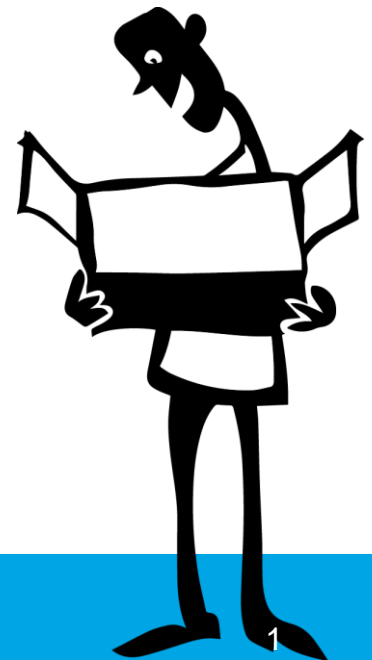


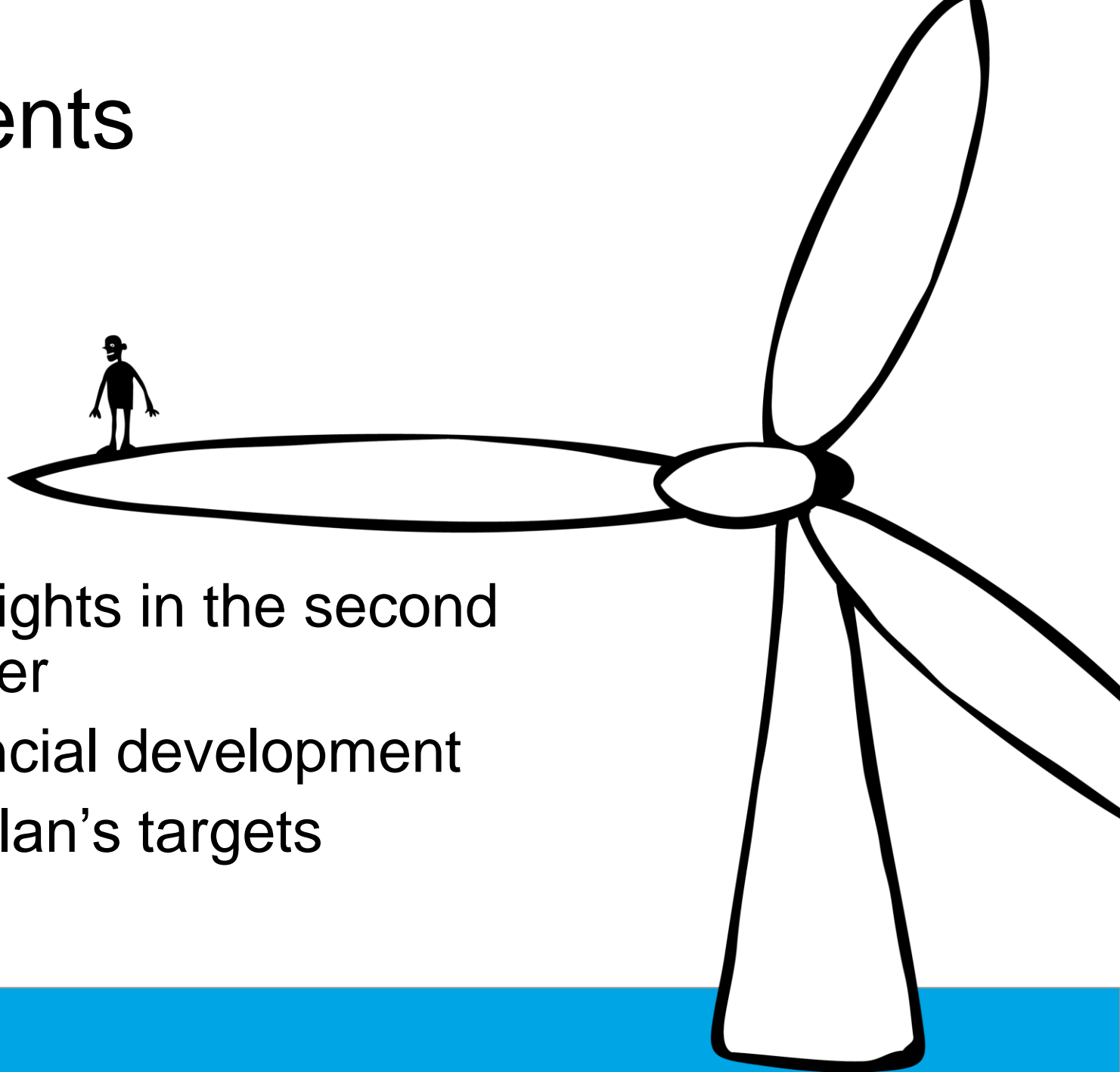
Half Year Financial Report January-June 2017

Good organic growth continued, operating profit rose to record level

President and CEO Juha Näkki
August 10, 2017

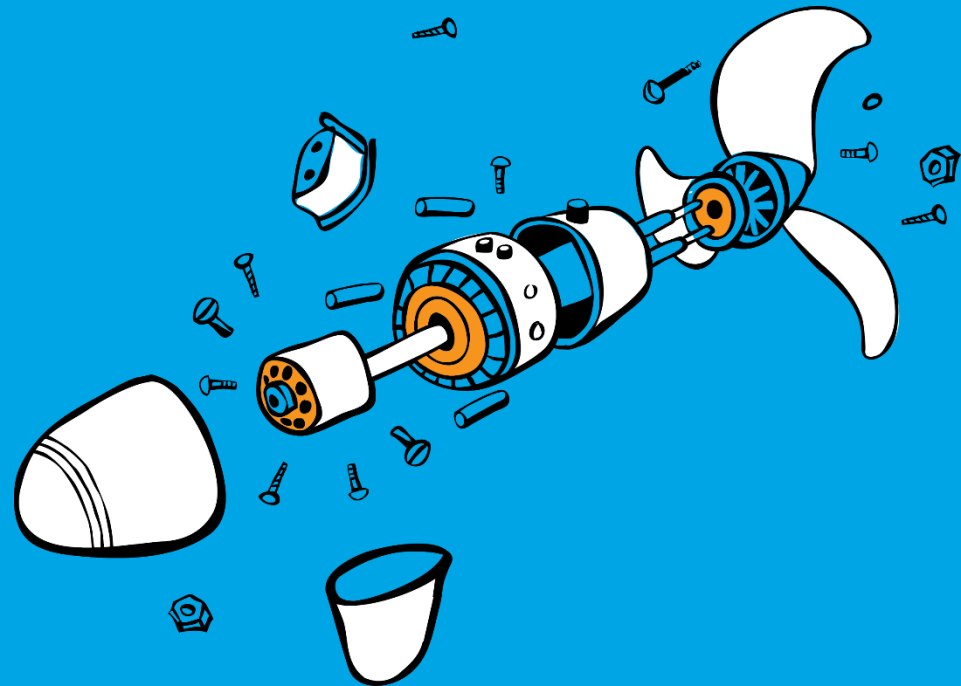


Contents



1. Highlights in the second quarter
2. Financial development
3. Etteplan's targets

Highlights in the second quarter



Highlights 4-6/2017

- + In the improved market situation we were able to leverage our service offering and strong market position.
 - + Organic growth continued and was 9.0% with comparable exchange rates.
 - + Our operating profit rose to record levels.
 - + Cash flow improved significantly
 - + Hours sold to China grew by 45 %.
- Embedded systems and IoT service area's profitability was somewhat lagging from the expectations.

Acquisitions during the report period

- **SDS Aura Oy**, a Finnish company that specializes in shipbuilding strength calculations and steel structure engineering.
 - A total of 16 people, strengthens our engineering expertise.
- **Sorona Innovation AB**, which specializes in technical documentation solutions.
 - A total of 9 people; expands Etteplan's operations in Sweden.



After the report period

- Full ownership of **Etteplan Vataple Technology Centre, Ltd**, which has previously operated as a joint venture.
 - Strengthens Etteplan's position in China.
 - The 30 per cent stake being acquired will be paid for by 35,000 Etteplan shares and partly in cash.
 - The shares will be handed over to the seller once the acquisition is registered in China, approximately in September 2017.
 - Etteplan Vataple Technology Centre Ltd employs some 200 people.

