



Etteplan Q3/2014: Revenue increased and operating profit improved

President and CEO Juha Näkki
October 29, 2014

Operating environment in 7-9/2014

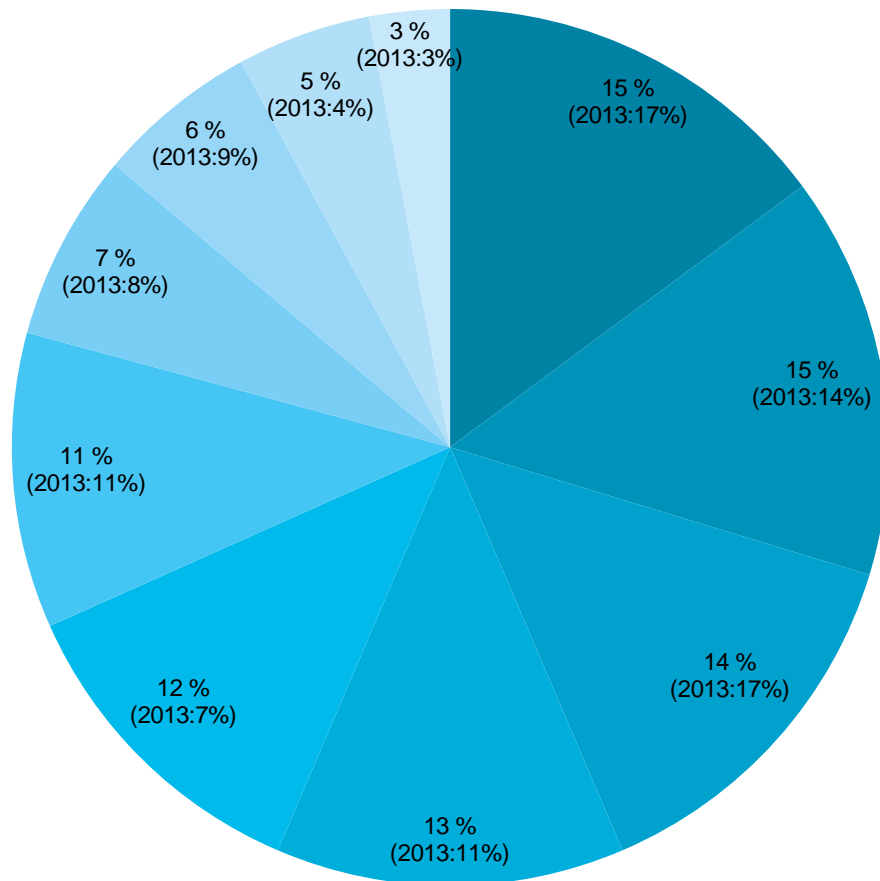
- There were no significant changes in demand compared to the previous quarter.
- In Europe, demand among forest industry equipment manufacturers and the energy and power transmission industry improved, while demand in other customer industries remained at the previous quarter's level.
- In Finland demand for offshoring services was good.
- In Sweden demand for outsourcing services improved somewhat.
- In the Netherlands, demand improved somewhat after the national economic growth expectations improved slightly.
- In China, the engineering service market continued to develop favorably despite the slowing of economic growth in the country.

Highlights in 7-9/2014

- Revenue increased by 7.3% and was EUR 29.5 million (7-9/2013: EUR 27.5 million).
 - Revenue increased by 9.0 per cent at comparable exchange rates.
 - Key accounts increased by 11.0 per cent.
- Operating profit improved by 15.4% and was EUR 1.7 million (EUR 1.5 million).
 - The operating profit includes non-recurring items with a total positive effect of EUR 0.4 million (EUR 0.5 million).
- Profitability improved and operating profit percentage was 5.9 (7-9/2013: 5.5).
- The share of high value-added Managed Services continued to grow and was nearly 40% of total revenue in the review period.
- The number of working hours invoiced in the Chinese market grew by over 100 per cent compared to the corresponding period last year (7-9/2013).
- In the area of technical documentation, we signed several significant agreements.
- The number of personnel increased and was at the end of review period 1,864 (1,721).

