

November 25, 2011

**Tekla Corporation's Interim Report January 1 – September 30, 2011:****Growth for nine months was 15.6 percent – Tekla became part of Trimble Navigation Limited in July**

Tekla became part of Trimble Navigation Limited ("Trimble") on July 8, 2011. Trimble currently holds 99.46% of all the shares and votes in Tekla. Trimble's intention is to acquire all the shares in Tekla, and it initiated the compulsory redemption proceedings for the remaining shares under the Finnish Companies Act. The related trustee of minority shareholders and the arbitral tribunal have been appointed. This Interim Report is prepared in accordance with IAS 34 and is not reflective of Tekla's results as reported as a part of Trimble Navigation Limited consolidated financial statements which are prepared in accordance with U.S. GAAP.

Net sales of Tekla Group for January-September 2011 totaled 47.34 (40.94) million euros, increasing by 15.6%. The operating result was 9.42 (6.89) million euros, 19.9% (16.8%) of net sales. Earnings per share were 0.30 (0.24) euros.

Net sales for the third quarter amounted to 14.88 (13.62) million euros, increasing by 9.3%. The operating result for the quarter was 3.20 (3.31) million euros, or 21.5% (24.3%) of net sales.

Ari Kohonen, President and CEO, comments on the reporting period:

- Net sales for the third quarter increased and operating result was at the same level with the previous year.
- Growth in the net sales of our main business area, Building & Construction, amounted to approximately 21% during the review period and its operating result improved clearly. During the third quarter, B&C's net sales increased by approximately 11% and operating result remained at the previous level.
- In January-September, our market areas with the most success in license sales were Western Europe, the Far East and the Nordic countries. The United States and India continued to be the largest individual markets.
- For Infra & Energy, the third quarter met expectations. Net sales increased slightly on the previous year. The order backlog remained strong.
- During the third quarter, the number of personnel increased by 20 persons. Additional recruitments in both R&D and the customer interface aim to ensure long-term growth.

The Board of Directors continues to expect net sales to increase by 15% or more, while the operating result is expected to exceed 20% of net sales,

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Tekla Corporation drives the evolution of digital information models with its software, providing a growing competitive advantage to customers in the construction, infrastructure and energy industries. Tekla's net sales for 2010 were nearly 58 million euros and operating result nearly 10 million euros. International operations accounted for approximately 80% of net sales. Tekla has customers in 100 countries, offices in 15 countries and a worldwide partner network. Tekla Group currently employs more than 500 persons, of whom about 200 work outside of the headquarters in Finland. Tekla was established in 1966, and is one of the longest-operating Finnish software companies. Tekla Corporation became part of Trimble in July 2011. [www.tekla.com](http://www.tekla.com)

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Tekla Corporation

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## NET SALES AND PROFITABILITY

- \* Net sales of Tekla Group for January-September 2011 were 47.34 million euros (40.94 million euros in January-September 2010).
- \* Net sales increased by 15.6%.
- \* Operating result was 9.42 (6.89) million euros.
- \* Operating result percentage was 19.9 (16.8).
- \* Earnings per share were 0.30 (0.24) euros.
- \* Return on investment was 52.2 (32.0) percent.
- \* Return on equity was 42.1 (23.9) percent.

## FINANCIAL POSITION

- \* Cash flow from operating activities totaled 13.83 (8.66) million euros.
- \* Liquid assets amounted to 9.84 (29.09) million euros on September 30, 2011. The assets have been invested in money market instruments with very low risk.
- \* Equity ratio was 31.4 (68.8) percent.
- \* Interest-bearing debts were 4.09 (0.14) million euros.

## OTHER KEY FIGURES

- \* International operations accounted for 82% (80%) of net sales.
- \* Personnel averaged 497 (456) for January-September.
- \* At the end of September, the number of personnel including part-time staff was 534 (487).
- \* At year's end, the number of personnel including part-time staff was 490 (466).
- \* Gross investments were 2.45 (2.88) million euros. Capitalization of R&D expenses accounted for 1.1 (0.5) million euros.
- \* Equity per share was 0.41 (1.39) euros.
- \* On the last trading day of September, trading closed at 14.20 (8.25) euros.

