


Etteplan Oyj as an investment



Sijoitus Invest 2014 -event
November 12-13, 2014

Etteplan – a forerunner in engineering industry for more than 30 years

Finland's largest company specializing in machinery and equipment engineering, one of the largest in Sweden

One of **Europe's** largest companies specializing in technical documentation solutions

The largest Scandinavian company offering engineering services **in China**

Service areas: engineering and technical documentation

Revenue in 2013: EUR 128.6 million

Offices: 22 in Finland, 13 in Sweden, 1 in the Netherlands, 3 in China and 1 in the USA, representation in Russia

Personnel: more than 1,800

Ticker ETT1V, market value EUR 62.9 million (September 30, 2014)

Qualified to the OMX GES Sustainability Finland index



Etteplan's services

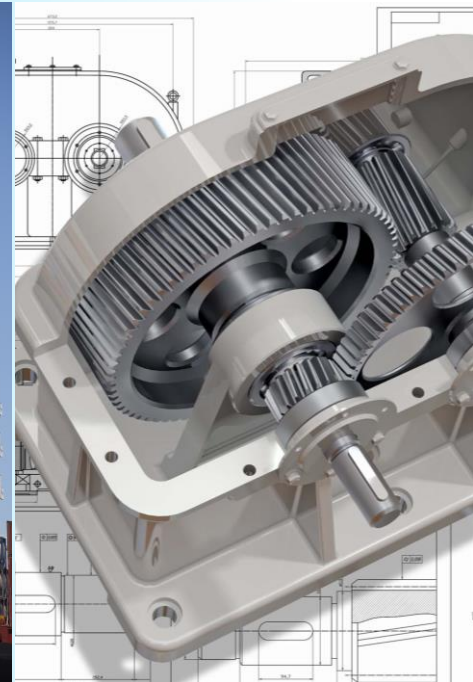
Engineering services



Concept creation
Product modernization



Engineer-to-Order



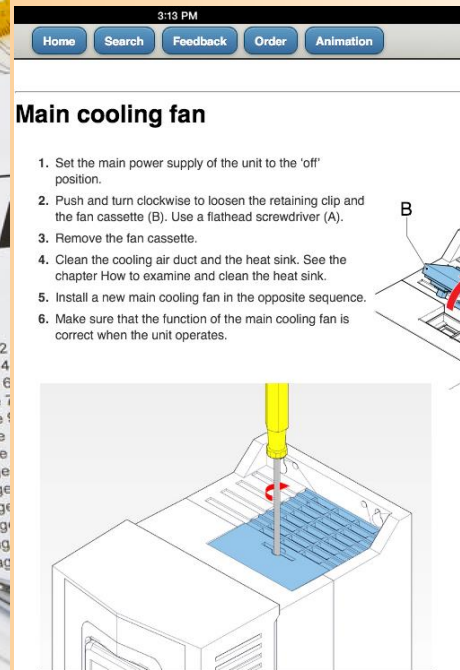
3D models
Manufacturing drawings

Etteplan's services

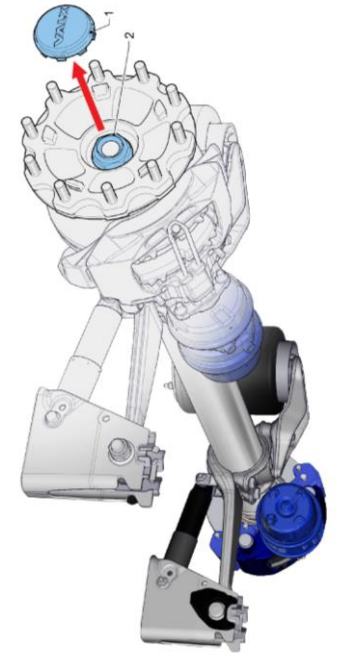
Technical documentation



Content creation - text, illustrations



Software and content distribution



Documentation methods

Why invest in Etteplan?

GROWTH

STRATEGY

INDUSTRY TRENDS

MEGATRENDS



Up in value chain

China

Know-how and determination

Industry consolidation

Market growth

Internet of Things

Sustainable development

Outsourcing trend



Etteplan

Our customers focus on their core business and outsource functions

GROWTH



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STRATEGY

With engineering solutions we can influence the product's environmental load over its entire life cycle

Production of machine

Choosing materials and raw materials that burden environment as little as possible



Use of machine

Eco-efficient solutions in engineering and technical documentation to minimize carbon footprint

Recycling of machine

Material recycling and waste recovery

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Internet of Things – all machines and equipment require engineering



Internet of Things means efficient connecting of intelligent equipment, analytics and data systems in industrial processes. The goal is to rationalize functions and to improve industrial productivity.

