

Etteplan in 2013: Fair result in a difficult demand situation

A large, abstract graphic composed of numerous overlapping, semi-transparent blue polygons of various shapes and sizes, creating a complex, crystalline structure that resembles a map or a network. The colors range from light sky blue to deep navy blue.

President and CEO Juha Näkki
February 12, 2014

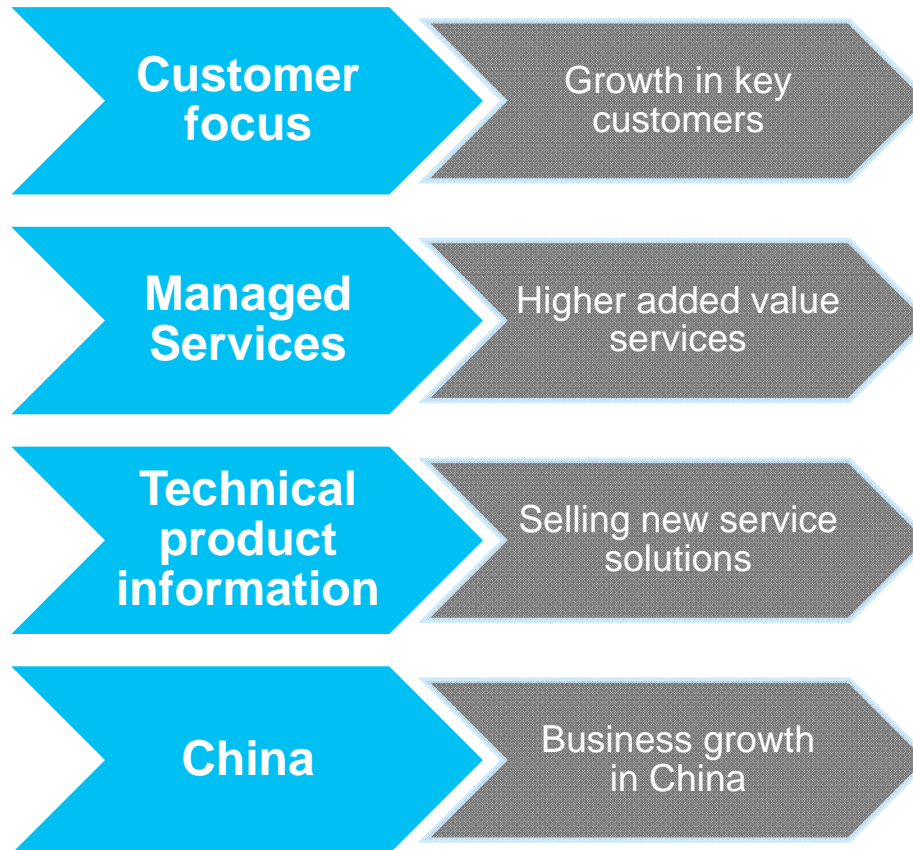
Operating environment in 2013

- At the beginning of 2013, the demand for engineering design services was at a lower level than the average demand in 2012.
- The anticipated improvement in demand in the second half of the year did not materialize, with demand instead weakening further.
- New investment projects were started at a slow pace in 2013. Quotation activity for Russian investment projects was brisk throughout the year and new projects were launched at a steady pace.
- In China the positive development of the engineering design services market continued.

Highlights in 2013

- Revenue decreased by 4.3% and was EUR 128.6 million (1-12/2012: EUR 134.5 million).
 - Sales to key customers declined by 6.5%.
- Operating profit declined by 27.0% and was EUR 6.4 million (EUR 8.7 million).
- The proportion of revenue represented by high added-value Managed Services exceeded 25%.
- Etteplan acquired significant accounts for new service solutions in technical product information in 2013.
- Etteplan's business in China grew significantly faster than business in other countries.
- Ingman Group Oy Ab's holding of Etteplan's share capital and voting rights increased to 66.85 per cent in October 2013.
- The Board of Directors proposes a dividend of EUR 0.11 per share.

Business focus



Etteplan's new vision:
Our customers get
the best service
solutions anywhere
at any time.

Technical product information

- In 2013 revenue of technical product information remained on previous year's level.
- R&D investments in technical product information were significant in 2013.
- In Q4/2013 Etteplan published EtteplanSIS service product including software. New product supports efficient use of machine and equipment, supports manufacturer's service business and operates as part of the customer's industrial internet.