## BUSINESS AREAS

### NET SALES

Million euros	Q1-3/ 2011	Q1-3/ 2010	Change	Q1-4/ 2010	Q3/2011	Q3/2010
Building & Construction	37.26	30.87	6.39	43.08	11.83	10.68
Infra & Energy	10.12	10.11	0.01	14.81	3.06	2.95
Sales between segments	-0.04	-0.04	0.00	-0.06	-0.01	-0.01
Total	47.34	40.94	6.40	57.83	14.88	13.62

### OPERATING RESULT

Million euros	Q1-3/ 2011	Q1-3/ 2010	Change	Q1-4/ 2010	Q3/2011	Q3/2010
Building & Construction	9.15	5.97	3.18	8.23	2.88	3.05
Infra & Energy	0.27	0.89	-0.62	1.92	0.32	0.23
Others	0.00	0.03	-0.03	-0.09	0.00	0.03
Total	9.42	6.89	2.53	10.06	3.20	3.31

## **Building & Construction**

Tekla's Building & Construction business area (B&C) develops and markets the Tekla Structures software product. Designed for Building Information Modeling (BIM), Tekla Structures is a 3D tool that offers open integration with other programs and models imported from them, supporting all the phases of the construction process. The software is a comprehensive solution for structural engineering, design and production of steel structures and precast units, reinforced concrete detailing as well as site and construction management.

Tekla's position as a supplier of 3D modeling software is strong and the number of users is increasing further. Customers in the building industry are seeking tools like Tekla's products that make their operations more efficient. Information modeling is gaining a stronger foothold in structural design and other stages of the building process. The benefits of information modeling are seen more clearly in site management in particular.

Tekla launched the free Tekla BIMsight application in February 2011 in order to promote BIM-based cooperation and project management in the construction industry. With the new application, the different parties involved in the project can easily combine their models created using different software and understand each other's designs. The application can be used for checking for clashes in the structures, commenting on the models and marking the required changes in them. The entire project can be reviewed with the help of a single illustrative 3D combination model. User feedback has been positive. In the first phase, the application was released in English. An expanded Tekla BIMsight application was launched in October.

The net sales of B&C amounted to 37.26 (30.87) million euros for January-September 2011. The growth in net sales was 20.7% compared to the corresponding period the previous year. B&C's operating result improved clearly, amounting to 9.15 (5.97) million euros. B&C's operating result percentage was 24.6% (19.3%).

B&C's net sales increased by 10.8% during the third quarter, to 11.83 (10.68) million euros. The operating result was 2.88 (3.05) million euros, or 24.3% (28.6%) of net sales.

International operations accounted for 94% (95%) of B&C's net sales in January-September 2011. The market areas with the most success in license sales were Western Europe, the Far East and the Nordic countries. The United States and India continued to be the largest individual markets.

It is very favorable for Tekla that the building industry's move to information-model-based 3D processes from traditional 2D ways of working continues. Because of this, the business area's long-term outlook continues to be promising. Building Information Modeling (BIM) is globally consolidating its position in the building industry. BIM means that the information of the product model is transferred and shared between the parties of the construction process. This expands the cooperation between the parties of the construction process. In order to facilitate cooperation, the interoperability of software is increased further and data exchange between software systems is improved, so that customers are able to choose the product that is suited the best for a specific task.

In July, a new functionality was introduced in Tekla Structures: the Construction Management module includes the tools for organizing and breaking down the model as well as scheduling and schedule monitoring.

Measures against software piracy continued both by own efforts and in cooperation with other parties, such as BSA. The efforts are increasingly bearing fruit.

Tekla Structure 17, the main version launched in February, features improved clash checking, organizing, viewing, snapping, commenting and project managing functions.