Internet of Things is estimated to create a business worth of billions of euros.

GROWTH



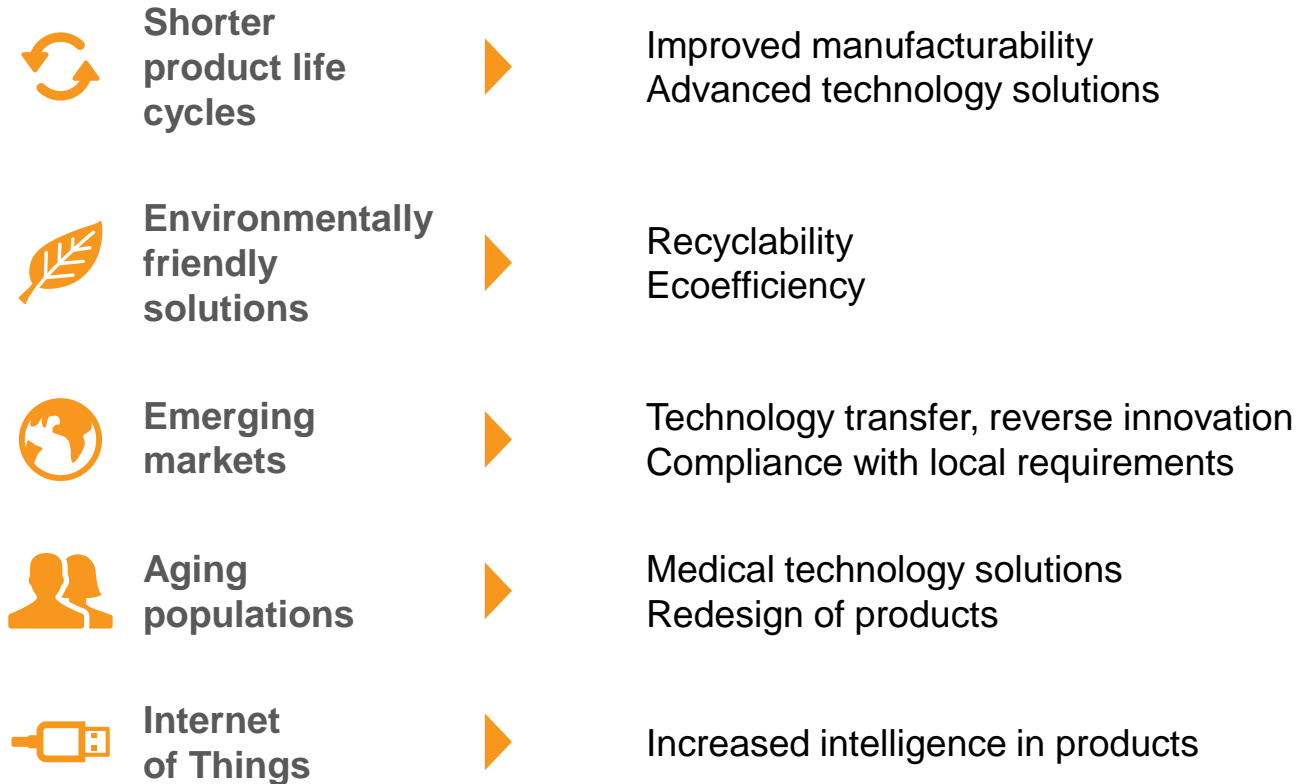
MEGATRENDS

INDUSTRY TRENDS

STRATEGY

Need for engineering work is growing

GROWTH



MEGATRENDS

INDUSTRY TRENDS

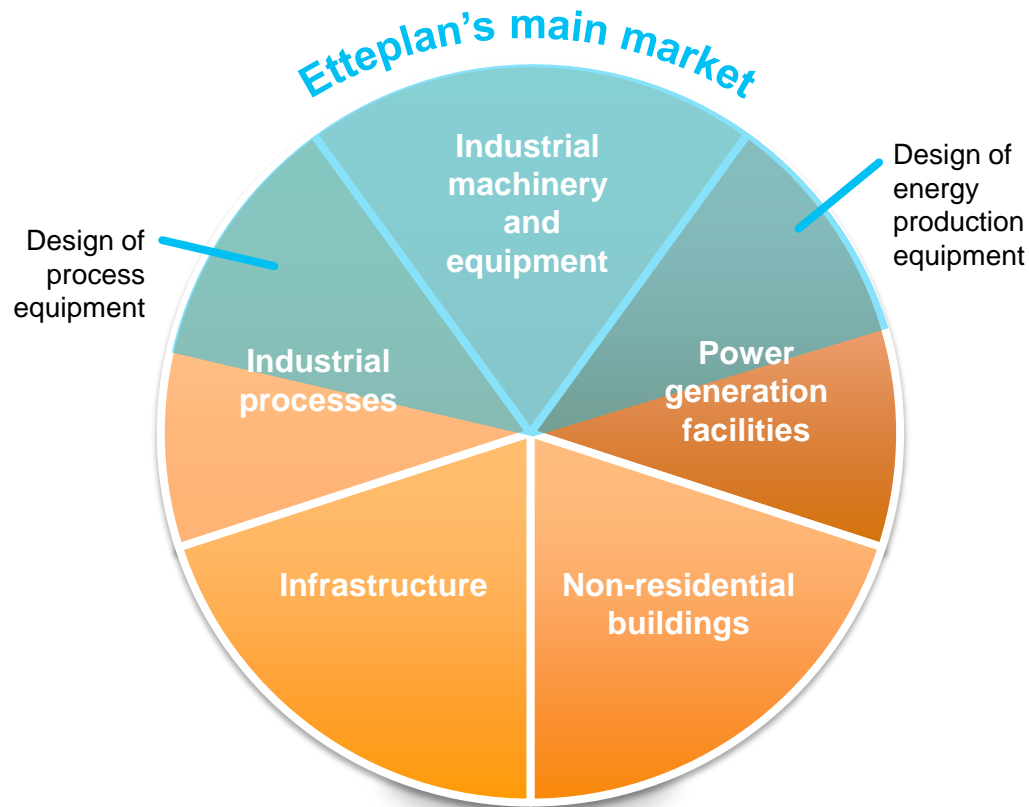
STRATEGY

Technical engineering is a growth area

GROWTH

Global market for industrial machinery and equipment segment is appr. **EUR 30 billion.**

The demand for field's services **exceeds the pace of global GDP.**



MEGATRENDS

INDUSTRY TRENDS

STRATEGY

Market is consolidating and customers are reducing number of partners