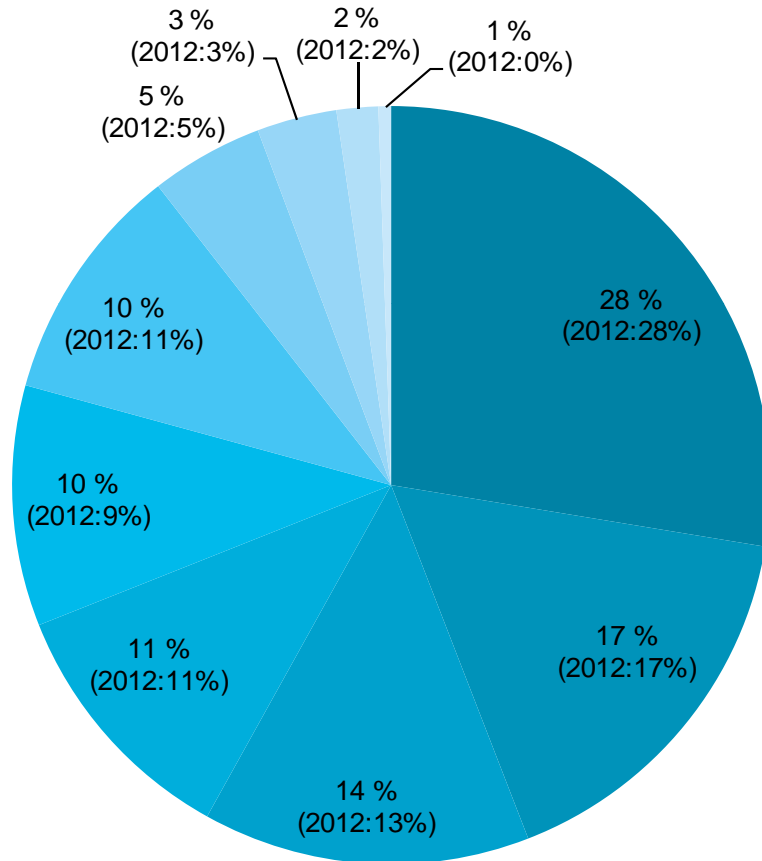
Business development in China

- The number of working hours sold in the Chinese market grew by nearly 80% in 2013.
- A Chinese customer bought Finnish engineering expertise for the first time in 2013.
- The first agreement with a large Chinese equipment manufacturer was made in Q4/2013.
- The proportion of China-China revenue in Group's revenue increased from 1% to 2% in 2013.



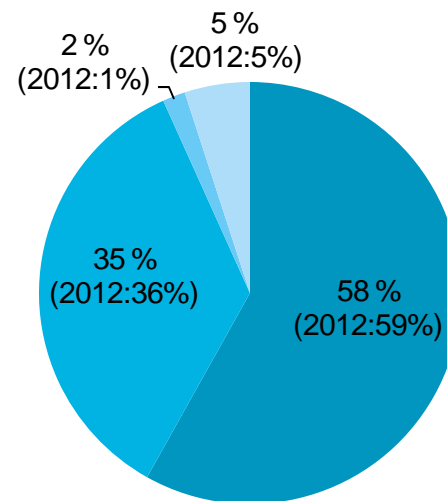
Revenue 2013

Revenue by customer segment 2013



- Others
- Mining and materials handling
- Lifting and hoisting
- Energy and power transmission
- Forest and paper
- Transportation and vehicle
- Aerospace and defense
- Medical technology
- Steel
- Industrial machinery and components

Revenue by country 2013



- Finland
- Sweden
- China
- The Netherlands

Outlook 2014

Market outlook

- The most important factor in the development of Etteplan's business operations is the development of business operations in the machinery and metal industry. At the beginning of 2014, the new orders and order books of the machinery and metal industry were at a lower level than in the corresponding period in 2013. In the last quarter of 2013, new orders turned to slight growth. The development of the demand situation for engineering design services in the first quarter of 2014 is uncertain despite the slightly improved market situation.

Financial guidance

- We expect the revenue and operating profit for the year 2014 to grow compared to 2013.