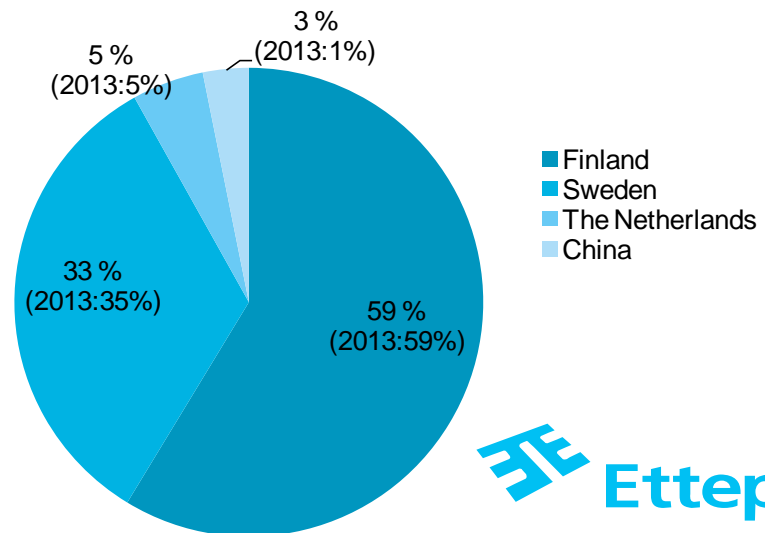
Revenue 1-9/2014

Revenue by customer segment



■ Others	15 %
■ Lifting and hoisting	15 %
■ Mining	14 %
■ Energy and power transmission	13 %
■ Forest and paper	12 %
■ Industrial machinery and components	11 %
■ Aerospace and defense	7 %
■ Transportation and vehicle	6 %
■ Medical technology	5 %
■ Metal	3 %

Revenue by country



Outlook 2014

Market outlook

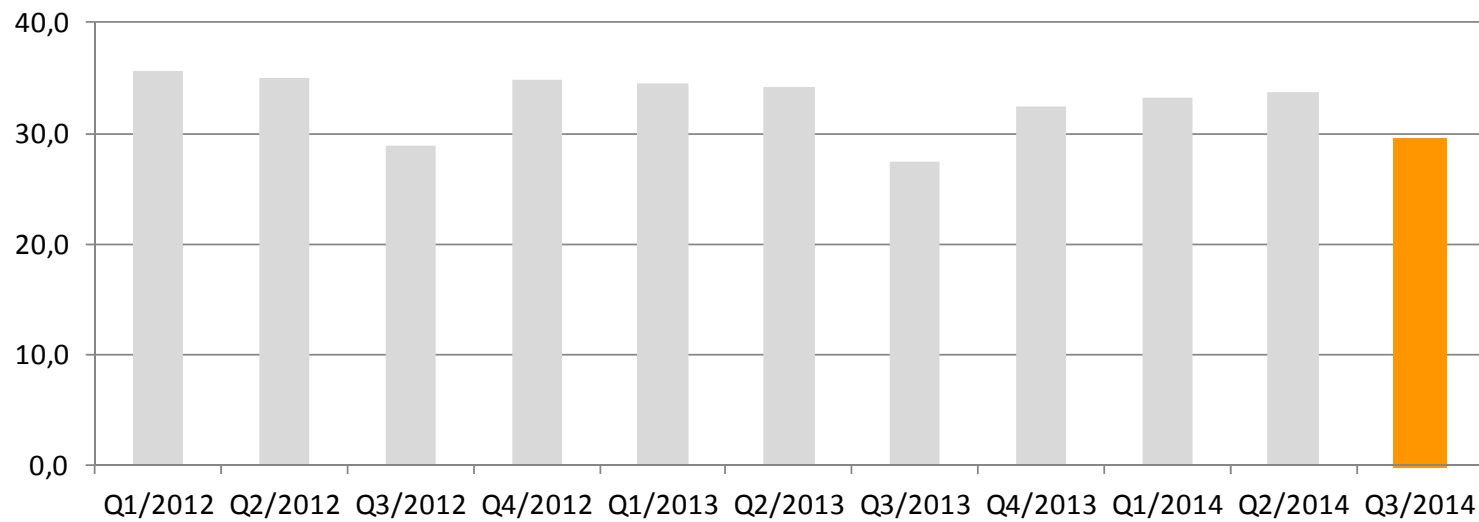
- The most important factor in the development of Etteplan's business is the development of the machinery and metal industry. Despite increased new orders from the machinery and metal industry, the market has continued to be uncertain and business is still unpredictable.