## **Infra & Energy**

The Infra & Energy business area develops and markets Tekla Solutions to customers in the infrastructure and energy industries. The software solutions contain high-end process support tools for customers' core processes, from planning to construction, operation and maintenance, and for customer service needs. I&E's customers operate in energy distribution, public administration, and civil engineering. Tekla Solutions offering promotes Tekla's aim to sell its software to new customers and new types of customer segments in Finland and abroad.

In the energy industry, information system acquisitions are strategic investments for the companies. Climate change and the endeavor towards sustainable development set new requirements for the industry, e.g., with new energy production methods becoming more common and partial decentralization of production. New technologies, smart grids and software solutions hold a key role in achieving these objectives. Tekla's market position as a supplier of energy distribution information systems is strong in the Nordic and Baltic countries.

Improved and more extensive utilization of information technology is seen to be a key solution for achieving efficiency, self-services and thereby cost-savings. Citizens' services are being extensively migrated into the Web, and the accessibility of the services can also be improved this way. Tekla's sales and market position remained strong in Finland.

I&E's net sales amounted to 10.12 (10.11) million euros for January-September 2011. Its operating result was 0.27 (0.89) million euros. I&E's operating result percentage was 2.7% (8.8%). International operations accounted for 36% (33%) of net sales.

Net sales for the third quarter amounted to 3.06 (2.95) million euros, and operating result was 0.32 (0.23) million euros, or 10.5% of net sales. For Infra & Energy, the third quarter met expectations. Net sales increased slightly on the previous year. The order backlog remained strong.

An agreement on the delivery of Tekla's district heating solution was made with Turku Energia, Finland. Expanding the use of the Tekla NIS and Tekla DMS systems was agreed on with Latvenergo, Latvia. Agreements were signed with the Finnish companies Pori Energia and Kuopion Energia on the delivery of AMR integrations. Several agreements on the implementation and development of e-services were concluded in the field of public administration.

With regard to product development, the FLIR (Fault Location Isolation Restoration) project related to the development of electricity distribution network automation was completed on schedule and implemented in Vattenfall Verkkö Oy, Finland. This functionality significantly enhances the performance of distribution companies' operation centers in situations such as storms where failures can momentarily reach very high quantities.

The first parts of the collaboration project with Vattenfall Europe to develop support for network documentation and planning in the Tekla NIS system were completed.

## **PERSONNEL**

Tekla Group personnel averaged 497 (456) for January-September 2011; on average 193 (184) worked outside Finland. In these figures, the number of part-time staff has been converted to correspond to full-time work contribution. At the beginning of the year, Tekla personnel totaled 490 (466) including part-time staff, of whom 188 (192) worked outside Finland, and at the end of September 534 (487), of whom 202 (186) worked outside Finland. During the third quarter, the number of personnel increased by 20 persons. Additional recruitments in both R&D and the customer interface aim to ensure long-term growth.

## **PUBLIC TENDER OFFER OF TRIMBLE AND RELATED REDEMPTION PROCEEDINGS**

The final result of the public tender offer made by Trimble Navigation Limited's subsidiary Trimble Finland Oy was published on June 30, 2011. According to it, the shares tendered represented approximately 99.46 percent of all the shares and votes in Tekla. The trades were executed on July 5, 2011, and the ownership to the shares was transferred to Trimble Finland on July 8, 2011, and Tekla became part of Trimble.

Since Trimble Finland's intention is to acquire all the shares in Tekla, it initiated the compulsory redemption proceedings for the remaining shares in Tekla under the Finnish Companies Act. The District Court of Espoo appointed a trustee to supervise the interest of the minority shareholders of Tekla Corporation in the redemption proceedings. Tekla issued a stock exchange release on the appointment of the trustee on September 9, 2011.

The appointment of an arbitral tribunal was announced after the end of the reporting period (November 17, 2011). The redemption board of the Central Chamber of Commerce appointed upon the application by Trimble Finland Oy a one-member arbitral tribunal in the arbitration proceedings regarding the redemption of minority shares in Tekla Corporation. LL.D. Pekka Timonen was appointed as the only member of the arbitral tribunal. The arbitral tribunal shall decide upon, among other things, the existence of the redemption right and the redemption price for the shares subject to the arbitral proceedings.