Our operating environment develops positively

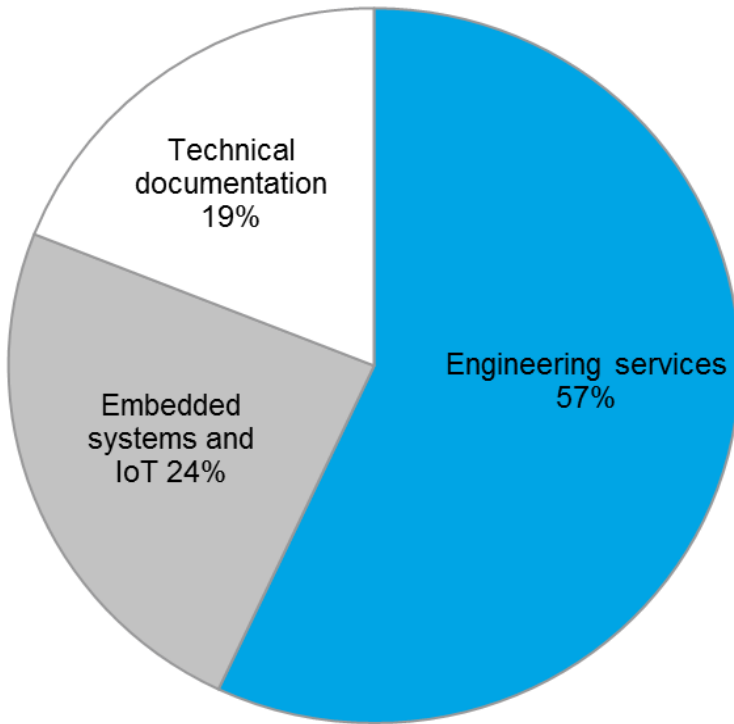
- Our operating environment developed favorably and the market situation is good.
 - The demand for plant engineering picked up in all industries, particularly in the form of maintenance investments.
- The uncertainty decreased, but the unpredictable changes in various customer industries continued.
- There were no significant changes in the demand for our services by industry, but customer-specific differences were substantial.
 - Activity in the mining industry has increased.
- Companies are directing investments to digitalization-related services. Outsourcing and centralizing services purchasing trends continued.
- Competition for employees and the lower availability of specialized experts in certain areas is affecting the development of the sector as a whole.

Market development in Etteplan's main markets in April-June 2017

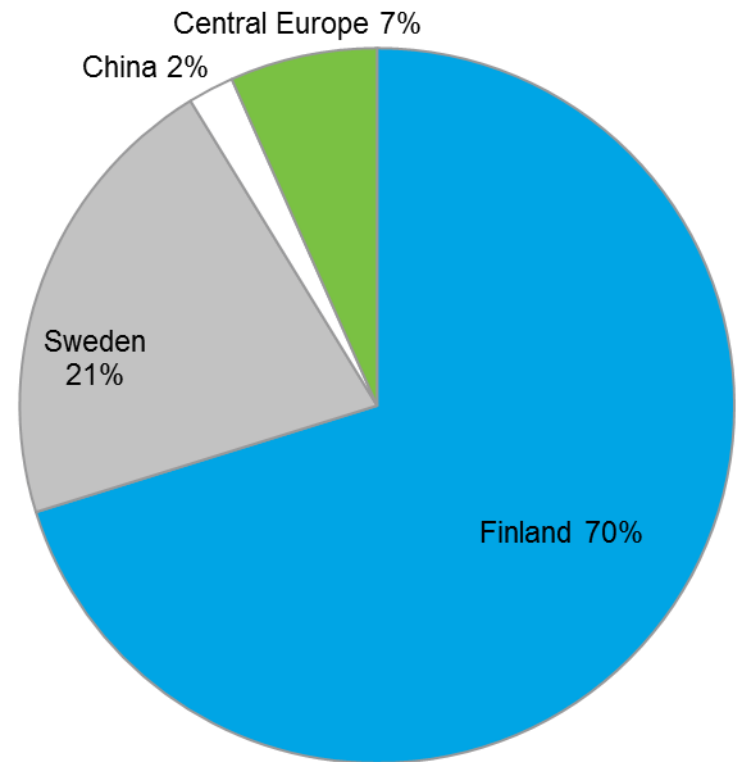
- The overall market development was positive
- In Finland the market situation has improved and good demand is expected to continue.
- In Sweden, market demand remained at a very good level.
- In Germany, the Netherlands and Poland the demand for engineering services remained at a good level.
- In China, the good situation continued as the opening up of the service market presented growth opportunities for operators in the engineering industry.

Revenue by service area and by country 1-6/2017

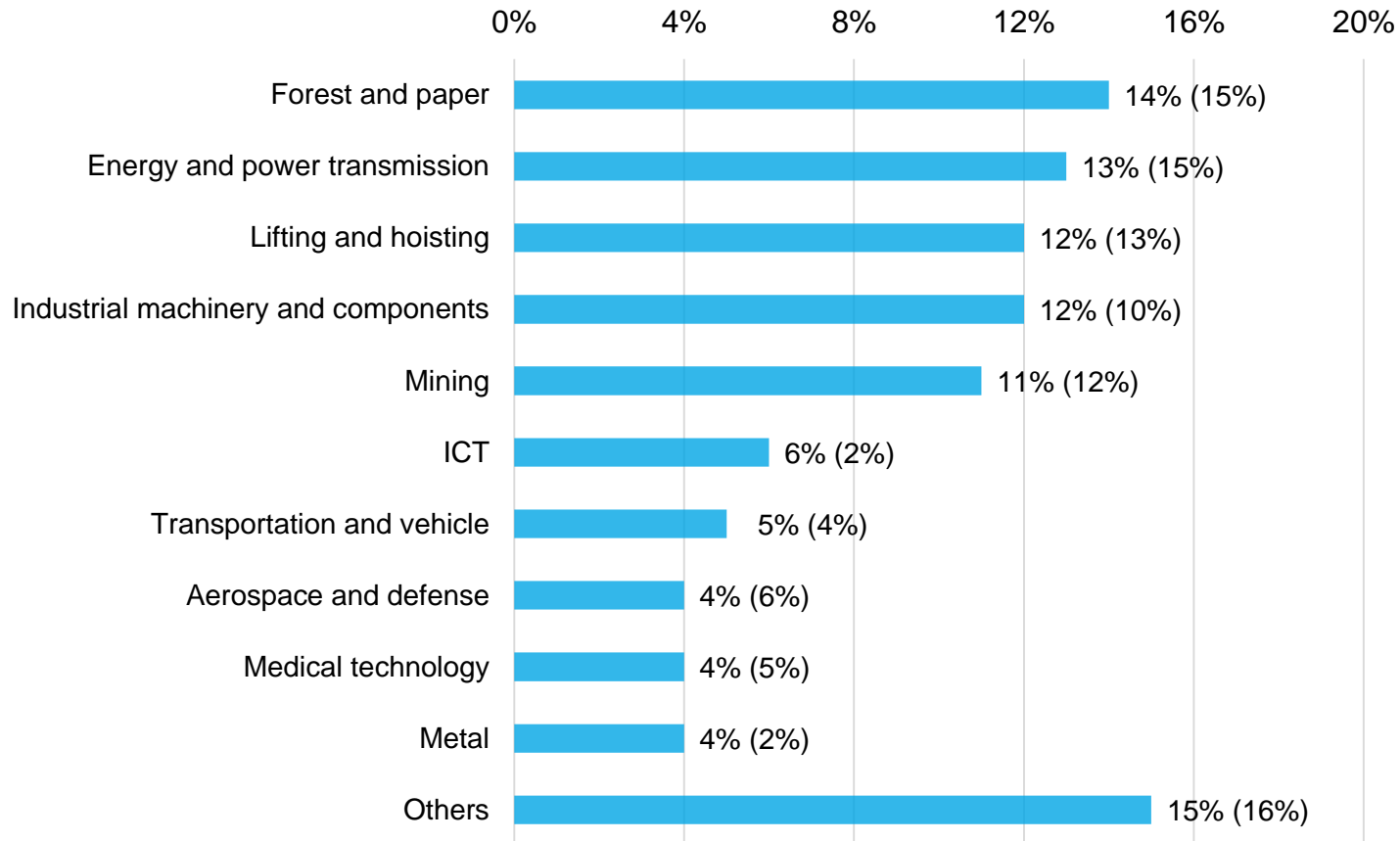
Revenue by service area



Revenue by country



Revenue by customer segment 1-6/2017



Key figures 4-6/2017

(EUR 1,000)	4-6/2017	4-6/2016	Change %
Revenue	54,314	50,211	8.2
EBIT from business operations	4,669	2,911	60.4
EBIT from business operations, %	8.6	5.8	
Operating profit (EBIT)	4,218	2,352	79.3
EBIT, %	7.8	4.7	
Basic earnings per share, EUR	0.12	0.08	50.0
Equity ratio, %	40.1	38.1	
Operating cash flow	5,400	1,148	370.4
ROCE, %	19.3	13.9	
Personnel at end of the period	2,731	2,487	9.8

Espotel Oy and Soikea Solutions Oy, acquired in spring 2016, are included in Etteplan's figures in the second quarter 2017 in full.