Financial guidance

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

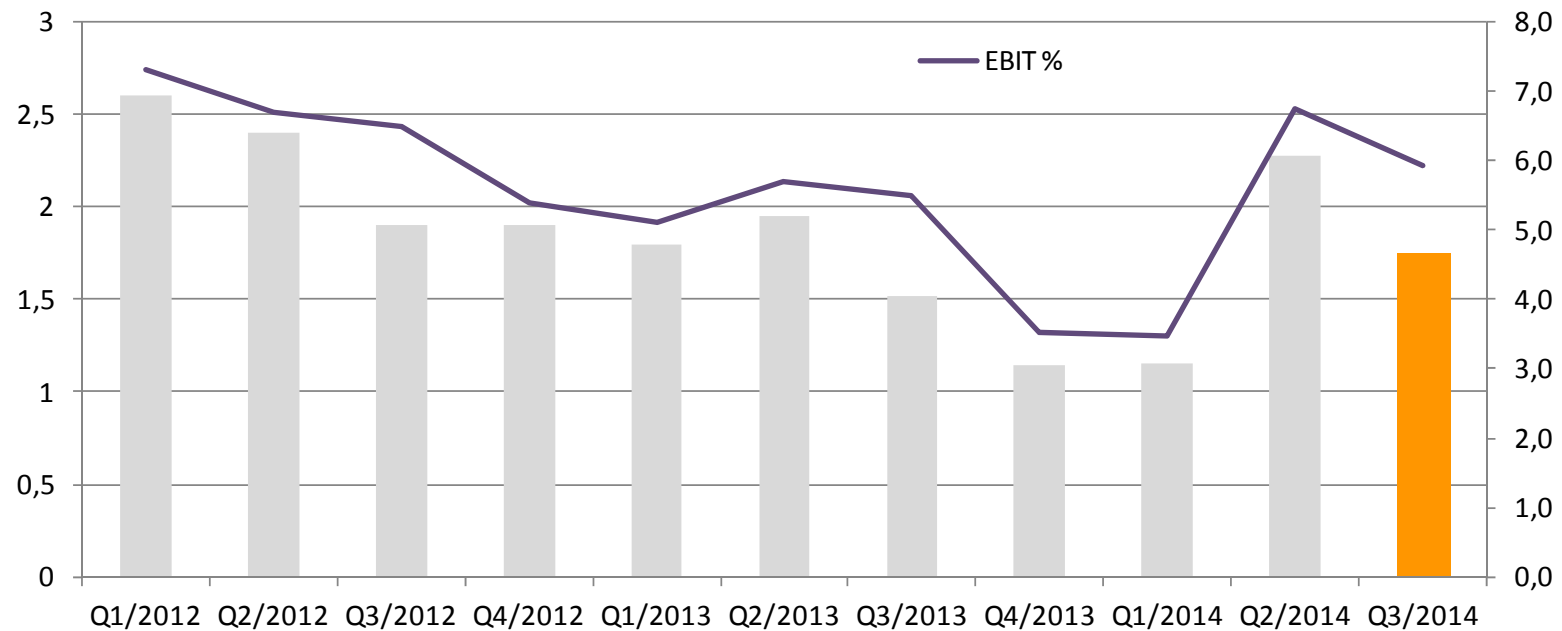
Revenue

7-9/2014: EUR 29.5 million (7-9/2013: EUR 27.5 million)