Key Figures 10-12/2013

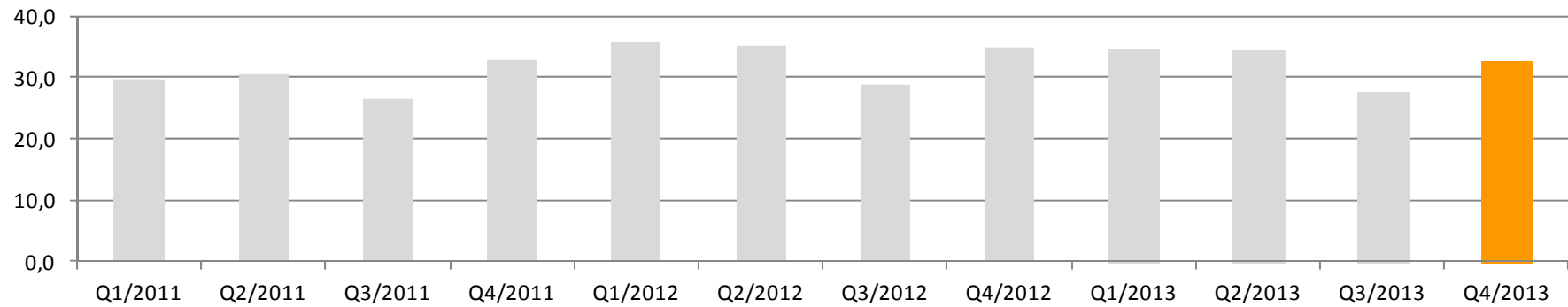
(EUR 1,000)	10-12/2013	10-12/2012	Change %
Revenue	32,438	34,943	-7.2
EBITDA	1,803	2,552	-29.3
EBITDA, %	5.6	7.3	
Operating profit (EBIT)	1,140	1,882	-39.4
EBIT, %	3.5	5.4	
Basic earnings per share, EUR	0.04	0.06	-33.3
Equity ratio, %	35.9	32.4	
Operating cash flow	4,195	8,545	-50.9
ROCE, %	11.1	17.0	
Personnel at end of the period	1,728	1,776	-2.7

Key Figures 1-12/2013

(EUR 1,000)	1-12/2013	1-12/2012	Change %
Revenue	128,647	134,479	-4.3
EBITDA	9,064	11,154	-18.7
EBITDA, %	7.0	8.3	
Operating profit (EBIT)	6,366	8,715	-27.0
EBIT, %	4.9	6.5	
Basic earnings per share, EUR	0.22	0.29	-24.1
Equity ratio, %	35.9	32.4	
Operating cash flow	1,789	11,339	-84.2
ROCE, %	14.6	20.4	
Personnel at end of the period	1,728	1,776	-2.7

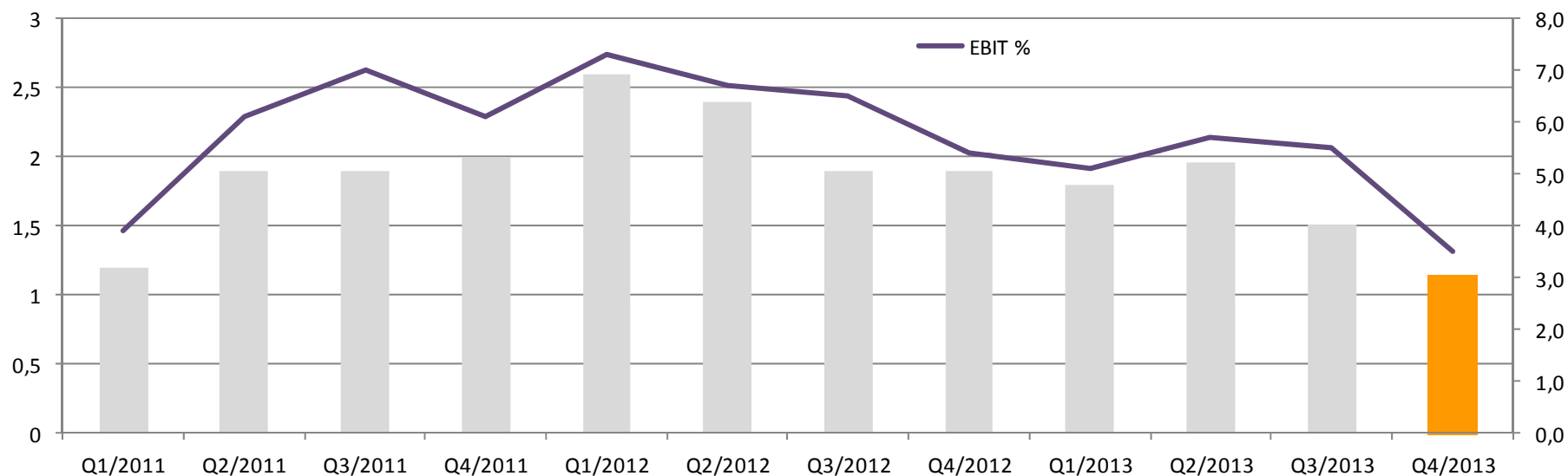
Revenue

1-12/2013: EUR 128.6 million (1-12/2012: EUR 134.5 million)



