the company had 15,017 shareholders.

THE SHARE HOLDING AND WARRANTS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT

On 19 July 2007, the members and deputy member of the TJ Group's Board of Directors and the CEO owned a total of 413,000 company shares, that is, 0.32 percent of the company's share capital and votes. They do not have any warrants.

For more information on TJ Group's warrant programs, see the company's web site at www.tjgroup.fi and www.tjgroup.com.

The company complies to and adapts the Guidelines for Insiders drawn up by the Helsinki Exchanges.

NEAR-TERM OUTLOOK

TJ Group Plc's goal for 2007 has been to increase the group's net sales and improve the result compared to 2006. This was pursued by means of organic growth and possibly business arrangements. The prerequisite for reaching the goal was that the legal process would end in a way favorable to the company.

The decision by the Helsinki Court of Appeal on 5 July 2007 is harmful to the company and, from the company's point of view, unfounded. The company will seek a permission to appeal to the Supreme Court about the decision. In practice, the continuing of the legal process will prohibit the realization of any business arrangements and will cause additional expenses to the parent company. As the legal process continues, it will also harm the operative functions of the group's subsidiary, especially sales to new customers. Due to the above-mentioned reasons, reaching the goals concerning the net sales and result in 2007 is not probable.

The interim report of TJ Group for 1 January-30 September 2007 will be published on 25 October 2007.

Espoo, 26 July 2007

The Board of Directors of TJ Group Plc
Hannu Jokela
Jörg Ott

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The figures in the interim report have not been audited.

In addition to the accounts of the parent company, the interim report of TJ Group Plc consolidates the accounts of Documenta Oy.

The comparison figures for 2006 include the following companies in addition to the above mentioned companies: figures for TJ-KiPa Oy (former Key Partners Oy), TJ Ohjelmistoprojektit Oy (former Planmill Oy) and TJ Group GmbH.

CONSOLIDATED PROFIT & LOSS STATEMENT

(EUR thousand)	Continued operations		Continued and discontinued operations in total		1 Jan-31 Dec 2006
	1 Jan-30 Jun 2007 6 months	% of turnover	1 Jan-30 Jun 2006 6 months	% of turnover	
Net sales	1 780		1 847		4 323
Change in work in progress,inc(+),dec(-)	5		0		0
Other operating income	10		306		306
Income from selling of business operations	0		776		1 351
Materials and services	230		156		631
Employee benefits expenses	1 142		1 201		2 519
Depreciations					
Depreciations according to plan	92		426		700
Rents	89		588		757
Marketing expenses	74		66		80
Other operating expenses	453		817		3 239
Unprofitable agreements	0		-382		-382
Operating profit/loss	-285	-16,0 %	57	3,1 %	-1 564
Financial income and expenses					
Interest income and other financial income	378		1		79
Interest expenses and other financial expenses	-135		-131		-256
Share of profit/loss in associated companies	0		20		0
Profit/loss before income taxes	-42		-53		-1 741
Income taxes					
Income tax	0		0		-1
PROFIT/LOSS FOR THE PERIOD	-42	-2,4 %	-53	-2,9 %	-1 742
Earnings per share (undiluted), EUR	-0,0003		-0,0004		-0,014
Earnings per share (diluted), EUR	-0,0003		-0,0004		-0,014

CONSOLIDATED PROFIT AND LOSS STATEMENT BY QUARTER

(tuhat euroa)

	1 Jan- 31 Mar 2007 3 months	1 Apr- 30 Jun 2007 3 months	Total 1 Jan- 30 Jun 2007 6 months
Net sales	822	958	1 780
Change in work in progress,inc(+),dec(-)	9	-4	5
Other operating income	0	10	10
Income from selling of business operations	0	0	0
Materials and services	94	136	230
Employee benefits expenses	521	621	1 142
Depreciations			
Depreciations according to plan	46	46	92
Rents	40	49	89
Marketing expenses	58	16	74
Other operating expenses	187	266	453
Unprofitable agreements	0	0	0
Operating profit/loss	-115	-170	-285
Financial income and expenses			
Interest income and other financial income	346	32	378
Interest expenses and other financial expenses	-66	-69	-135
		0	
Profit/loss before income taxes	165	-207	-42
Income taxes	0	0	0
PROFIT/LOSS FOR THE PERIOD	165	-207	-42

CONSOLIDATED BALANCE SHEET

(EUR thousand)