## **SHARE AND OWNERSHIP STRUCTURE**

### **Shares and share capital**

The total number of Tekla Corporation shares at the end of September 2011 was 22,586,200, of which the company owned 96,600. The total book counter value of those was 2,898 euros, and the proportion of the shares in the company was 0.43%. A total of 652,479.02 euros had been used for acquiring the company's own shares, and their market value was 1,371,720 euros on September 30, 2011. The book counter value of the share is 0.03 euros. At the end of the period, share capital stood at 677,586 euros.

### **Share price trends and trading**

The highest quotation of the share in January-September 2011 was 20.08 (8.26) euros, the lowest 9.00 (6.29) euros. The average quotation was 14.03 (7.24) euros. On the last trading day of September, trading closed at 14.20 (8.25) euros.

A total of 27,187,730 (4,007,001) Tekla shares changed hands in January-September 2011 at NASDAQ OMX Helsinki Ltd, amounting to 120.4% (18.3%) of the entire share capital.

Nominee registered and foreign owners held 0.2% (18.3%) of all shares at the end of September 2011.

### **Notifications of changes in shareholding**

- May 9, 2011: Trimble Navigation Limited announced an agreement that, if executed, will result in a change in shareholding. The following flagging thresholds were exceeded: more than five-tenths (irrevocable undertakings) and more than two-thirds by the public Tender Offer.
- May 9, 2011: Gerako Oy announced that it had given an irrevocable and unconditional undertaking to accept the Tender Offer.
- May 9, 2011: Ilmarinen Mutual Pension Insurance Company confirmed its support for the tender offer and announced that it has undertaken to tender their shares in the offer (unless a higher offer is available).

- May 12, 2011: Nordea Rahastoyhtiö Suomi Oy's holdings in Tekla Corporation increased over the 5% threshold on May 11, 2011.
- May 27, 2011: The grounds for Trimble's notification were the acquisition of shares or voting rights and exceeding the 30 percent threshold on May 26, 2011. According to the notification the indirect number of shares was 9,059,493 (40.28%).
- June 6, 2011: The grounds for Trimble's notification were the acquisition of shares or voting rights and exceeding the 50 percent threshold on June 1, 2011. According to the notification the indirect number of shares was 11,317,692 (50.32%).
- June 10, 2011: The grounds for Trimble's notification were the acquisition of shares or voting rights and exceeding the 66.7 percent (two-thirds) threshold on June 9, 2011. According to the notification the indirect number of shares was 15,224,354 (67.70%).
- July 7, 2011: As a result of the completion of the tender offer, Trimble Finland Oy's ownership in Tekla exceeded 2/3 of the shares and voting rights in Tekla on July 5, 2011. The number of shares owned by Trimble Finland Oy was 22,368,148, or about 99.46% of shares and votes included in the tender offer, and 99.03% including own shares held by Tekla.
- July 8, 2011: Ilmarinen Mutual Pension Insurance Company's holdings in Tekla Corporation decreased below 1/20 when Ilmarinen sold all its Tekla shares on July 5, 2011.

#### **SHORT-TERM RISKS AND UNCERTAINTY FACTORS**

Possible risks and uncertainty factors associated with Tekla's business are mainly related to the market and competition situation and the general economic situation. Trends in the building industry vary in different market areas. Global uncertainty and market caution have increased.

A majority of Tekla's net sales is comprised of sales of licenses entitling to use software products. Fluctuation in their demand can be rapid and significant. In the short term and with rapidly decreasing demand, it is challenging to proportion fixed personnel expenses, which account for the majority of Tekla's costs. Tekla is, however, able to react swiftly to growing demand, and profits from additional sales are good.

The sales of Tekla software are geographically distributed. In addition, individual customers do not account for a significant share of net sales, and therefore such risks are not essential.