Key figures 1-6/2017

(EUR 1,000)	1-6/2017	1-6/2016	Change %	1-12/2016
Revenue	109,116	88,814	22.9	183,938
EBIT from business operations	8,998	5,090	76.8	12,071
EBIT from business operations, %	8.2	5.7		6.6
Operating profit (EBIT)	8,045	4,248	89.4	10,131
EBIT, %	7.4	4.8		5.5
Basic earnings per share, EUR	0.24	0.15	60.0	0.33
Equity ratio, %	40.1	38.1		40.0
Operating cash flow	7,305	-533		5,661
ROCE, %	18.6	12.8		14.8
Personnel at end of the period	2,731	2,487	9.8	2,545

Outlook

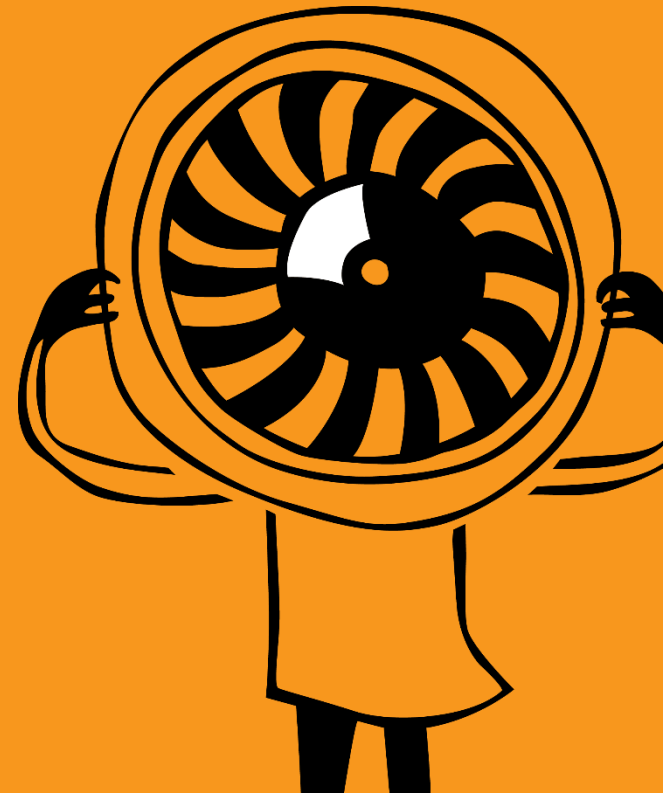
Market outlook 2017

- The most important factor in the development of Etteplan's business is the global development of the machinery and metal industry. Our business environment is currently developing favorably in all market areas. The development of the Central European markets is expected to remain unchanged. The favorable situation in the Swedish market is expected to continue. The market situation in Finland has improved and good demand is expected to continue. In Asia, the growth of the service market is expected to continue.

Financial guidance 2017, updated on May 3, 2017

- We expect the revenue and operating profit for the full year 2017 to grow significantly compared to 2016.

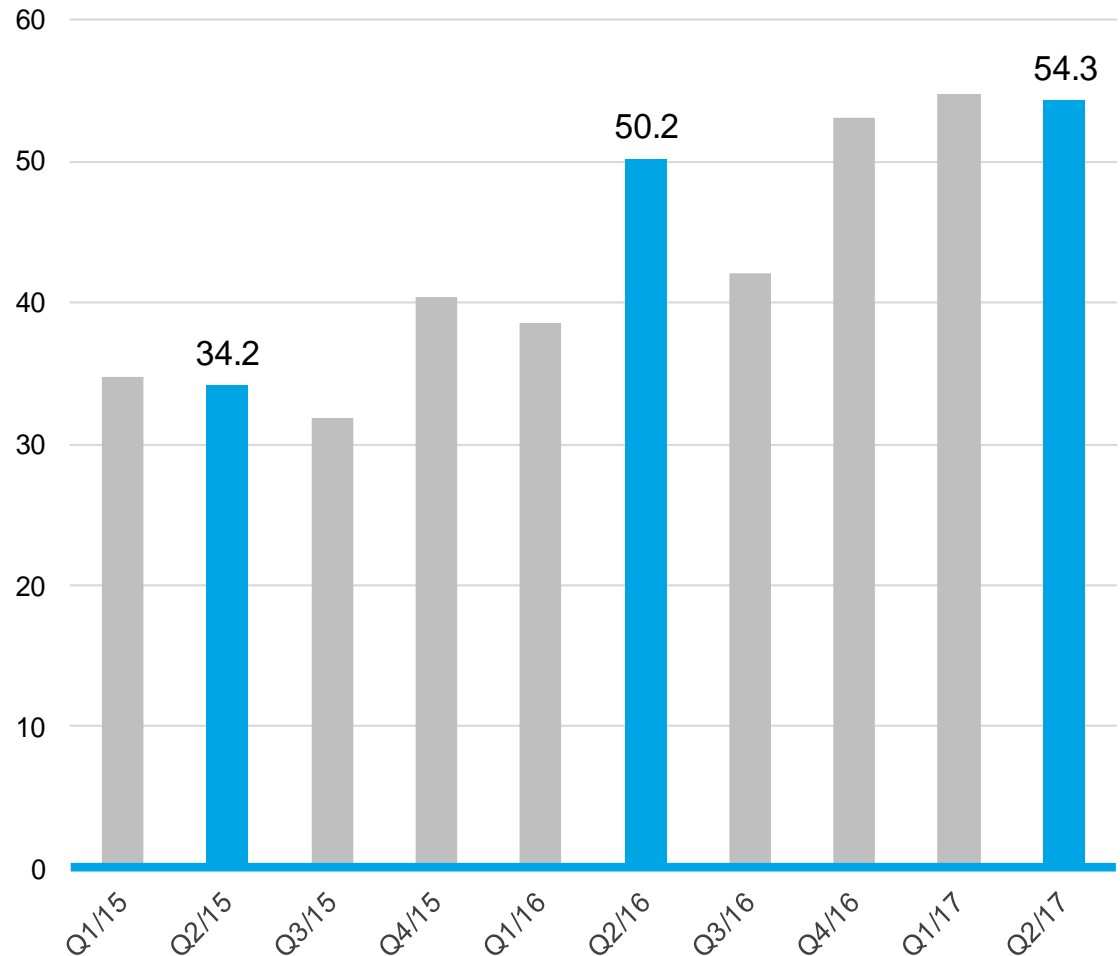
Financial development



Revenue

4-6/2017: EUR 54.3 million (4-6/2016: EUR 50.2 million)
1-6/2017: EUR 109.1 million (1-6/2016: EUR 88.8 million)

- Q2: Revenue increased by 8.2%, (with comparable exchange rates 9.0%). Organic growth was 7.8%, (with comparable exchange rates 8.6 %).
- H1: Revenue increased by 22.9%, (with comparable exchange rates 23.7%). Organic growth was 10.9%, (with comparable exchange rates 11.8%).
- H1: Key accounts grew by 23.4%.
- Net sales grew due to the recovery of the markets, good service offering and strong market position.
- There were less working days in the review period than in Q2/2016.