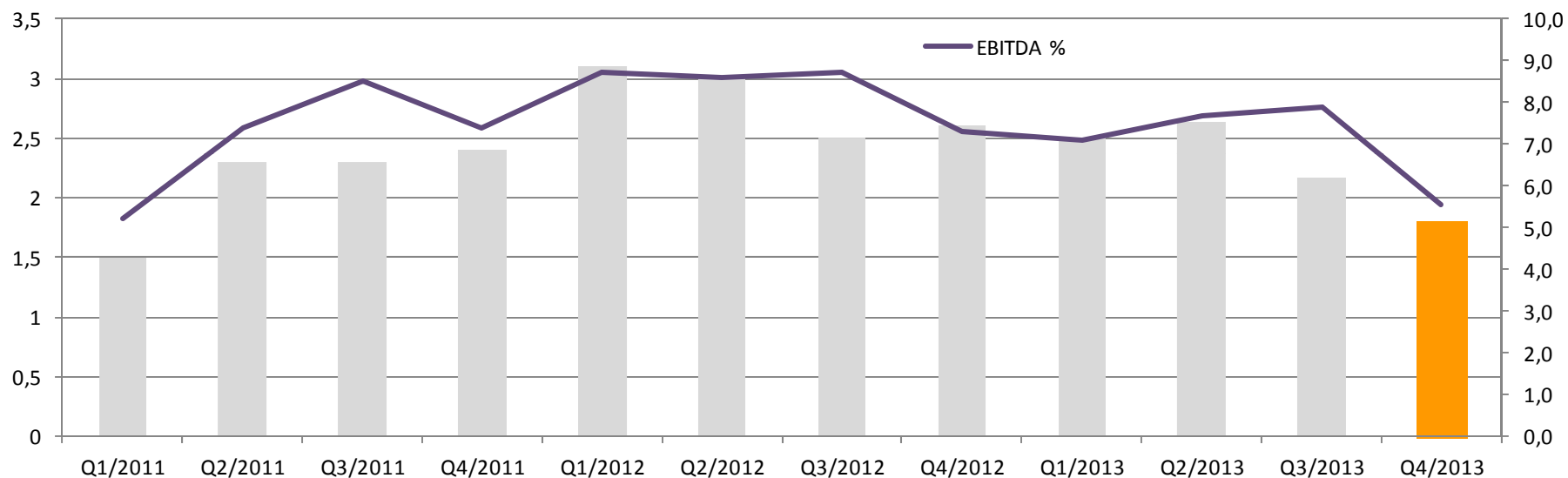
Operating profit (EBIT) and EBIT %

1-12/2013: EUR 6.4 million, 4.9% (1-12/2012: EUR 8.7 million, 6.5%)



EBITDA and EBITDA %

1-12/2013: EUR 9.1 million, 7.0% (1-12/2012: EUR 11.2 million, 8.3%)



Earnings per share (EUR) and dividends (EUR/share)

Earnings per share 1-12/2013: EUR 0.22 (1-12/2012: EUR 0.29)