#### **ANNUAL GENERAL MEETING**

Tekla Corporation's Annual General Meeting was held on April 6, 2011. The resolutions of the AGM were published in a stock exchange release on April 6, 2011.

The AGM authorized the Board to decide on the repurchase and transfer of company shares and share issues. The Board has not exercised the above mentioned authorizations.

Furthermore, the Annual General Meeting authorized the Board to decide on the distribution of additional dividend and/or distribution of the non-restricted equity fund for a total of up to 18,000,000 euros. The Board of Directors exercised the authorization and announced on June 28, 2011 that an additional dividend of 0.80 euros will be paid. The dividend record date was July 1, 2011 and the payment date July 8, 2011. According to the terms of the combination agreement between Trimble and Tekla and the public tender offer made by Trimble, the distribution of funds resulted in a corresponding reduction of Trimble's offer price to 14.20 euros per share.

**EVENTS AFTER THE REPORTING PERIOD**

Notice to an Extra General Meeting was given on November 7, 2011. The meeting will be held on Monday, November 28, 2011. The meeting will decide on changing the composition of the company's Board of Directors as proposed by Trimble Finland Oy, with Mr. Rajat Bahri to be elected as a new member to the Board for the remaining term to replace Ari Kohonen. The proposal also includes that no change will be made on the number of members, and that the members elected by the Annual General Meeting last spring, i.e. Olli-Pekka Laine, Erkki Pehu-Lehtonen, Saku Sipola and Reijo Sulonen, would continue as board members. Timo Keinänen would continue as a deputy member. In accordance with the articles of association, the nominated personnel representative Juha Kajanan would continue with Kirsi Hakkila as his deputy.

**OUTLOOK FOR 2011**

The Board of Directors continues to expect net sales to increase by 15% or more, while the operating result is expected to exceed 20% of net sales. The estimates are based on actual growth in net sales and Tekla's market position.

**NEXT FINANCIAL REPORT**

Tekla Corporation's financial statement bulletin for 2011 will be published on February 29, 2012.

Espoo, November 24, 2011

TEKLA CORPORATION  
Board of Directors

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**CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**
**CONSOLIDATED INCOME STATEMENT**

Million euros	Q1-Q3/ 2011	Q1-Q3/ 2010	Q1-Q4/ 2010	Q3/ 2011	Q3/ 2010
Net sales	47.34	40.94	57.83	14.88	13.62
Other operating income	0.33	0.40	0.58	0.04	0.15
Change in inventories of finished goods and in work in progress	0.07	-0.03	-0.05	0.03	-0.01
Raw materials and consumables used	-1.37	-1.32	-2.08	-0.42	-0.32
Employee compensation and benefit expense	-25.35	-23.01	-32.06	-7.82	-7.14
Depreciation	-1.37	-1.31	-1.71	-0.47	-0.45
Other operating expenses	-10.23	-8.85	-12.54	-3.04	-2.58
Share of results in associated companies	0.00	0.07	0.09	0.00	0.04
Operating result	9.42	6.89	10.06	3.20	3.31
% of net sales	19.90	16.83	17.40	21.51	24.30
Financial income	0.56	1.51	1.81	0.03	0.04
Financial expenses	-0.89	-1.17	-1.11	-0.09	-0.42
Profit (loss) before taxes	9.09	7.23	10.76	3.14	2.93
% of net sales	19.20	17.66	18.61	21.10	21.51
Income taxes	-2.31	-1.75	-2.58	-0.81	-0.84
Result for the period	6.78	5.48	8.18	2.33	2.09
<b>Attributable to:</b>					
Owners of the parent	6.78	5.48	8.18	2.33	2.09
Earnings per share for profit attributable to the owners of the parent (EUR))	0.30	0.24	0.36	0.10	0.09

Earnings are not diluted.