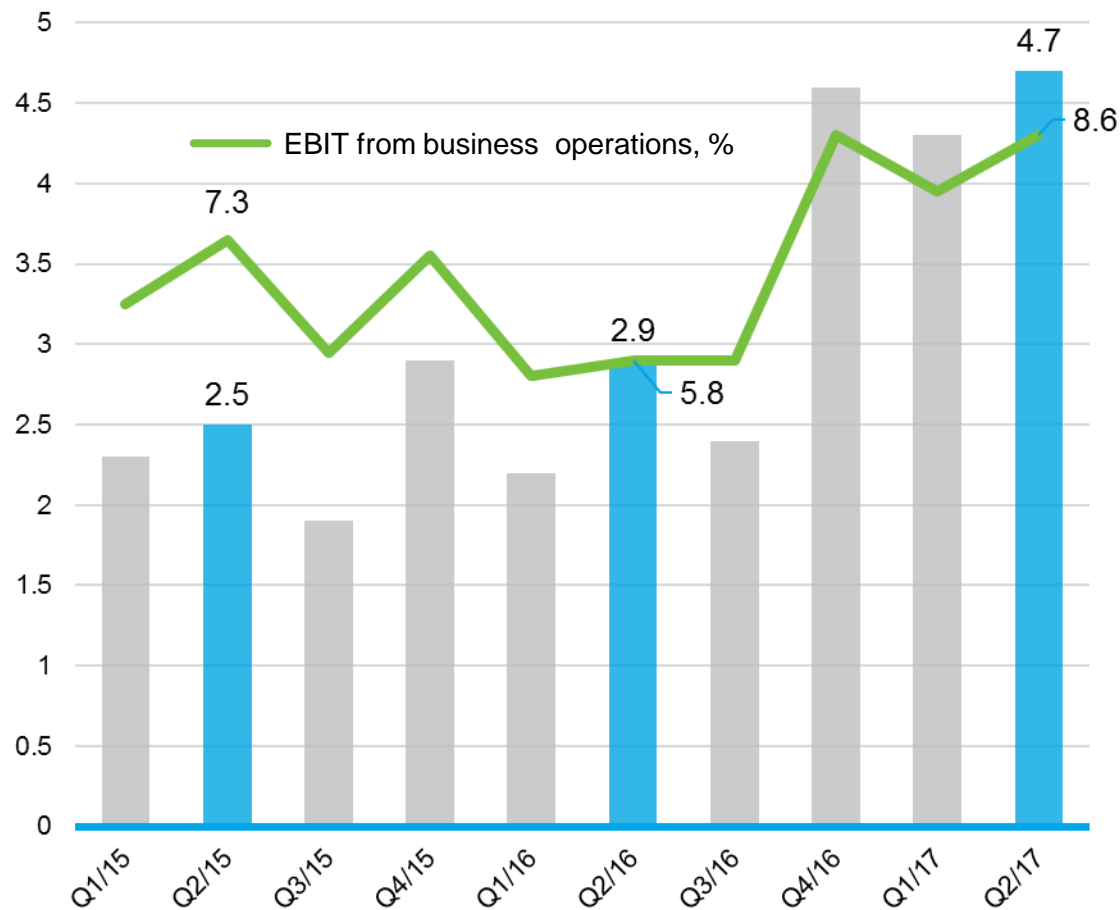


EBIT from business operations

4-6/2017: EUR 4.7 million, 8.6% (4-6/2016: EUR 2.9 million, 5.8%)

1-6/2017: EUR 9.0 million, 8.2% (1-6/2016: EUR 5.1 million, 5.7%)

- Q2: EBIT from business operations improved by 60.4%.
- Exceptional items had a combined negative effect of EUR 0.2 (1.0) million on EBIT from business operations in April-June.
- Exceptional items had a combined negative effect of EUR 0.6 (1.2) million on EBIT from business operations in January-June.
- Improved demand situation and the increased share of Managed Services improved capacity management and profitability.

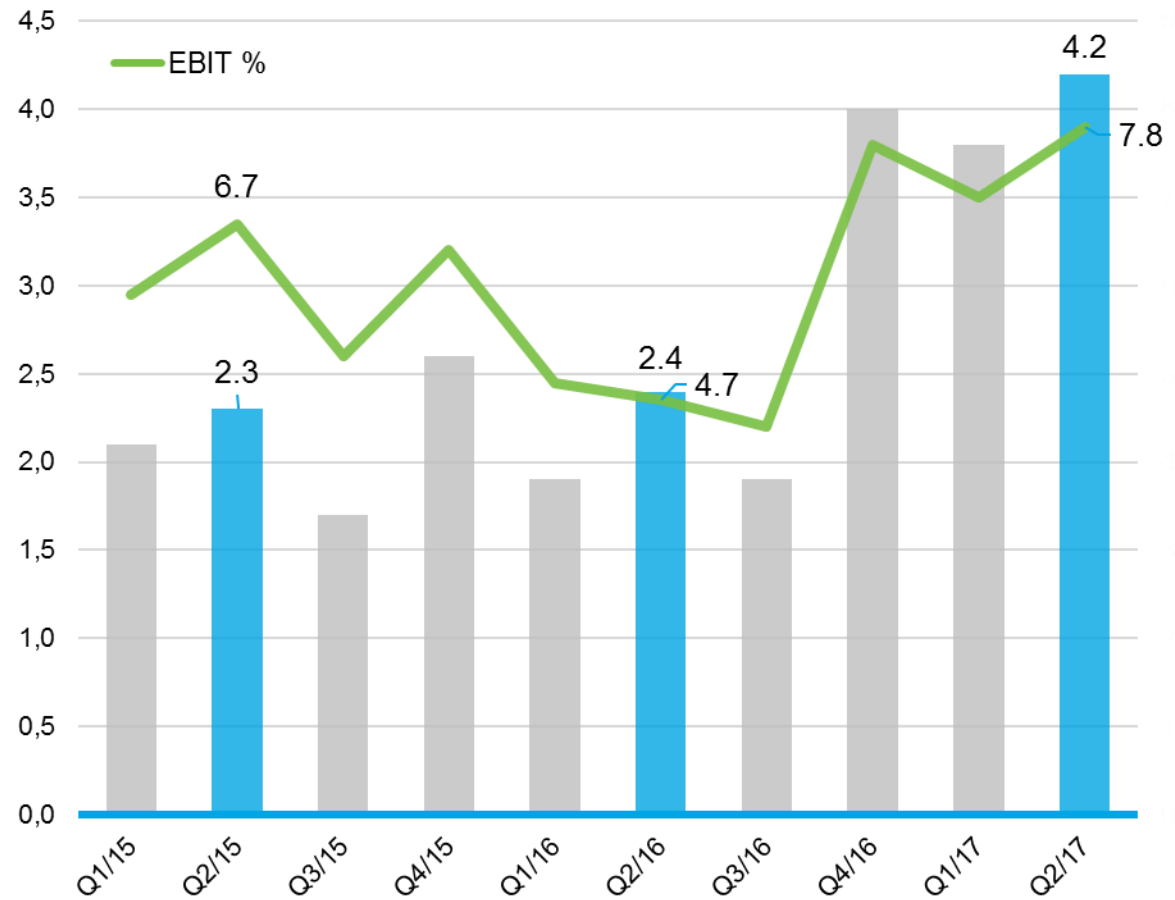


Operating profit (EBIT) and EBIT %

4-6/2017: EUR 4.2 million, 7.8% (4-6/2016: EUR 2.4 million, 4.7%)

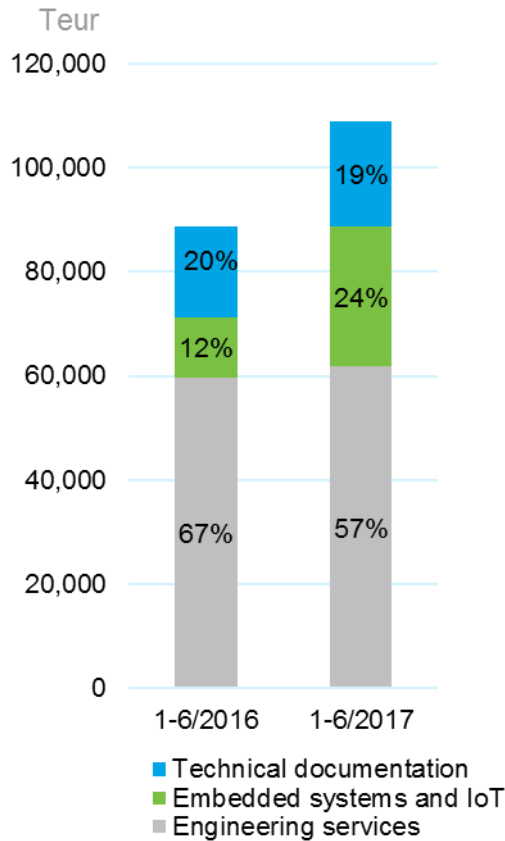
1-6/2017: EUR 8.0 million, 7.4% (1-6/2016: EUR 4.2 million, 4.8%)

Amortization related to acquisitions were EUR 0.5 million in 4-6/2017 and EUR 1.0 million in 1-6/2017.