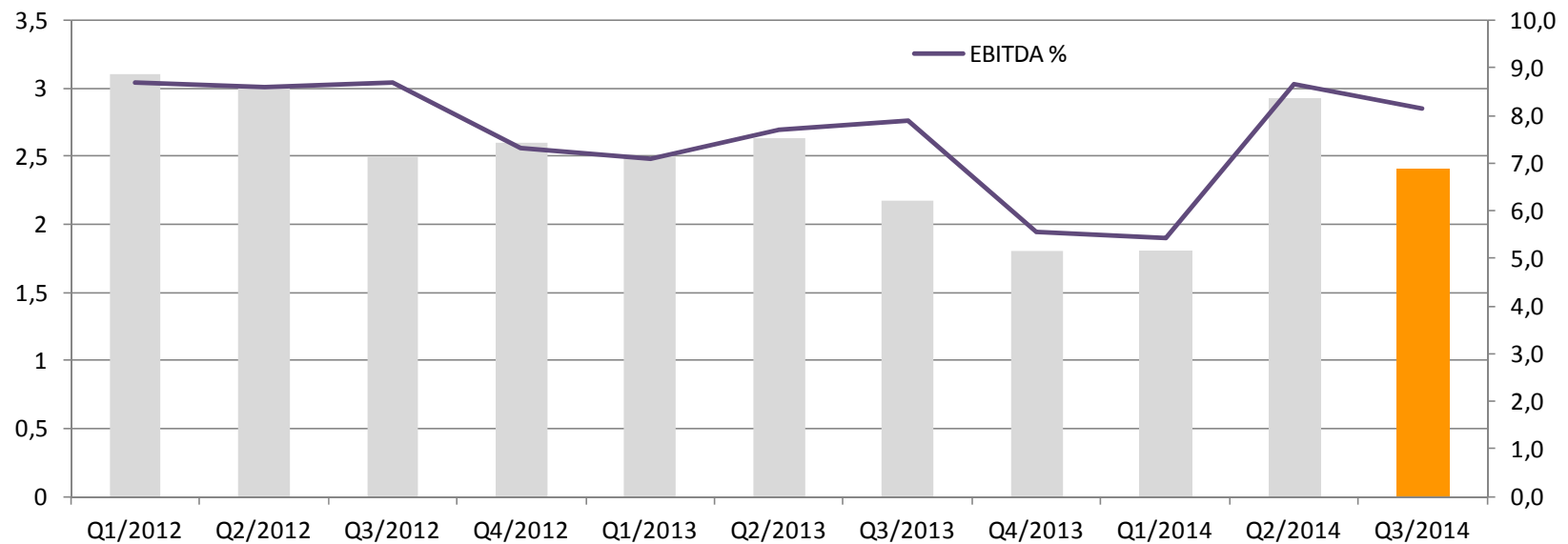
Operating profit (EBIT) and EBIT %

7-9/2014: EUR 1.7 million, 5.9% (7-9/2013: EUR 1.5 million, 5.5%)



EBITDA and EBITDA %

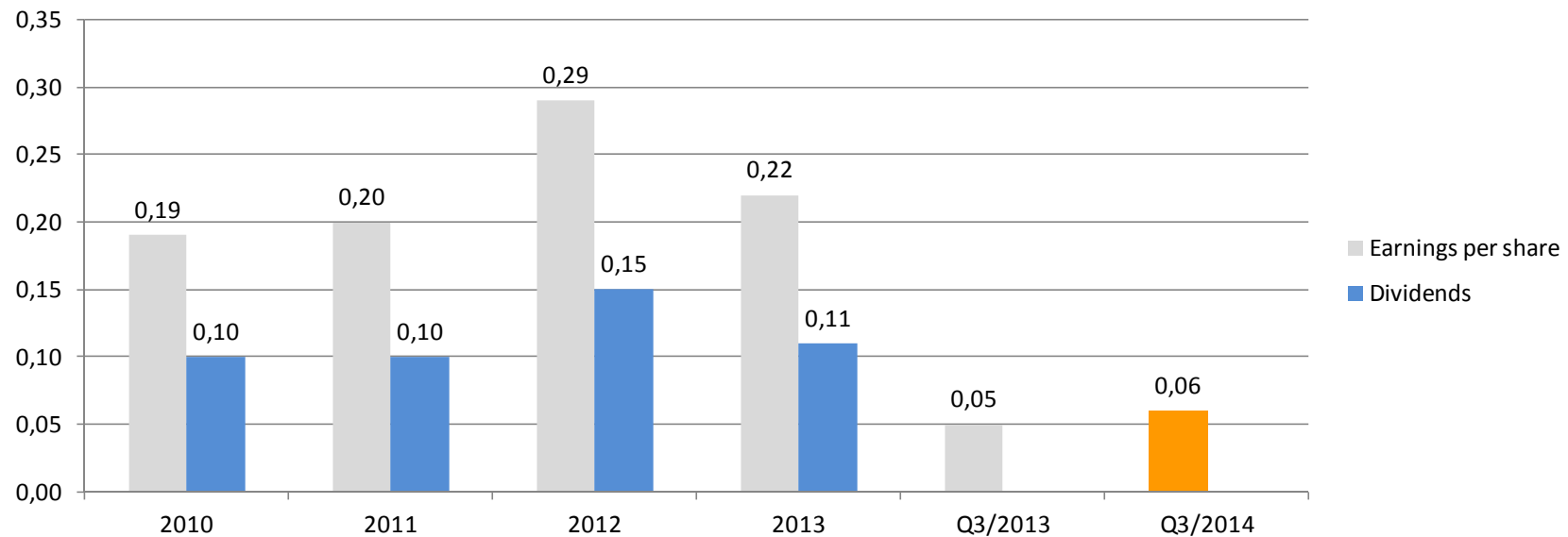
7-9/2014: EUR 2.4 million, 8.1% (7-9/2013: EUR 2.2 million, 7.9%)



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

Earnings per share 7-9/2014: EUR 0.06 (7-9/2013: EUR 0.05)