Competition consists of a large number of competitors of different sizes

Industry is currently undergoing development of consolidation

Customers are reducing number of partners

Large companies are growing faster than the market



GROWTH



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MEGATRENDS

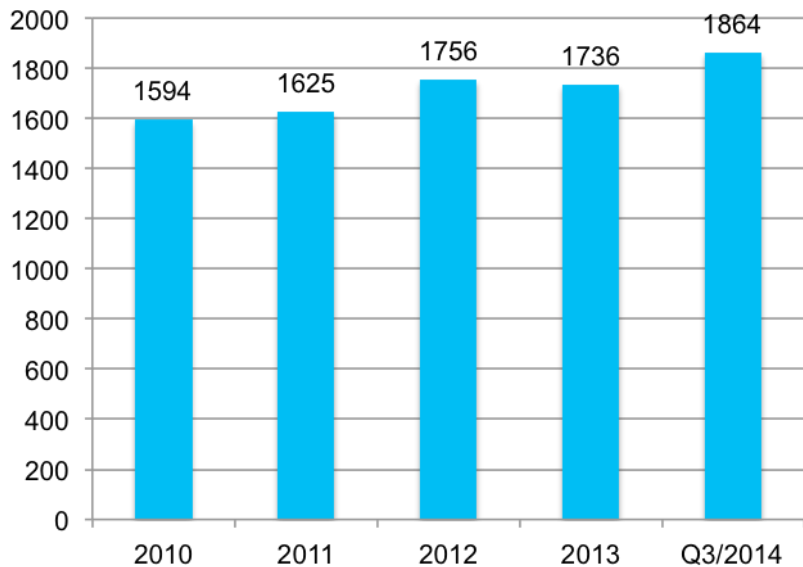
INDUSTRY TRENDS

STRATEGY

Expertise is the basis of business

GROWTH

Personnel on average



There are almost 700 engineering and technical documentation competencies in Etteplan's competence management system