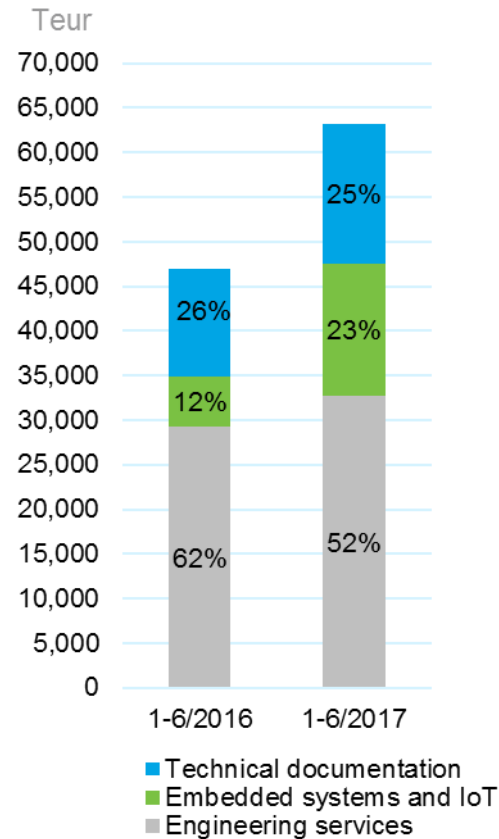


Development by service area 1-6/2017

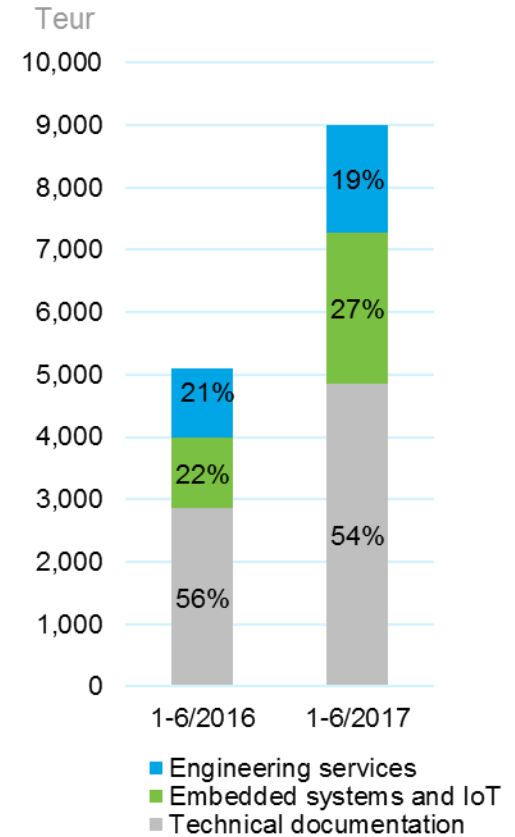
Revenue



Revenue from Managed Services



EBIT from business operations

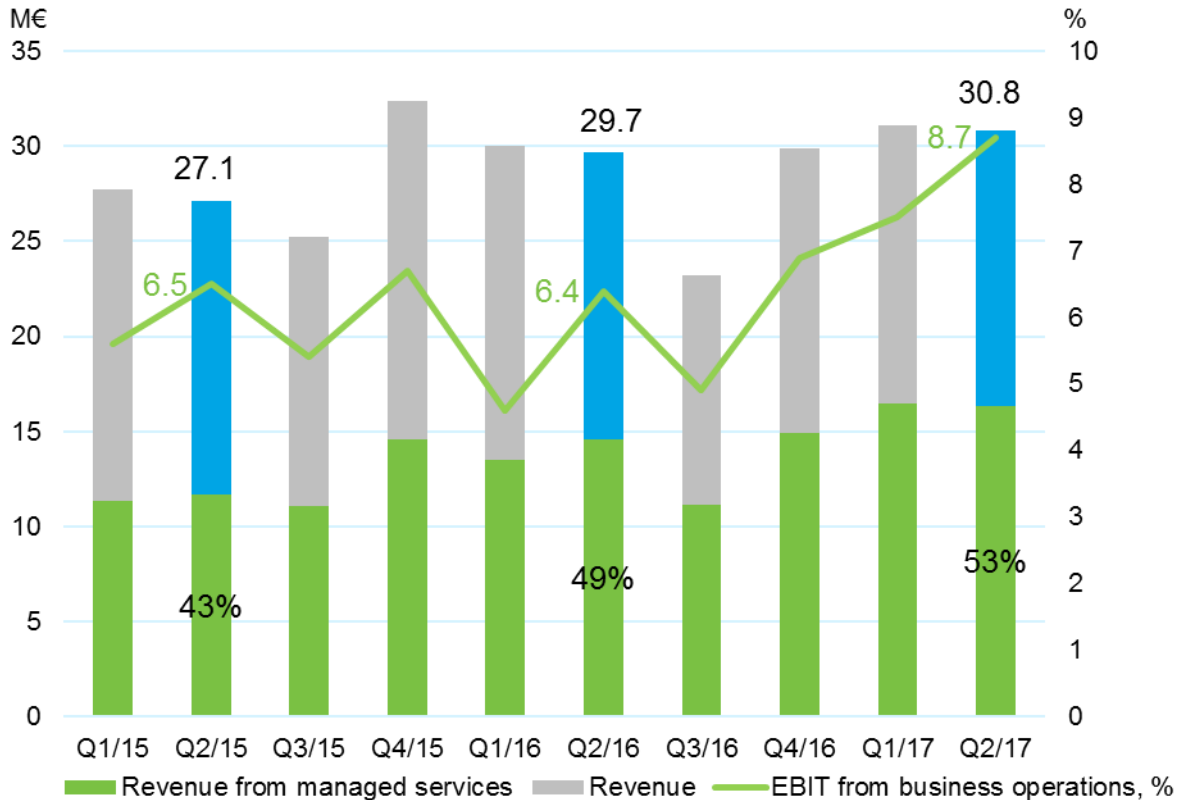


Engineering services

Revenue 4-6/2017: EUR 30.8 million (4-6/2016: EUR 29.7 million)

Revenue 1-6/2017: EUR 61.9 million (1-6/2016: EUR 59.7 million)

- Revenue increased in April-June by 3.7%.
- In April-June EBIT from business operations was EUR 2.7 million (EUR 1.9 million) or 8.7% (6.4%) of revenue.
- Growth in the share of Managed Services and good utilization rate improved profitability.
- Outsourcing agreements signed in 2016 improved revenue growth.
- The number of new product development and equipment engineering projects was higher than before.
- Some new plant engineering investments were started.

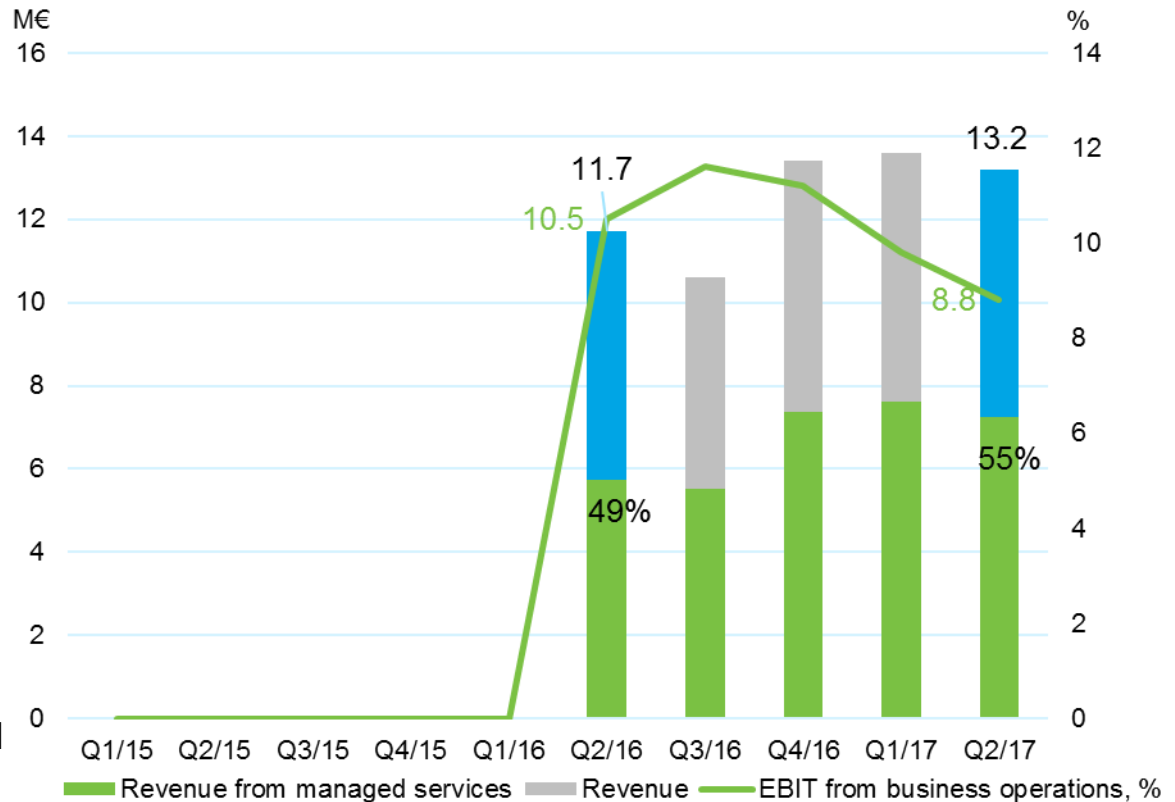


Embedded systems and IoT

Revenue 4-6/2017: EUR 13.2 million (4-6/2017: EUR 11.7 million)

Revenue 1-6/2017: EUR 26.8 million (1-6/2017: EUR 11.7 million)

- Revenue increased in April-June by 13.5%.
- In April-June EBIT from business operations was EUR 1.2 million (EUR 1.2 million) or 8.8% (10.5%) of revenue.
- Profitability was burdened by investments in organic growth made in the first quarter as well as excess hours in certain projects.
- Demand situation remained very good in all market areas.
- The lower availability of specialized experts in certain areas affected the development of revenue.