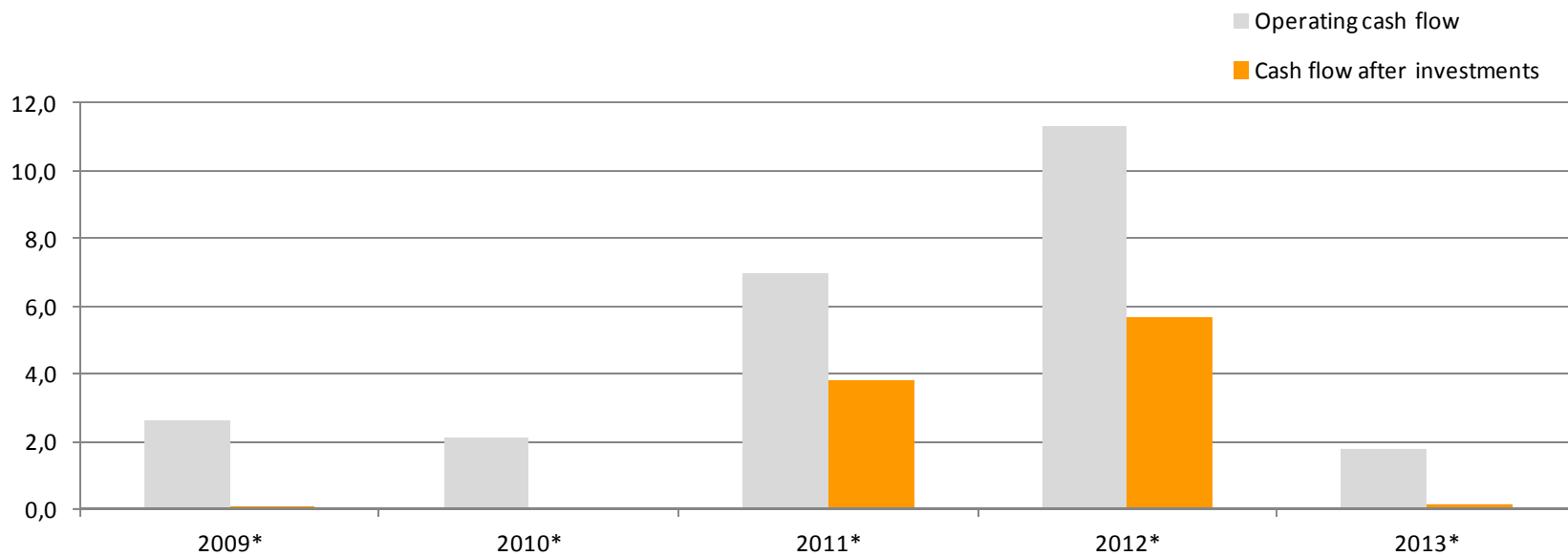
**) Dividend proposal by the Board of Directors 2013: 0,11 EUR/share

*) continuing operations

Cash flow

Operating cash flow 1-12/2013: EUR 1.8 million (1-12/2012: EUR 11.3 million)

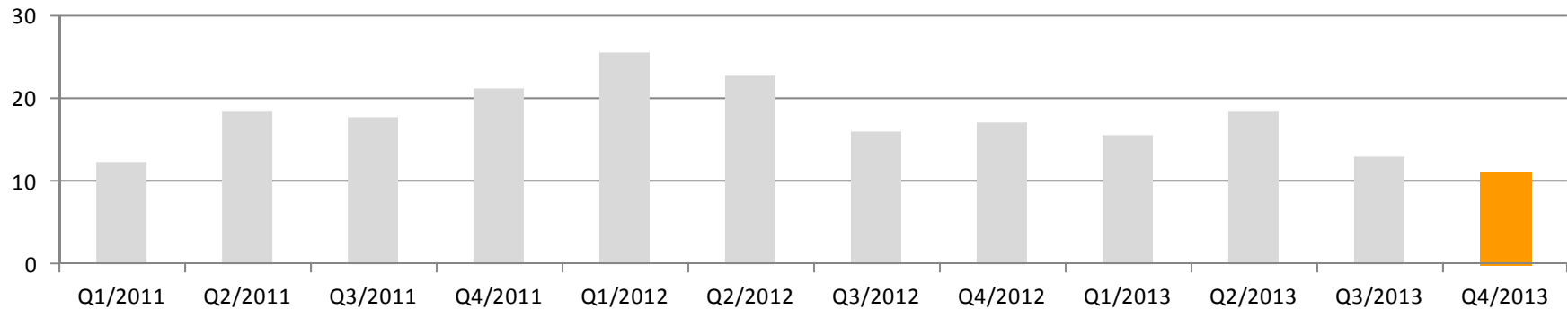
Cash flow after investments 1-12/2013: EUR 0.2 million (1-12/2012: EUR 5.7 million)



