

BELTTTON-GROUP PLC INTERIM REPORT 1 JANUARY - 31 MARCH 2007

Belttton Group's net sales continued to grow and amounted to EUR 16.9 million (EUR 14.8 million). Operating profit totalled EUR 0.17 million (EUR 0.24 million). Result for the period showed a loss of EUR 0.07 million (EUR 0.08 million). Earnings per share (EPS) fell to EUR -0.01 (EUR 0.01).

NET SALES AND PROFIT DEVELOPMENT

Belttton-Group Plc's net sales increased by 14.1% year-on-year, totalling EUR 16.9 million (EUR 14.8 million), and sales picked up in all business areas.

Belttton-Group's operating profit was EUR 0.17 million (EUR 0.24 million), representing 1.0% (1.6%) of net sales. Profit before extraordinary items amounted to EUR 0.12 million (EUR 0.15 million). Earnings per share (EPS) dropped to EUR -0.01 from EUR 0.01 a year earlier. The Group made a loss of EUR 0.07 million in the first quarter compared with a profit of EUR 0.08 million a year earlier.

Compared with Q1 in 2006, the company's sales grew while operating profit decreased. CEO Heikki Vienola: "Our marked sales growth can be attributed to successful recruitment for direct sales operations, winning new customers, and new contract customers. I am pleased with our market share increase. Cooperation in logistics with Itella offers us the resources for future growth in line with our strategy. The relocation of Wulff's logistics operations at the beginning of the year was also a major investment in competitiveness. This generated non-recurring costs of approximately EUR 250,000 in the first quarter. Without these costs the profit development would be positive."

Wulff Oy Ab, a company that sells office supplies and computer accessories and accounts for about 45% of Belttton-Group's net sales, managed to win a large number of new contract customers during the period. It also increased its market share.

The objective of KB-Tuote Oy, a company selling business and advertising gifts, is to further broaden its contract customer base this year. The amount of contract customers grew according to expectations in the first quarter. KB-Tuote Oy provides major corporations with an outsourced business gift service whereby the customer can order products designed in line with the company brand through an electronic order system.

Successful recruitment and new customers contributed to continued positive development in direct sales. Other focus areas in direct sales besides recruitment and winning new customers include sales personnel training. The administration and logistics operations of five Group companies will be relocated to the Belttton premises in Vantaa in May-June, since there is additional office and logistics space as a result of the relocation of Wulff's logistics operations. The purpose of the relocation of the five direct sales companies is to generate synergy benefits and improved cost efficiency, which in the short term will incur some costs arising from the combination of logistics and IT.

Belttton's Scandinavian subsidiaries continued to perform well. Positive performance could be attributed to investments in recruitment as well as cost savings. Field sales performed particularly well in Sweden and telemarketing in Norway.

FINANCING AND INVESTMENTS

Cash flow from business operations amounted to EUR 0.71 million (EUR 0.60 million).

The consolidated balance sheet total at the end of the period amounted to EUR 40.4 million (EUR 37.1 million) and the equity ratio was 45.1 % (48.0 %). The investments in fixed assets entered in the balance sheet amounted to EUR 0.30 million, or 1.8% (EUR 0.16 million, 1.1%) of net sales.

PERSONNEL

Belttton-Group Plc had 422 (435) employees at the end of the review period and an average of 417 (434) employees over the period. A total of 96 (77) employees worked in Sweden, Norway and Estonia.

DECISIONS MADE BY THE ANNUAL GENERAL MEETING

Belttton-Group Plc's Annual General Meeting held on 4 April 2007 unanimously adopted the financial statements for 2006 and discharged the members of the Board and the CEO from liability for the financial year.

In accordance with the proposal of the Board of Directors the Annual General Meeting decided to pay a dividend of EUR 0.12 per share for the financial year 2006. The record date for the dividend payment was 11 April 2007, and the payment was made on 18 April 2007.

The number of members of the Board was confirmed at six. The following members were re-elected: Ari Lahti, Ere Kariola, Ari Pikkarainen, Pentti Rantanen, Sakari Ropponen and Heikki Vienola. In its organising meeting held on 18 April 2007, the Board of Directors elected Ari Lahti as its Chairman.

The Annual General Meeting adopted the Board's proposals concerning the authorisation to increase the share capital and to buy the company's own shares.

OUTLOOK FOR 2007

Belttton expects the office product markets to grow moderately in 2007. Belttton believes that a successfully deployed contract customer operating policy will allow the company to outperform market growth. Belttton's outlook for 2007 is favourable. The successful completion of the Entre Marketing Oy acquisition and good organic growth give the company management reason to believe that net sales will increase from EUR 62 million last year to about EUR 80 million, and that the company's financial result will improve from the previous year.

ACCOUNTING PRINCIPLES APPLIED IN THE INTERIM REPORT

This interim report was prepared in compliance with the IFRS accounting and valuation principles. The report was not prepared in compliance with all the requirements set forth in IAS 34 Interim Reports.

The figures in this interim report have not been audited.