Etteplan invests in

- Competence management
- Keeping attrition under 15 per cent
- Maintaining accounts that have lasted over 10 years



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MEGATRENDS

INDUSTRY TRENDS

STRATEGY

Leading offering in technical documentation

GROWTH

Technical documentation has significant growth potential

Etteplan is a leading technical documentation service provider in Europe

The Company has the most advanced technologies to boost it's customers growing service business

Etteplan's customers get among other things significant cost savings and distribution technology to mobile devices



iPad application for service manual distribution

Up in value chain

Kiina

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MEGATRENDS

INDUSTRY TRENDS

STRATEGY

Good growth possibilities in China

GROWTH

Largest Nordic engineering company in China since 2004

Engineering services to Chinese customers and cost-efficient offshoring services to Nordic customers

Etteplan's fastest growing unit

24/7 service to customers

More than 150 different companies as customers

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MEGATRENDS

INDUSTRY TRENDS

STRATEGY

Change in business model – up in the value chain

GROWTH

Managed Services



Customer outsources engineering or technical documentation functions to Etteplan



Expertise for hire



- Competitive advantage
- Improved profitability
- Improved utilization rate

Customer

- Improved cost -efficiency
- Shorter lead times in engineering
- Focus on core business

Target:

Share of Managed Services to grow to 50% of revenue by 2016
(Q3/2014: appr. 40%)



Up in value chain

China

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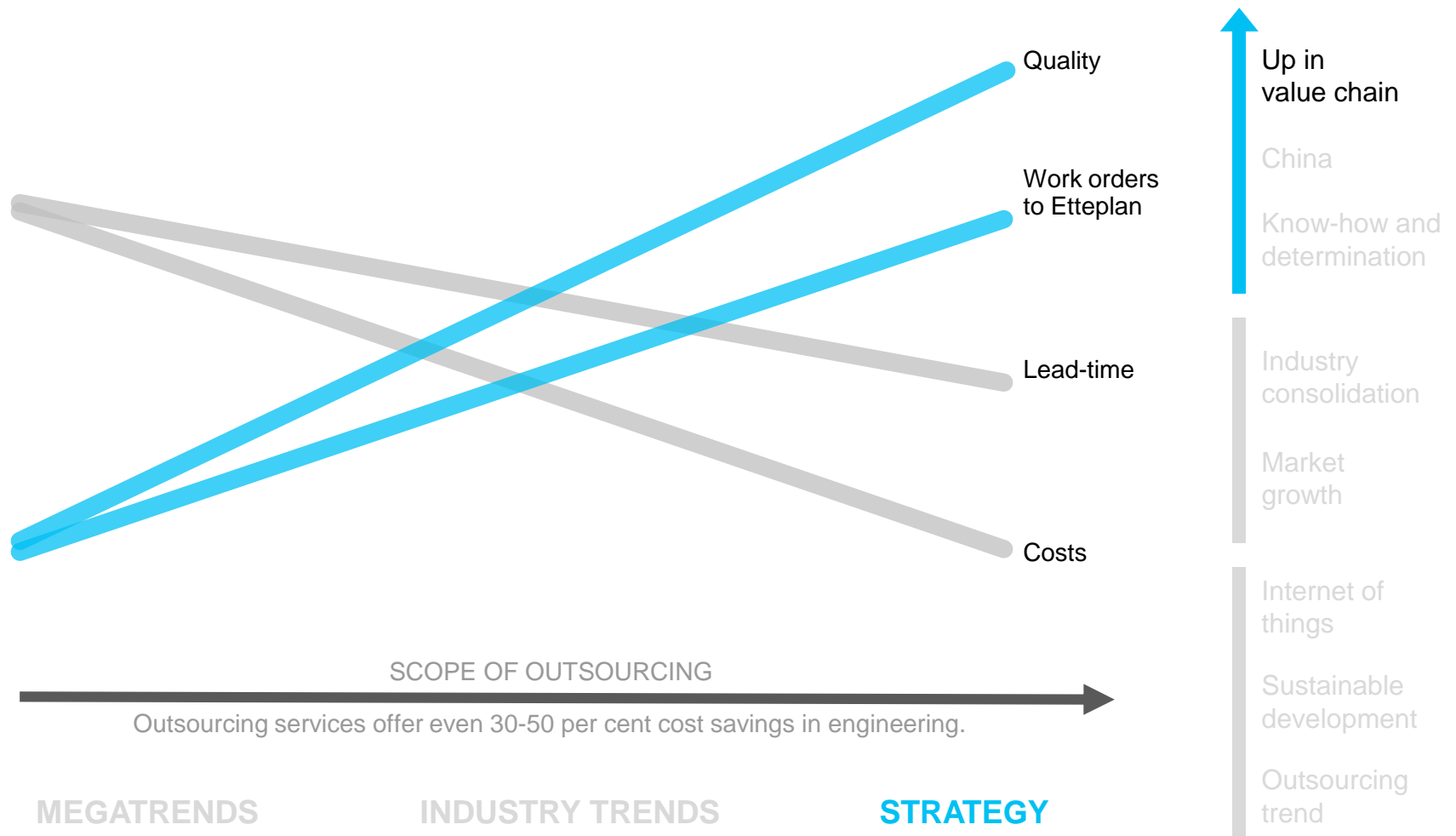
INDUSTRY TRENDS