*) continuing operations

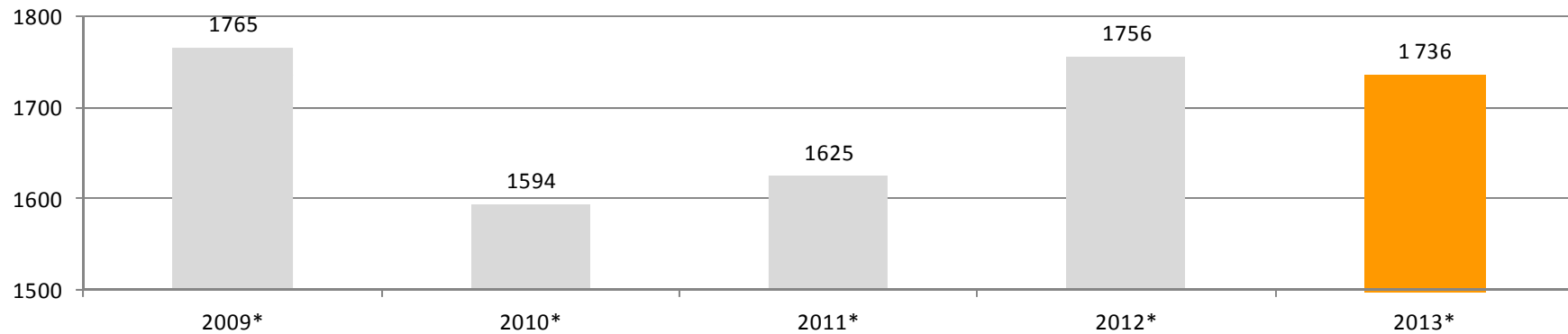
Return on capital employed (ROCE), %

1-12/2013: 14.6% (1-12/2012: 20.4%)



Personnel, average

1-12/2013: 1,736 (1-12/2012: 1,756)



*) continuing operations

Income Statement

(EUR 1,000)	10-12/2013	10-12/2012	Change %	1-12/2013	1-12/2012	Change %
Revenue	32,438	34,943	-7.2	128,647	134,479	-4.3
Other operating income	71	269		1,134	512	
Materials and services	-3,042	-3,050		-11,605	-10,935	
Staff costs	-23,202	-24,474		-90,250	-92,696	
Other operating expenses	-4,461	-5,136		-18,862	-20,207	
Depreciation and amortization	-664	-670		-2,697	-2,439	
Operating profit (EBIT)	1,140	1,882	-39.4	6,366	8,715	-27.0
Financial income	115	44		306	180	
Financial expenses	-238	-238		-947	-1,226	
Share of the result of associate	0	-92		-54	-127	
Profit before taxes	1,017	1,597	-36.3	5,672	7,542	-24.8
Income taxes	-165	-407		-1,282	-1,957	
Profit for the financial year	852	1,190		4,390	5,585	