ASSETS	30 Jun 2007	30 Jun 2006	31 Dec 2006
NON-CURRENT ASSETS			
Intangible assets			
Intangible rights	276	352	316
Goodwill	0	52	0
Tangible assets	142	162	171
Shares in associated companies	0	0	0
Other capitalized expenditure	1 291	2 367	972
Non-current assets total	1 709	2 933	1 459
CURRENT ASSETS			
Work in progress	5	0	0
Trade receivables	542	722	1 595
Other current assets	83	645	125
Cash and cash equivalents	2 494	3 027	3 084
Current assets total	3 124	4 394	4 804
TOTAL ASSETS	4 833	7 327	6 263
SHAREHOLDERS' EQUITY AND LIABILITIES			
	30 Jun 2007	30 Jun 2006	31 Dec 2006
Equity attributable to equity holders of the parent			
Share capital	2 570	2 570	2 570
Premium reserve	65 142	65 142	65 142
Retained earnings	-70 233	-68 491	-68 491
Profit/loss for the period	-42	-244	-1 742
TOTAL SHAREHOLDERS' EQUITY	-2 563	-1 023	-2 521
Long-term liabilities			
Convertible loans	4 500	4 500	4 500
Interest-bearing liabilities	2 033	2 068	2 033
Long-term liabilities total	6 533	6 568	6 533
Current liabilities			
Interest-bearing liabilities	9	45	128
Trade payables	91	378	787
Other current liabilities	135	95	351
Accrued liabilities	628	1 264	985
Current liabilities total	863	1 782	2 251
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4 833	7 327	6 263

**CONSOLIDATED CASH FLOW
STATEMENT**

(EUR thousand)

	1 Jan- 30 Jun 2007	1 Jan- 30 Jun 2006	1 Jan- 31 Dec 2006
	6 months	6 months	12 months
Cash flow from operating activities			
Operating profit/loss	-285	-134	-1 564
Amendments:			
Booking of shares at current price, no payment transaction	0	0	1 399
Depreciations	92	446	700
Change in working capital:			
Change in trade and other receivables	1 095	1 935	1 582
Change in trade and other payables	-1 269	-1 581	-1 195
Change in work in progress	-5	0	0
Interests received	59	1	79
Interests paid	-135	-131	-256
Other financial items	0	20	0
Income taxes, paid	0	0	-1
Cash flow from operating activities total	-448	556	744
Cash flow/investments			
Investments in intangible and tangible assets	-23	336	157
Cash flow/investments total	-23	336	157
Cash flow/financing			
Repayment of loans	-119	-136	-122
Increase in loans	0	0	34
Cash flow/financing total	-119	-136	-88
Change in liquid funds according to the cash flow statement	-590	756	813
Change in liquid funds	-590	756	813
Liquid funds opening balance	3 084	2 271	2 271
Liquid funds closing balance	2 494	3 027	3 084

KEY FIGURES

	1 Jan- 30 Jun 2007	1 Jan- 30 Jun 2006	1 Jan- 31 Dec 2006
Net sales, EUR million	1,78	2,12	4,32
Operating profit/loss, EUR million	-0,29	-0,13	-1,56
% of net sales	-16,0%	-6,3%	-36,2%
Cash flow from operations, EUR million	-0,45	0,56	0,74
Return on equity, % 1) and 2)	3,3 %	54,2 %	105,6 %
Return on investment, % 2)	4,6 %	-3,9 %	-29,4 %
Interest bearing net debt, EUR million	4,0	3,6	3,6
Net debt to equity (Net Gearing), %	-157,9 %	-350,5 %	-141,9 %
Equity ratio, %	-53,2 %	-14,0 %	-40,5 %
Gross investments	0,02	-0,34	-1,6
% of net sales	1 %	-16 %	-36,0 %
Personnel at the end of the period	40	49	42
Personnel average	40	49	49
Employee benefits expenses/person, EUR thousand	29	30	51
KEY FIGURES PER SHARE			
Earnings/share, euro	-0,0003	-0,002	-0,014
Shareholders' equity per share, euro	-0,02	-0,01	-0,02

1) Both indicator and divider are negative.

2) The percentages for return on equity and return on investment have been adjusted to reflect the figures for a 12-month period.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(EUR thousand)	Share capital	Share premium	Retained earnings	Total
SHAREHOLDERS' EQUITY 1 Jan 2007	2 570	65 142	-70 233	-2 521
Profit for the period			-42	-42
SHAREHOLDERS' EQUITY 30 Jun 2007	2 570	65 142	-70 275	-2 563

(EUR thousand)	Share capital	Share premium	Retained earnings	Total
SHAREHOLDERS' EQUITY 1 Jan 2006	2 570	65 142	-68 491	-779
Profit for the period			-244	-244
SHAREHOLDERS' EQUITY 30 Jun 2006	2 570	65 142	-68 735	-1 023