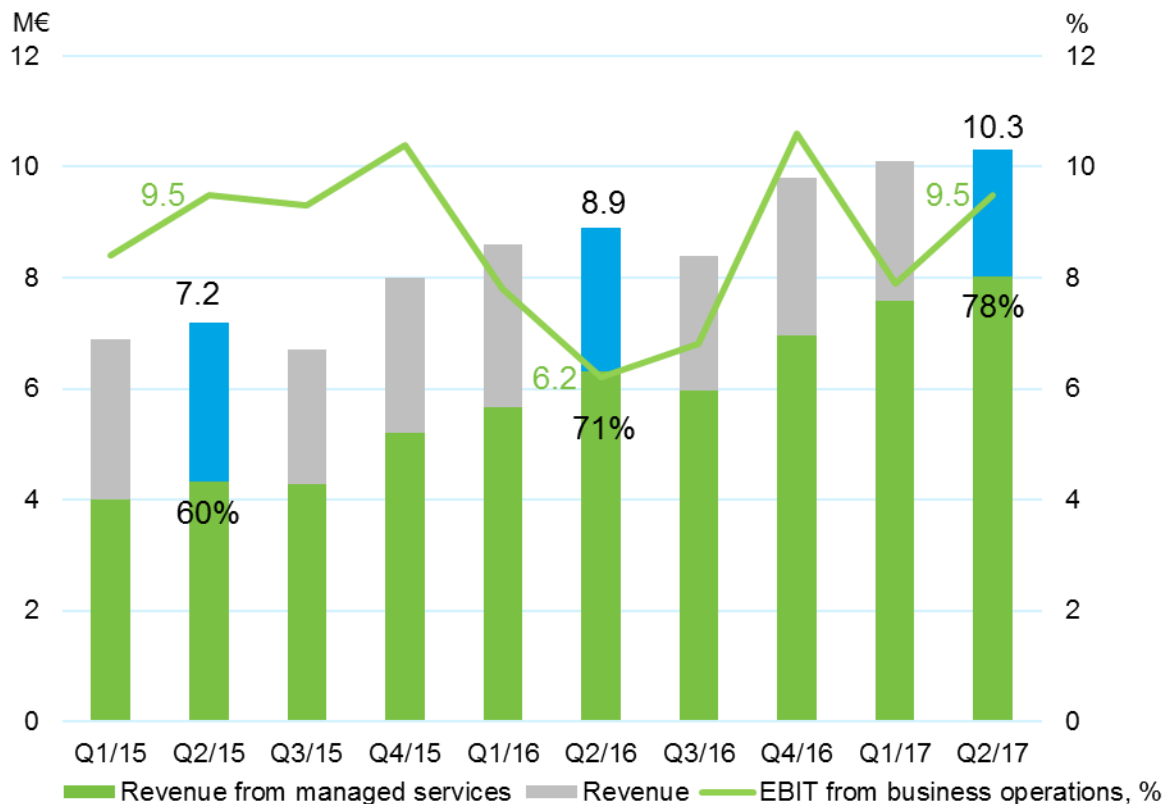


Technical documentation

Revenue 4-6/2017: EUR 10.3 million (4-6/2016: EUR 8.9 million)

Revenue 1-6/2017: EUR 20.4 million (1-6/2016: EUR 17.5 million)

- Revenue increased in April-June by 15,8%.
- In April-June EBIT from business operations was EUR 1.0 million (EUR 0.6 million) or 9.5% (6.2%) of revenue.
- The good development was again characterized by strong organic growth and the success of the outsourcing business.

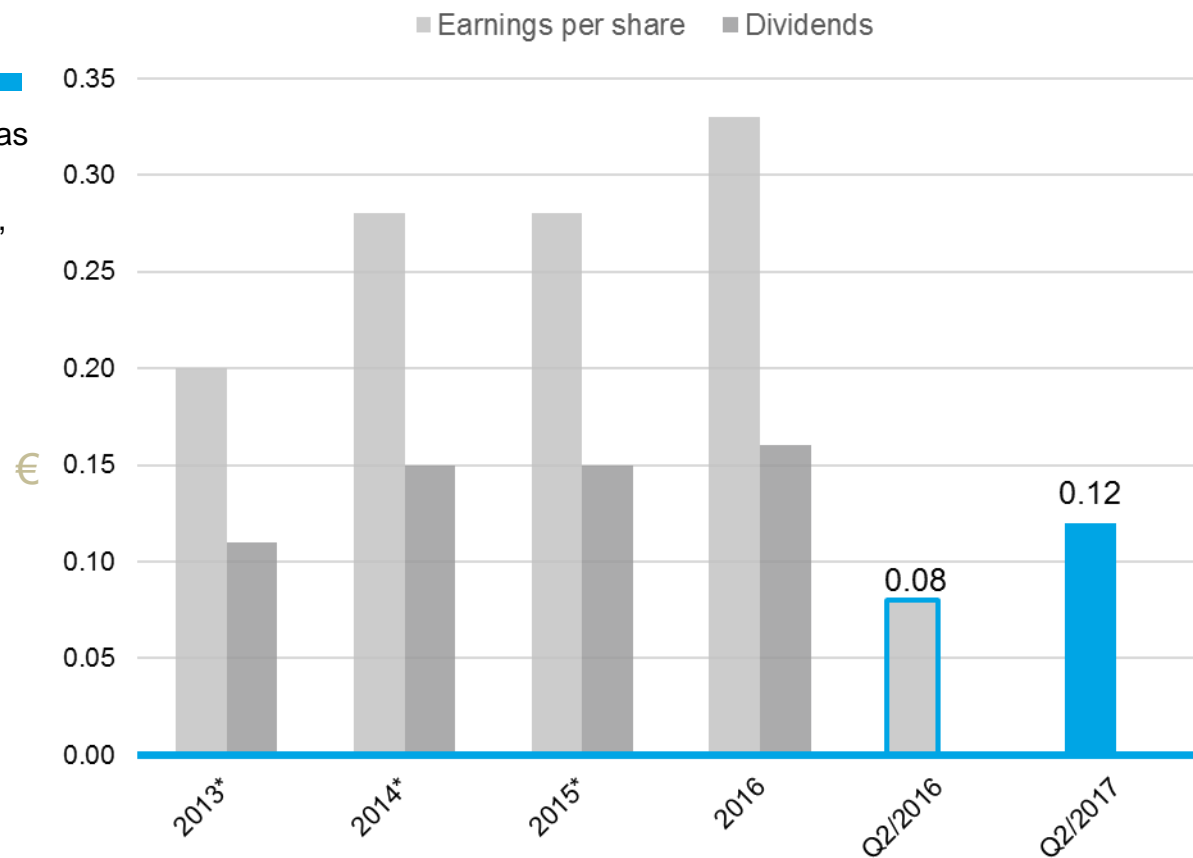


Earnings per share and dividends

Earnings per share 4-6/2017: EUR 0.12 (4-6/2016: EUR 0.08)

Earnings per share 1-6/2017: EUR 0.24 (1-6/2016: EUR 0.15)

- The dividend for year 2016 was EUR 0.16 per share. The dividend was paid on April 13, 2017.