STRATEGY



Etteplan's service solutions offer significant competitive advantages

GROWTH

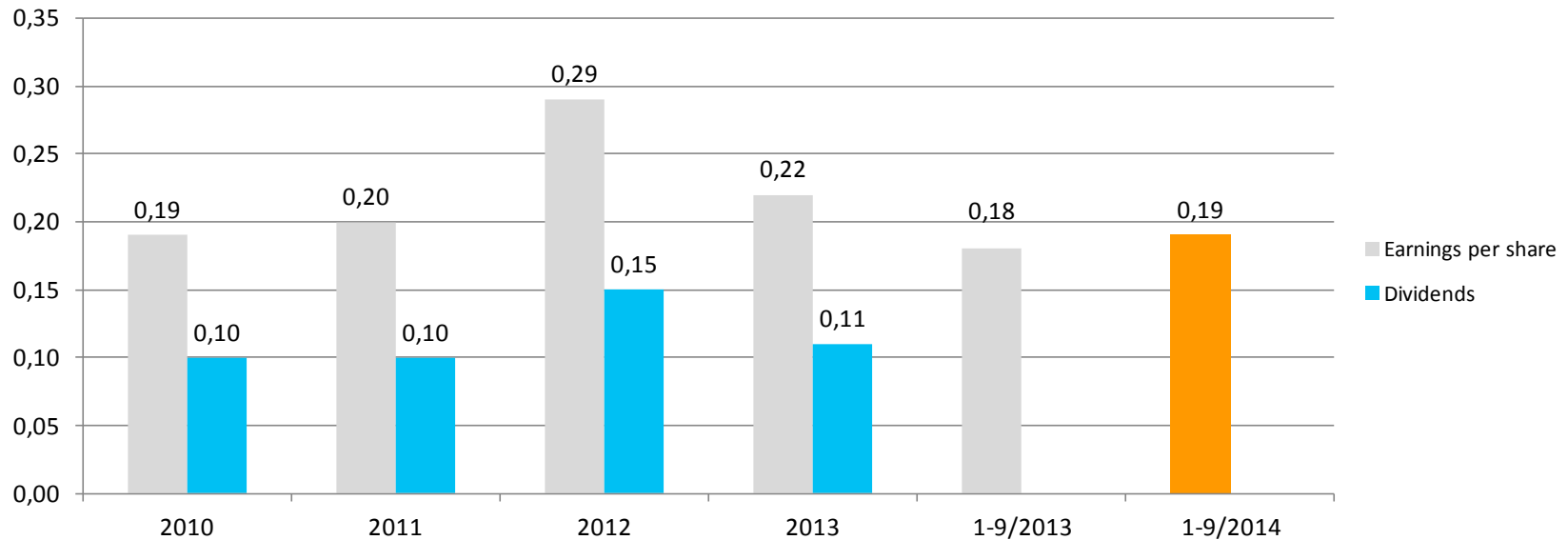


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STRATEGY

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



During the past four years the dividend has been approximately 50 per cent of earnings per share.