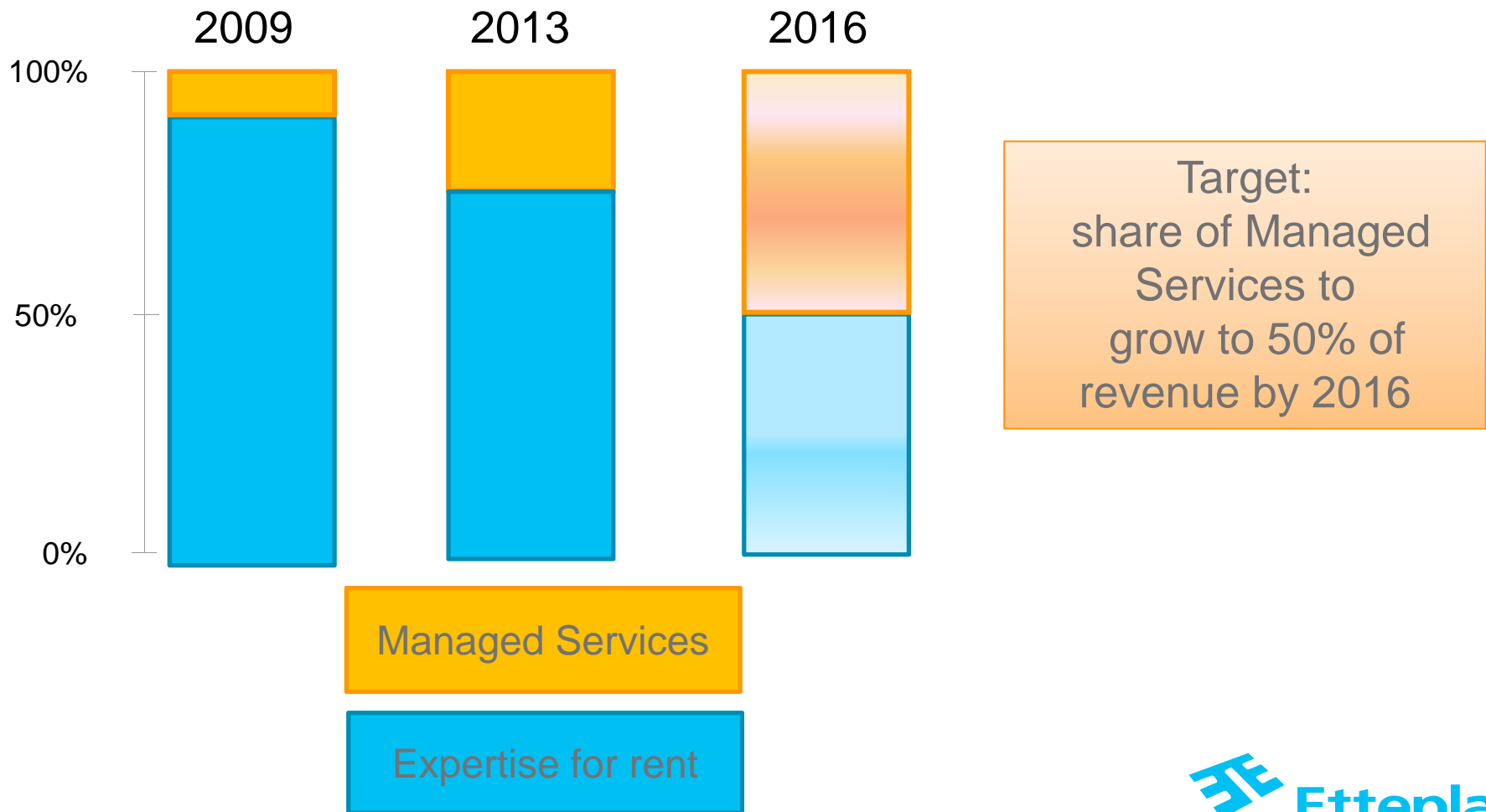
Balance sheet

(EUR 1,000)	31.12.2013	31.12.2012
Goodwill	39,131	39,930
Other non-current assets	8,678	9,001
Non-current assets, total	47,809	48,931
Trade and other receivables	25,709	22,035
Cash and cash equivalents	975	5,402
Current assets, total	26,684	27,438
TOTAL ASSETS	74,493	76,369
Equity, total	25,481	24,678
Non-current liabilities, total	14,279	17,646
Current liabilities, total	34,734	34,045
TOTAL EQUITY AND LIABILITIES	74,493	76,369

Cash flow

(EUR 1,000)	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Operating cash flow (A)	4,195	8,545	1,789	11,339
Investing cash flow (B)	-760	-392	-1,634	-5,593
Cash flow after investments (A+B)	3,435	8,153	154	5,745
Financing cash flow (C)	-3,645	-3,805	-4,647	-3,273
Variation in cash (A+B+C)	-210	4,348	-4,493	2,472
Assets at the beginning of the period	1,122	1,019	5,402	3,023
Exchange gains or losses on cash and cash equivalents	63	35	65	-93
Assets at the end of the period	975	5,402	975	5,402