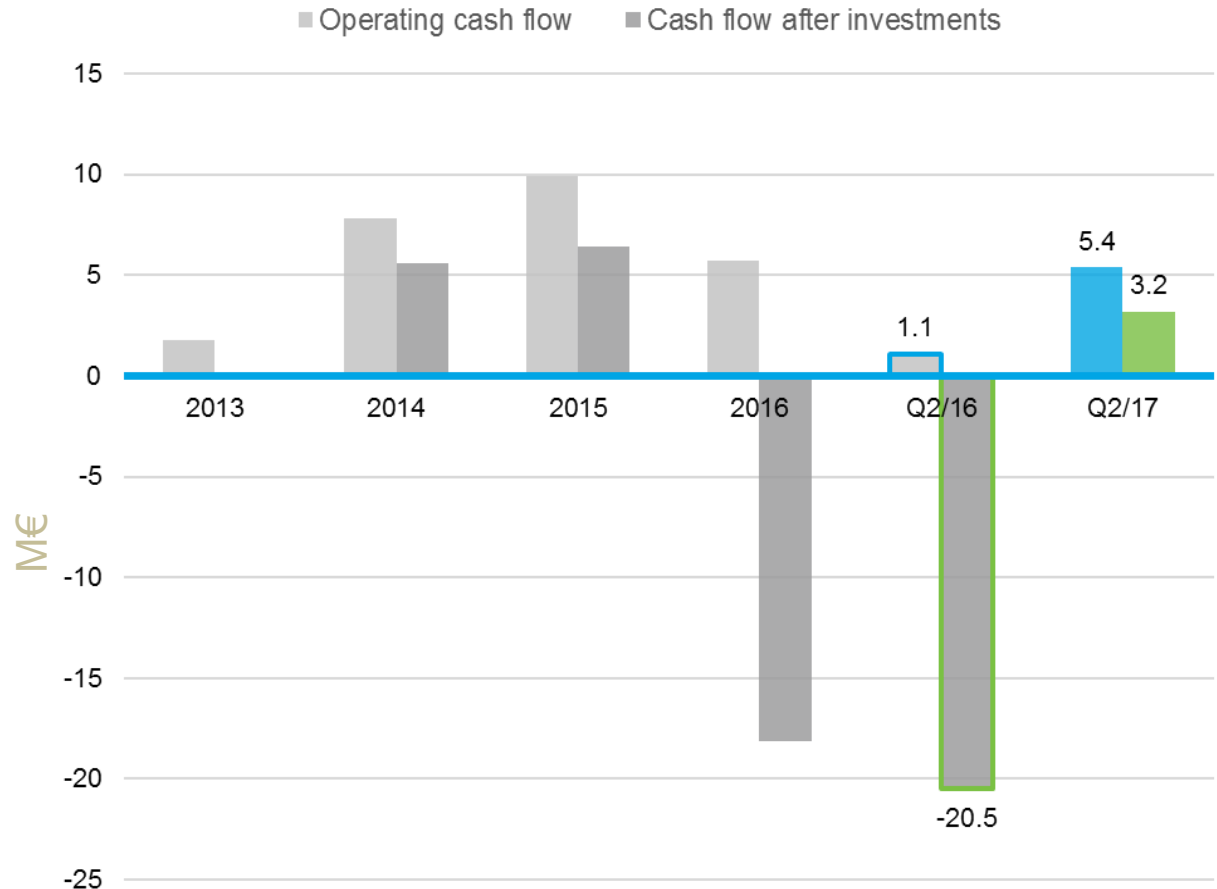
*Comparison periods' earnings per share have been issue adjusted. The rights issue factor was 1.050.

Cash flow

Operating cash flow 4-6/2017: EUR 5.4 million (4-6/2016: EUR 1.1 million)

Operating cash flow 1-6/2017: EUR 7.3 million (1-6/2016: EUR -0.5 million)

- Operating cash flow improved significantly year-on-year.
- Cash flow improved due to the optimization of working capital and a better mix of customers' payment terms particularly in the companies acquired in 2016.
- Cash flow accrues unevenly over the four quarters of the year due to periodic fluctuation in business.

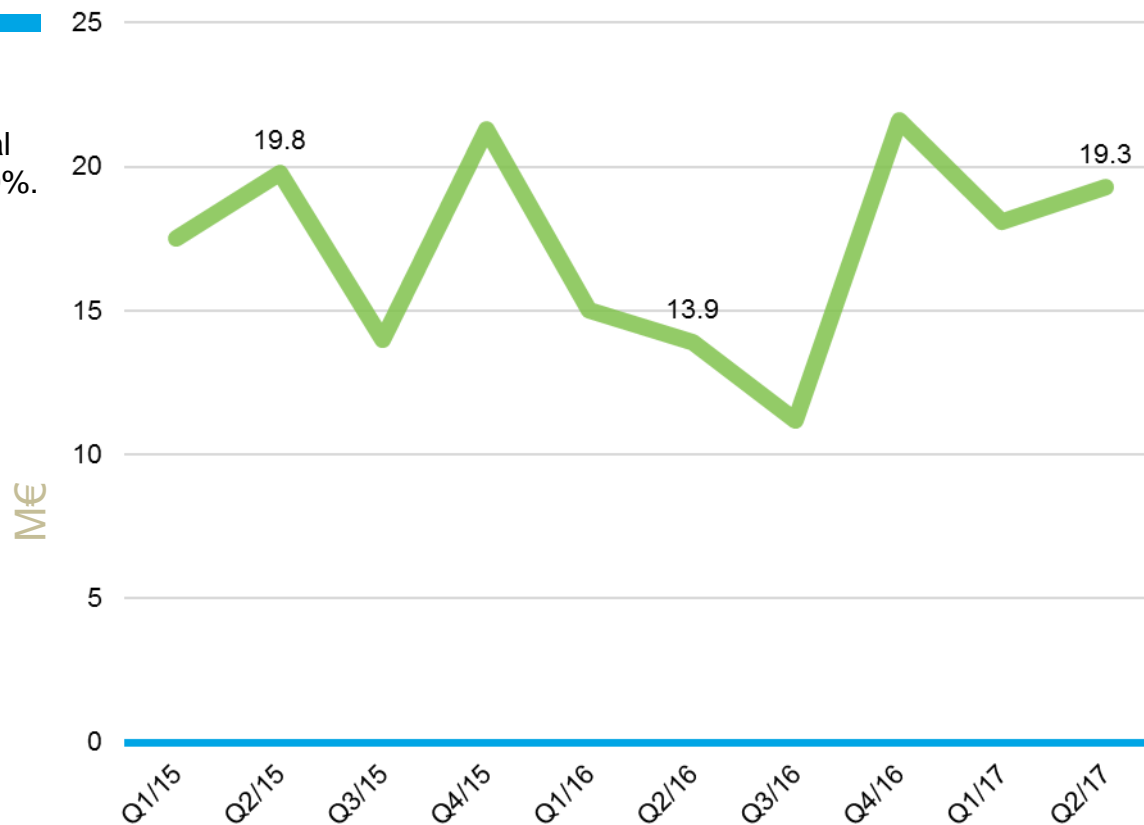


Return on capital employed (ROCE), %

4-6/2017: 19.3% (4-6/2016: 13.9%)

1-6/2017: 18.6% (1-6/2016: 12.8%)

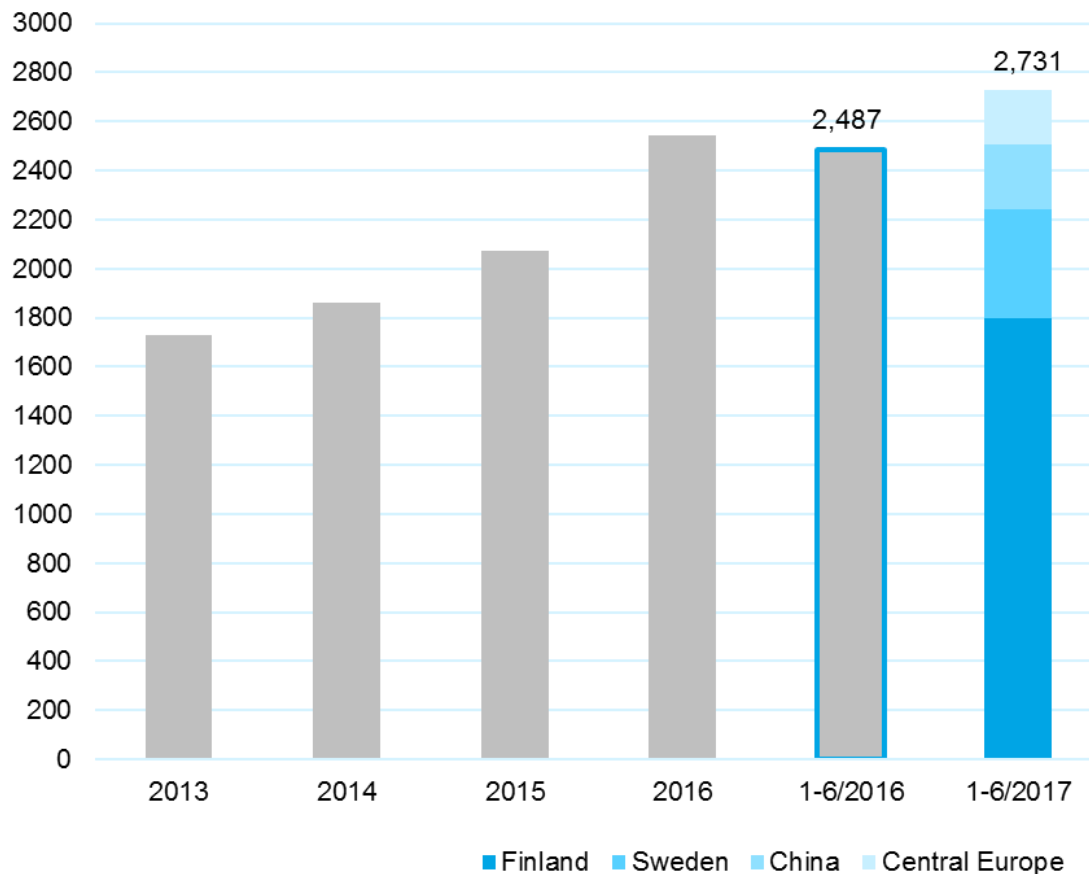
Engineering services business does not tie significant capital. For this reason return on capital employed should be at least 20%.