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Million euros	Q1-Q3/ 2011	Q1-Q3/ 2010	Q1-Q4/ 2010	Q3/ 2011	Q3/ 2010
Result for the period	6.78	5.48	8.18	2.33	2.09
Other comprehensive income for the period, net of tax:					
Transl. differences	-0.02	-0.13	-0.18	-0,12	-0,03
Changes in available-for-sale investments	-0.04	-0.04	-0.06	-0.03	-0.01
Total	-0.06	-0.17	-0.24	-0.15	-0.04
Total comprehensive income for the period	6.72	5.31	7.94	2.18	2.05
<b>Attributable to:</b>					
Owners of the parent	6.72	5.31	7.94	2.18	2.05

**CONDENSED BALANCE SHEET**

Million euros	9/2011	9/2010	12/2010
<b>Assets</b>			
Non-current assets			
Property, plant and equipment	1.73	1.32	1.34
Goodwill	0.14	0.20	0.14
Intangible assets	3.35	2.40	2.69
Investments in associated companies	1.30	1.34	1.36
Other financial assets	0.03	0.13	0.12
Receivables	0.11	0.40	0.36
Deferred tax assets	0.86	0.77	0.64
Non-current assets, total	7.52	6.56	6.65
Current assets			
Inventories	0.13	0.08	0.06
Trade and other current receivables	11.60	9.89	11.23
Tax receivables	0.04	0.05	0.05
Other financial assets	0.03	21.77	21.34
Cash and cash equivalents	9.84	7.34	8.18
Current assets, total	21.64	39.13	40.86
Assets total	29.16	45.69	47.51
<b>Equity and liabilities</b>			
Equity			
Share capital	0.68	0.68	0.68
Invested non-restricted equity fund	1.29	9.16	9.16
Other own capital	1.50	1.63	1.56

Retained earnings	5.64	19.77	22.47
Equity total	9.11	31.24	33.87
Non-current liabilities			
Deferred tax liabilities	0.04	0.09	0.07
Interest-bearing liabilities	0.05	0.05	0.04
Non-current liabilities total	0.09	0.14	0.11
Current liabilities			
Trade and other payables	15.29	14.04	13.04
Tax liabilities	0.63	0.18	0.41
Current interest-bearing liabilities	4.04	0.09	0.08
Current liabilities total	19.96	14.31	13.53
Liabilities total	20.05	14.45	13.64
Equity and liabilities total	29.16	45.69	47.51

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to the owners of the parent

	Share capital	Share prem. acct	Other funds	Fair value res.	Acc. transl. diff.	Inv. non-restr. equity fund	Ret. earn.	Total
Equity Jan. 1, 2010	0.68	8.89	1.33	0.09	0.38		18.53	29.90
Payment of dividend							-4.48	-4.48
Transfer of treasury shares on May 7						0.27	0.24	0.51
Decrease of share premium account		-8.89				8.89		0.00
Total compreh. income for the period				-0.04	-0.13		5.48	5.31
Equity Sept 30, 2010	0.68	0.00	1.33	0.05	0.25	9.16	19.77	31.24

## Attributable to the owners of the parent

	Share capital	Share prem. acct	Other funds	Fair value res.	Acc. transl. diff.	Inv. non-restr. equity fund	Ret. earn.	Total
Equity Jan 1, 2011	0.68	0.00	1.33	0.03	0.20	9.16	22.47	33.87
Payment of dividend							-23.61	-23.61
Repayment of equity						-7.87		-7.87
Total compreh. income for the period				-0.04	-0.02		6.78	6.72
Equity Sept. 30, 2011	0.68	0.00	1.33	-0.01	0.18	1.29	5.64	9.11