Outlook 2014

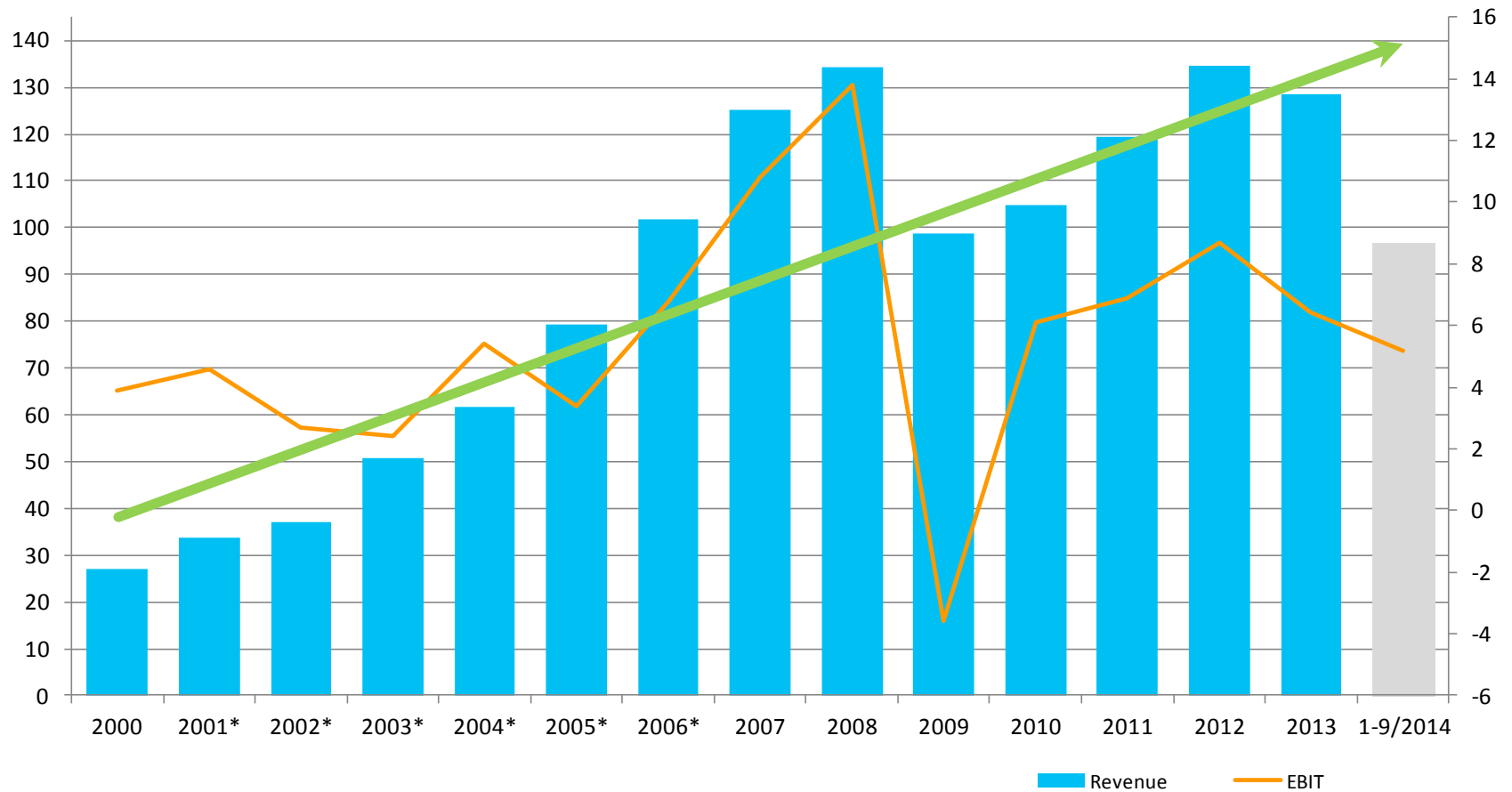
Market outlook

- The most important factor in the development of Etteplan's business is the development of the machinery and metal industry. Despite increased new orders from the machinery and metal industry, the market has continued to be uncertain and business is still unpredictable.

Financial guidance

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

Revenue and EBIT 2000 - 2014



*) includes continuing and discontinued operations

New growth target for revenue: 15% annually



Organic growth

Key customers: increasing market share

Technical documentation: outsourcings and sales of service solutions

China market: market growth and being forerunner in engineering and technical documentation services in China



Inorganic growth

Acquisitions supporting business strategy: increasing knowledge capital and widening of geographical scope



Smart way to smart products