Personnel at end of the period

1-6/2017: 2,731 (1-6/2016: 2,487)

- The amount of personnel grew by 9,8% year-on-year.
- At the end of the review period, 934 (Jun 30, 2016: 822) people were employed by the Group outside of Finland.



Income statement

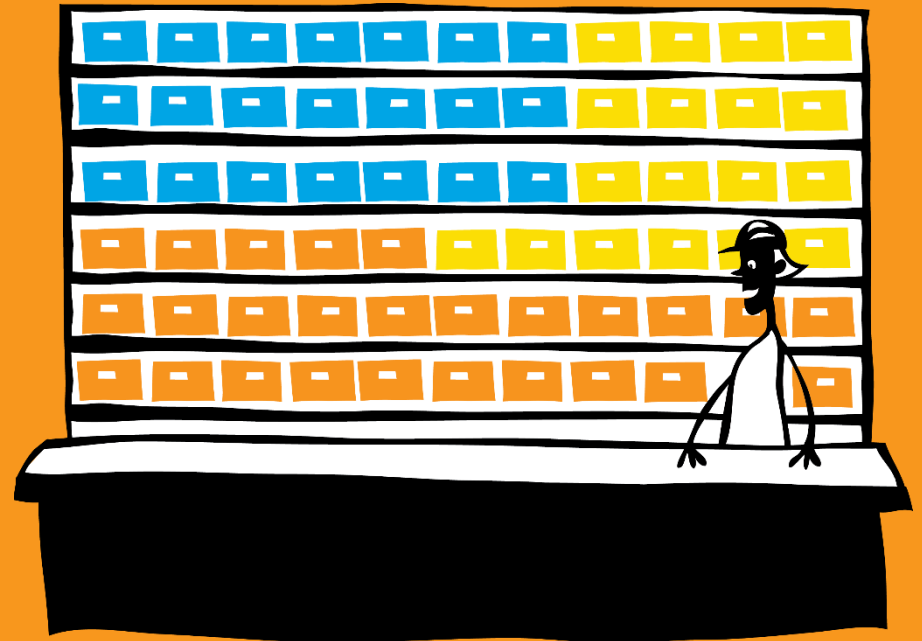
(MEUR)	1-6/2017	1-6/2016	Change %	1-12/2016
Revenue	109.1	88.8	22.9	183.9
Other operating income	0.1	0.3		0.5
Materials and services	-9.7	-5.3		-13.9
Staff costs	-74.6	-64.6		-129.2
Other operating expenses	-14.2	-12.7		-26.4
Depreciation and amortization	-2.7	-2.3		-4.8
Operating profit (EBIT)	8.0	4.2	89.4	10.1
Financial income	0.2	0.4		0.6
Financial expenses	-0.5	-0.8		-1.2
Profit before taxes	7.7	3.9	99.2	9.4
Income taxes	-1.7	-0.6		-1.8
Profit for the financial year	6.0	3.2		7.6

Balance sheet

(MEUR)

	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
Goodwill	59.5	57.9	58.1
Other non-current assets	23.0	23.2	22.0
Non-current assets, total	82.5	81.1	80.2
Inventory	0.3	0.4	0.3
Trade and other receivables	51.5	42.5	49.3
Cash and cash equivalents	4.3	5.9	4.7
Current assets, total	56.1	48.9	54.3
TOTAL ASSETS	138.6	129.9	134.5
Equity, total	54.8	49.2	52.8
Non-current liabilities, total	24.1	31.4	27.7
Current liabilities, total	59.7	49.3	54.0
TOTAL EQUITY AND LIABILITIES	138.6	129.9	134.5

Etteplan's targets



We are progressing towards our targets

FINANCIAL TARGETS

15%

On average annual
revenue growth

1-6/2017: 22.9%

10%

EBIT from business
operations

1-6/2017: 8.2%

65%

Managed Services
share of revenue by
2019

1-6/2017: 57%

>30%

Equity ratio

1-6/2017: 40.1%

ACTIONS

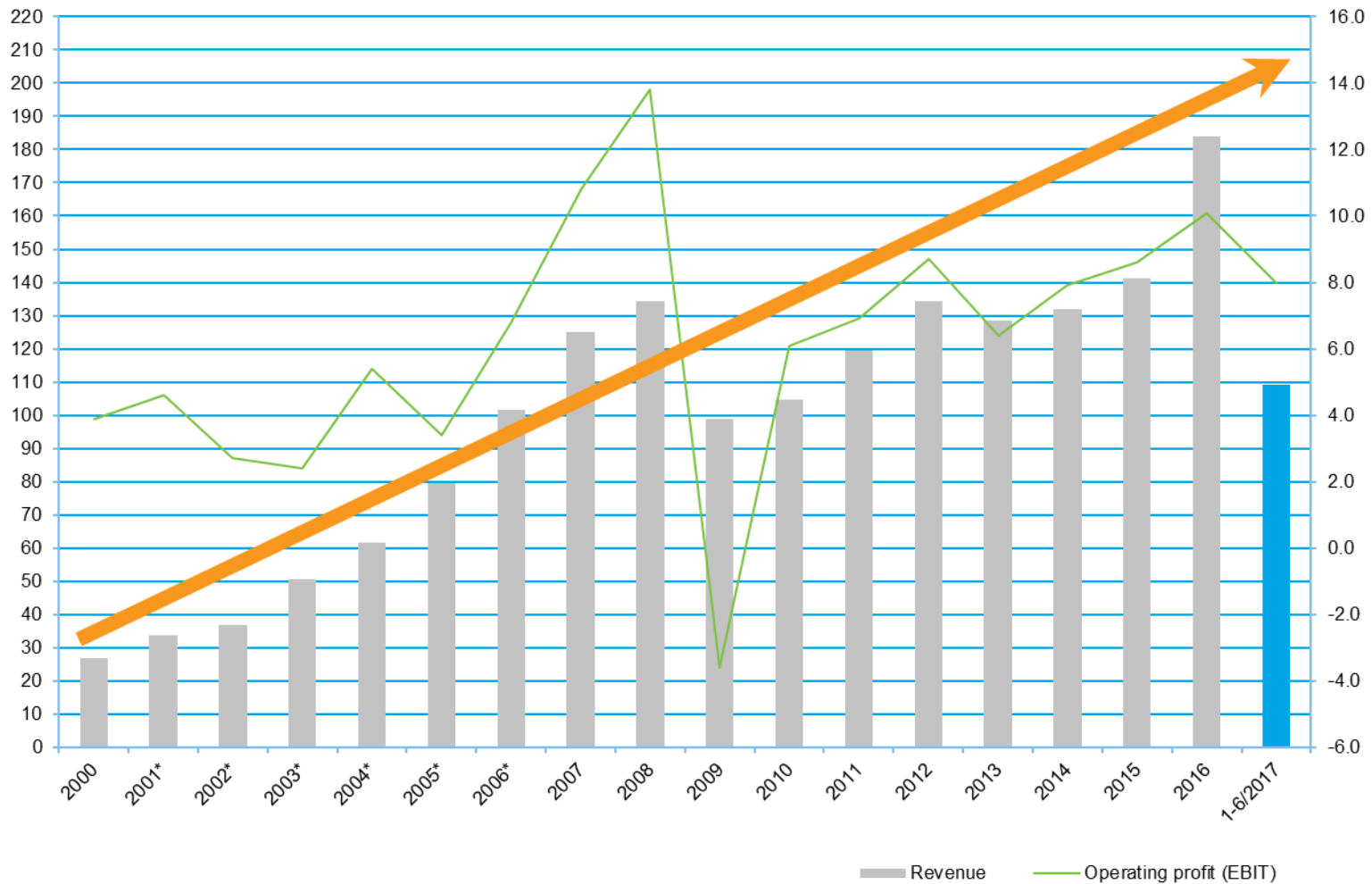
- Growth in key customers
- Organic growth through service solutions
- Acquisitions

- Change in business model towards Managed services
- Market leadership

- Service solutions
- Technology solutions
- Project business

- Corresponding financing arrangements
- Improving cash flow

Revenue and EBIT 2000-2017



*includes continued and discontinued operations

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Engineering with a difference