Belttton-Group PLC	(1000 euro)		
CONSOLIDATED INCOME STATEMENT	1-3/2007	1-3/2006	1-12/2006
TURNOVER	16 925	14 832	62 045
Other operating income	80	60	329
Materials and services	8 945	7 962	32 874
Personnel expenses	4 175	3 736	15 347
Depreciation	299	283	1 214
Other operating expenses	3 413	2 670	10 519

OPERATING PROFIT	172	240	2 420
Financial items	-51	-87	-203
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	121	153	2 216
Extraordinary items	0	0	0
PROFIT BEFORE TAXES	121	153	2 216
Income taxes	180	126	807
Minority interest	11	-54	113
NET PROFIT	-70	81	1 296

CONSOLIDATED BALANCE SHEET (1000 euro)

Assets	31.3.2007	31.3.2006	31.12.2006
--------	-----------	-----------	------------

FIXED ASSETS

Intangible assets	439	347	454
Consolidation goodwill	4 903	4 542	4 903
Tangible assets	4 979	5 109	4 913
Investments held for sale	328	280	235
Investments	148	149	149

TOTAL FIXED ASSETS	10 797	10 428	10 654
--------------------	--------	--------	--------

CURRENT ASSETS

Inventories	10 726	9 646	10 590
Sales receivables	7 826	6 653	8 933
Other receivables	3 714	4 424	3 654
Deferred tax assets	1 026	1 201	972
Cash and bank receivables	6 311	4 796	5 876

TOTAL CURRENT ASSETS	29 602	26 721	30 025
----------------------	--------	--------	--------

TOTAL ASSETS	40 400	37 148	40 679
--------------	--------	--------	--------

Equity and liabilities	31.3.2007	31.3.2006	31.12.2006
------------------------	-----------	-----------	------------

EQUITY

Share capital	2 603	2 603	2 603
Share issue	0	0	0
Share premium fund	7 662	7 662	7 662
Retained earnings	7 146	6 511	5 740
Net profit	-70	81	1 296

TOTAL EQUITY	17 341	16 857	17 302
--------------	--------	--------	--------

Minority interest	866	967	889
LIABILITIES			
Long-term liabilities	8 285	7 093	8 281
Short-term liabilities	13 908	12 231	14 207
TOTAL LIABILITIES	22 192	19 324	22 488
TOTAL EQUITY AND LIABILITIES	40 400	37 148	40 679

KEY RATIOS

(1000 euro)

	1-3/2007	1-3/2006	1-12/2006
Turnover	16 925	14 832	62 045
Increase in turnover %	14.1 %	0.0 %	3.2 %
Operating profit	172	240	2 420
% of turnover	1.0 %	1.6 %	3.9 %
Profit before tax	121	153	2 216
% of turnover	0.7 %	1.0 %	3.6 %
Net profit	-70	81	1 296
% of turnover	-0.4 %	0.5 %	2.1 %
Equity ratio %	45.1 %	48.0 %	45.0 %
Investments in fixed assets	301	156	1 122
% of turnover	1.8 %	1.1 %	1.8 %
Average number of employees	417	434	423
Number of employees at end of period	422	435	412
Earnings per share, euro	-0.01	0.01	0.20
Equity per share, euro	2.66	2.59	2.66

CONSOLIDATED CASH FLOW

	1-3/2007	1-3/2006
Cash flow from operations:		
Payments received from sales	17 972	15 152
Payments received from other operating income	0	153
Amounts paid for operating expenses	-17 169	-14 558
Cash flow from business operations before financial items and taxes	802	747
Financial costs paid	-82	-77
Interests received from operations	31	18
Direct taxes paid	-46	-86

Cash flow from operations	705	602
Cash flow from investment activities:		
Investments in tangible and intangible assets	-290	-156
Sale of tangible and intangible assets	42	0
Acquisition of shares in subsidiaries	0	0
Sale of shares in subsidiaries	0	0
Sale of other investments	179	0
Cash flow from investment activities	-69	-156
Cash flow from financing activities:		
Share issue		0
Paid dividends	-40	0
Received dividends	140	53
Short-term investments	-952	-273
Loss from the sale of short-term investments	-275	-173
Loan withdrawals	0	0
Loan repayments	0	0
Cash flow from financing activities	-1 127	-393
Change in liquid assets	-491	53

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY Jan 1st - Mar 31st 2007

(1000 euro)

	Share capital	Share premium fund	Retained earnings	Total	Minority interest	Total
Equity Jan 1st 2007	2 603	7 662	7 036	17 301	889	18 190
Net profit			-70		11	-59
Dividends paid			0		-34	-34
Investments available for sale: Valuation gains or losses recognised under shareholders' equity			69			69
Financial instruments recognised under shareholders' equity			34			34
Translation differences			7			7
Equity Mar 31st 2007	2 603	7 662	7 076	17 341	866	18 207

Further information:

Heikki Vienola, CEO
Tel. +358 9 5259 0050 or +358 50 65 110
e-mail: heikki.vienola@belttton.fi

Sirpa Väisänen, IR Officer
Tel. +358 9 5259 0050 or +358 400 943 243
e-mail: sirpa.vaisanen@belttton.fi

www.belttton.com

DISTRIBUTION
The Helsinki Stock Exchange
www.belttton.com
Key media