**CONDENSED CASH FLOW STATEMENT**

<b>Million euros</b>	<b>Q1-Q3/ 2011</b>	<b>Q1-Q3/ 2010</b>	<b>Q1-Q4/ 2010</b>
Net cash flows from operating activities	13.83	8.66	9.74
Cash flows from investing activities:			
Investments	-2.45	-1.54	-2.33
Sale of intangible assets and property, plant and equipment	0.33	0.00	0.06
Acquisition of associated companies		-0.40	-0.40
Investments in available-for-sale financial assets	20.94	-1.07	-1.55
Interests received from available-for-sale financial assets	0.21	0.29	0.38
Net cash used in/from investing activities	19.03	-2.72	-3.84
Cash flows from financing activities:			
Payment of dividend	-23.61	-4.48	-4.48
Repayment of equity	-7.87		
Payments of finance lease liabilities	-0.03	-0.04	-0.05
Net cash used in financing activities	-31.51	-4.52	-4.53
Net decrease/increase in cash and cash equivalents	1.35	1.42	1.37
Cash and cash equivalents at beginning of the period	8.49	7.12	7.12
Cash and cash equivalents at end of the period	9.84	8.54	8.49
The cash and cash equivalents in the cash flow statement include:			
Cash and cash equivalents	9.84	7.34	8.18
Available-for-sale financial assets, cash equivalents		1.20	0.31

## NOTES TO THE INTERIM REPORT

The notes are presented in millions of Euros, unless otherwise stated.

This interim report has been prepared in accordance with the IAS 34 (Interim Financial Reporting) standard. The same accounting and valuation policies and methods of computation have been followed in the interim financial statements as in the annual financial statements for 2010. The amendments and interpretations to published standards as well as new standards, effective January 1, 2011, are presented in detail in the financial statements for 2010.

The figures presented in the Interim Report are unaudited.

### Use of estimates

When preparing the interim report, the Group's management is required to make estimates and assumptions influencing the content of the interim report, and it must exercise its judgment regarding the application of accounting policies. Although these estimates are based on the management's best knowledge, actual results may ultimately differ from the estimates used in the interim report. Tax losses carried forward are recognized as deferred tax assets only to the extent that it is probable that future taxable profits will be available against which unused tax losses can be utilized. Actual results could differ from those estimates.

### Segment information

#### Net sales by business area

Million euros	Q1-Q3/ 2011	Q1-Q3/ 2010	Q1-Q4/ 2010	Q3/ 2011	Q3/ 2010
Building & Construction	37.26	30.87	43.08	11.83	10.68
Infra & Energy	10.12	10.11	14.81	3.06	2.95
Net sales between segments	-0.04	-0.04	-0.06	-0.01	-0.01
Total	47.34	40.94	57.83	14.88	13.62

#### Operating result by business area

Million euros	Q1-Q3/ 2011	Q1-Q3/ 2010	Q1-Q4/ 2010	Q3/ 2011	Q3/ 2010
Building & Construction	9.15	5.97	8.23	2.88	3.05
Infra & Energy	0.27	0.89	1.92	0.32	0.23
Others	0.00	0.03	-0.09	0.00	0.03
Total	9.42	6.89	10.06	3.20	3.31

**Financial indicators**

	<b>Q1-Q3/ 2011</b>	<b>Q1-Q3/ 2010</b>	<b>Q1-Q4/ 2010</b>	<b>Q3/ 2011</b>	<b>Q3/ 2010</b>
Earnings per share (EPS), EUR	0.30	0.24	0.36	0.10	0.09
Equity/share, EUR	0.41	1.39	1.51		
Interest-bearing liabilities	4.09	0.14	0.12		
Equity ratio, %	31.4	68.8	72.1		
Net gearing, %	-63.1	-92.7	-86.7		
Return on investment, %	52.2	32.0	34.1	125.3	39.5
Return on equity, %	42.1	23.9	25.7	116.5	27.8
Number of shares, at end of the period	22,489,600	22,489,600	22,489,600		
Number of shares, on average	22,489,600	22,455,908	22,464,400		
Gross investments, MEUR	2.45	2.88	3.60	0.44	0.67
% of net sales	5.18	7.03	6.23	2.96	4.92
Personnel, on average	497	456	461	517	465