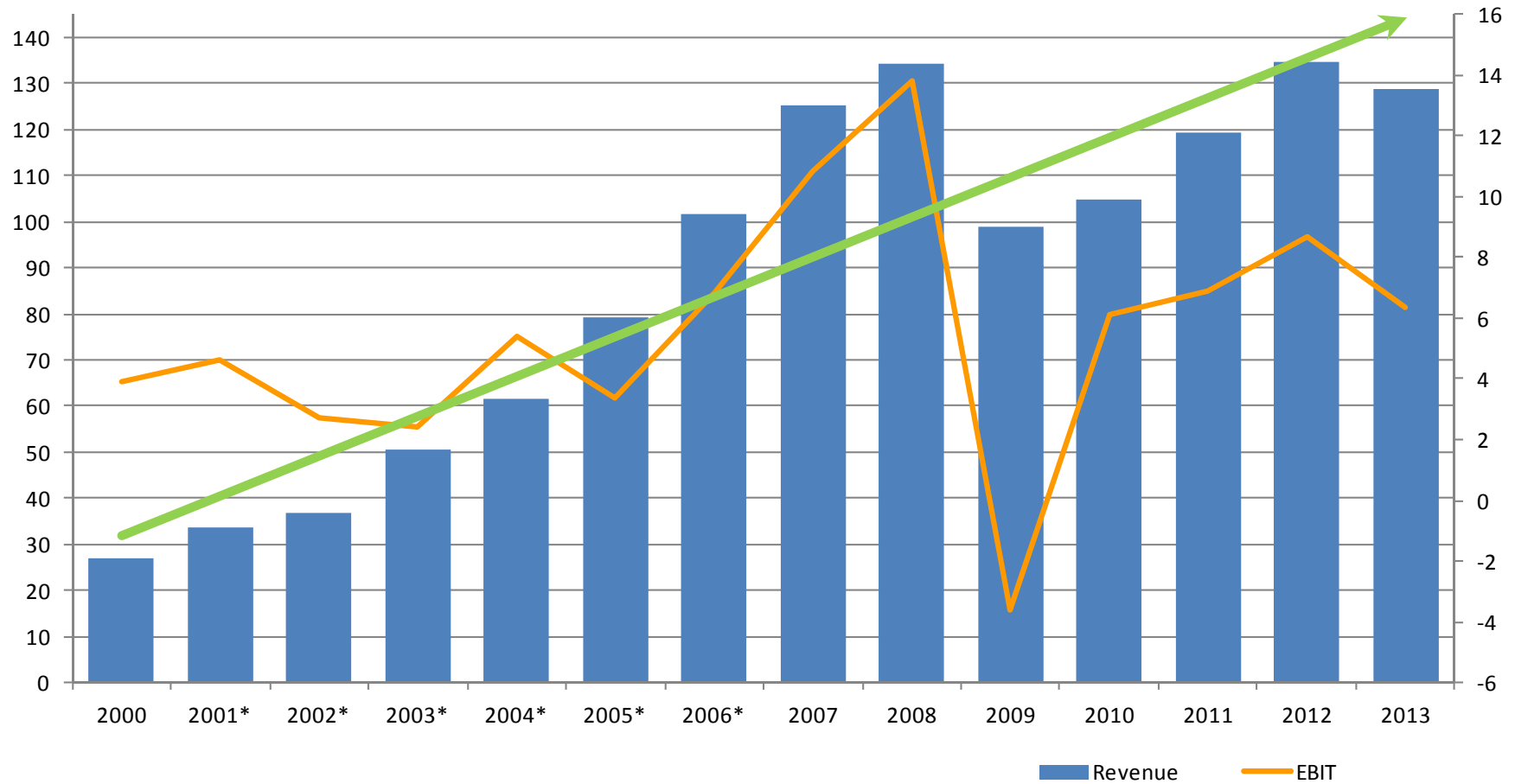
Target to increase the share of higher added value services



Etteplan Oyj's financial targets and realization

	Target and realization in 2013	Action
Growth	<ul style="list-style-type: none"> • Average 10% annual organic growth <ul style="list-style-type: none"> ▪ 2013: -5.2% • Acquisitions supporting growth in accordance with the strategy 	<ul style="list-style-type: none"> • Growth in key customers • Strong market position enables Etteplan to grow faster than the market
Profitability	<ul style="list-style-type: none"> • Operating profit 10% <ul style="list-style-type: none"> ▪ 2013: 4.9% 	<ul style="list-style-type: none"> • Change of business model • Market leadership
Cash flow	<ul style="list-style-type: none"> • Improvement of cash flow to strengthen the balance sheet <ul style="list-style-type: none"> ▪ 2013: 1.8 MEUR 	<ul style="list-style-type: none"> • Development of pricing models • Improved processing and sales of sales receivables
Higher added value services	<ul style="list-style-type: none"> • Share of Managed Services to grow to 50% of revenue by 2016 <ul style="list-style-type: none"> ▪ 2013: over 25% 	<ul style="list-style-type: none"> • Service solutions and project business

Revenue and EBIT 2000 - 2013



*) includes continuing and discontinued operations

Major shareholders on December 31, 2013

Name	Number of shares	Holding of shares, %
Ingman Group Oy Ab	13 489 975	66,85
Oy Fincorp Ab	2 066 930	10,24
Varma Mutual Pension Insurance Company	821 328	4,07
Etteplan Oyj	461 791	2,29
Tuori Klaus	351 000	1,74
Tuori Aino	256 896	1,27
Kempe Anna	220 000	1,09
Evi Bank Plc	164 633	0,82
Nordea Finland Small Cap Fund	122 348	0,61
Kempe Lasse	100 000	0,50
Other shareholders	2 124 513	10,52
Total	20 179 414	100,00
Nominee-registered shares	209 096	1,04

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