**Consolidated income statement by quarter**

<b>Million euros</b>	<b>Q3/ 2011</b>	<b>Q2/ 2011</b>	<b>Q1/ 2011</b>	<b>Q4/ 2010</b>	<b>Q3/ 2010</b>
Net sales	14.88	16.67	15.79	16.89	13.62
Other operating income	0.04	0.18	0.11	0.18	0.15
Change in inventories of finished goods and in work in progress	0.03	0.06	-0.02	-0.02	-0.01
Raw materials and consumables used	-0.42	-0.46	-0.49	-0.76	-0.32
Employee compensation and benefit expense	-7.82	-9.05	-8.48	-9.05	-7.14
Depreciation	-0.47	-0.47	-0.43	-0.40	-0.45
Other operating expenses	-3.04	-3.69	-3.50	-3.69	-2.58
Share of results in associated companies	0.00	-0.02	0.02	0.02	0.04
Operating result	3.20	3.22	3.00	3.17	3.31
% of net sales	21.51	19.32	19.00	18.77	24.30
Financial income	0.03	0.28	0.25	0.30	0.04
Financial expenses	-0.09	-0.19	-0.61	0.06	-0.42
Profit (loss) before taxes	3.14	3.31	2.64	3.53	2.93
% of net sales	21.10	19.86	16.72	20.90	21.51
Income taxes	-0.81	-0.99	-0.51	-0.83	-0.84
Result for the period	2.33	2.32	2.13	2.70	2.09

**Income taxes**

	<b>Q1-Q3/ 2011</b>	<b>Q1-Q3/ 2010</b>	<b>Q1-Q4/ 2010</b>
Taxes for the financial period and prior periods	-2.53	-2.08	-2.79
Deferred taxes	0.22	0.33	0.21
<b>Total</b>	<b>-2.31</b>	<b>-1.75</b>	<b>-2.58</b>

**Property, plant and equipment**

	<b>9/2011</b>	<b>9/2010</b>	<b>12/2010</b>
Cost at the beginning of the period	8.57	8.30	8.30
Translation differences	-0.02	0.19	0.23
Additions	1.13	0.60	0.86
Disposals	-0.18	-0.71	-0.82
<b>Cost at the end of the period</b>	<b>9.50</b>	<b>8.38</b>	<b>8.57</b>
Accumulated depreciation at the beginning of the period	7.23	6.88	6.88
Translation differences	-0.02	0.13	0.17
Accumulated depreciation on disposals	-0.13	-0.64	-0.70
Depreciation for the financial period	0.69	0.69	0.88
<b>Accumulated depreciation at the end of the period</b>	<b>7.77</b>	<b>7.06</b>	<b>7.23</b>
<b>Net book amount at the end of the period</b>	<b>1.73</b>	<b>1.32</b>	<b>1.34</b>

The investments consisted of normal acquisitions of hardware, software, and equipment.

In accordance with accounting regulations, 1.08 million euros of R&D expenses have been capitalized during the period under review in connection with longer-term development of new technology and clearly novel customer offering.

### Provisions

The Group had no provisions in the reporting or comparison period.

### Collaterals, contingent liabilities and other commitments

	9/2011	9/2010	12/2010
<b>Collaterals for own commitments</b>			
Business mortgages (as collateral for bank guarantee limit)	0.50	0.50	0.50
Pledged funds	0.22	0.23	0.27
<b>Leasing and rental agreement commitments</b>			
Premises	6.26	3.58	6.97
Others	0.33	0.40	0.37
Total	6.59	3.98	7.34
<b>Derivative contracts</b>			
Currency forward contracts:			
Fair value	-0.03	0.07	0.05
Nominal value of underlying instruments	1.68	2.20	2.38

The Group makes derivative contracts to hedge against the exchange rate risks of prospective sales agreements. Derivative contracts are stated at fair value, and related foreign exchange gains and losses are recognized in the income statement. The derivative contracts hedge sales in US dollars in accordance with the Group policy.

<b>Related party transactions</b>	9/2011	9/2010	12/2010
Gerako Oy			
Purchases	0.21	0.19	0.27
Construsoft Groep BV			
Sales	3.03		
Purchases	0.03		
Receivables	0.29		
Liabilities	0.60		
Management remuneration			
Salaries and post-employment benefits	0.93	0.87	1.15

Management herein refers to members of the Tekla Management Team.