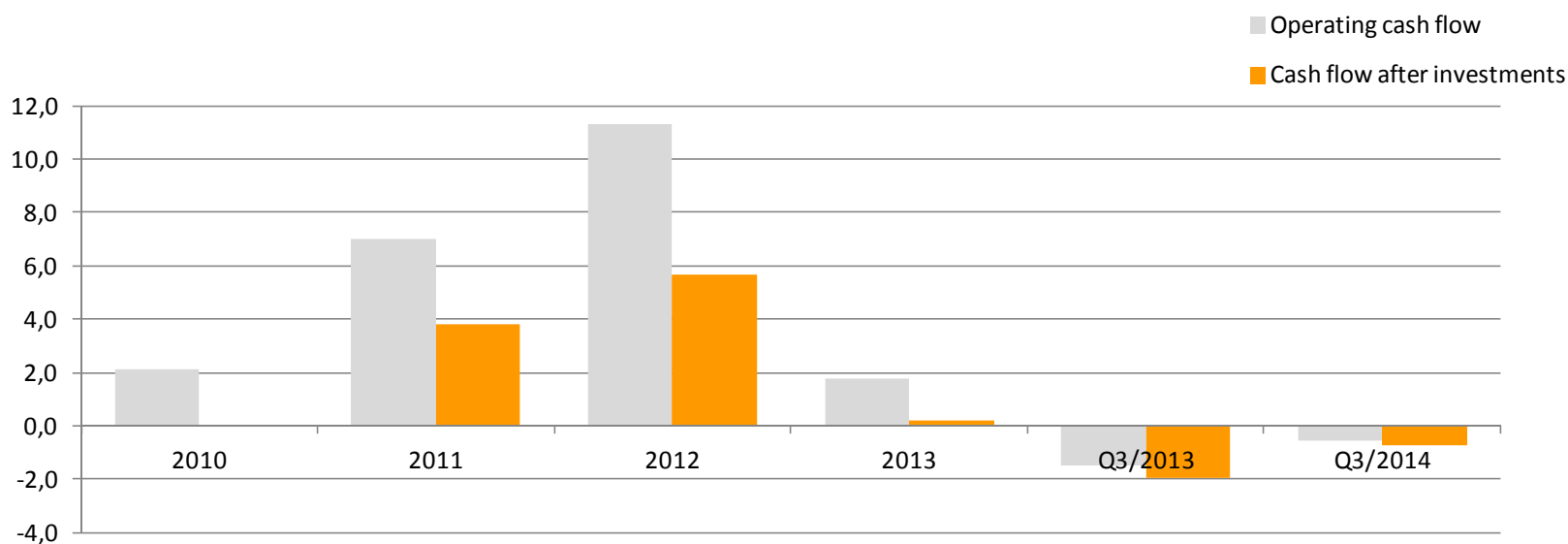
Earnings per share 1-9/2014: EUR 0.19 (1-9/2013: EUR 0.18)



Cash flow

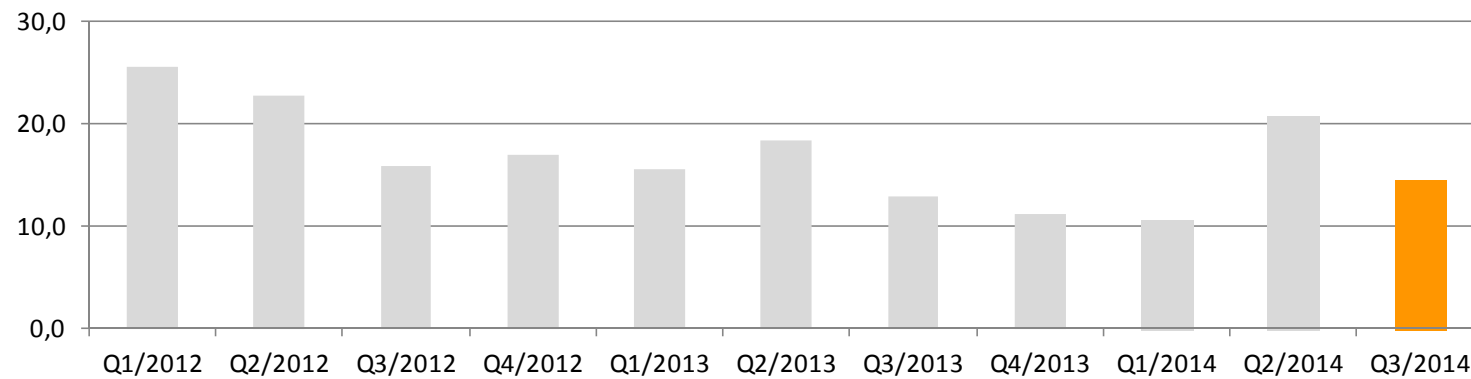
Operating cash flow 7-9/2014: EUR -0.5 million (7-9/2013: EUR -1.5 million)

Cash flow after investments 7-9/2014: EUR -0.7 million (7-9/2013: EUR -2.0 million)



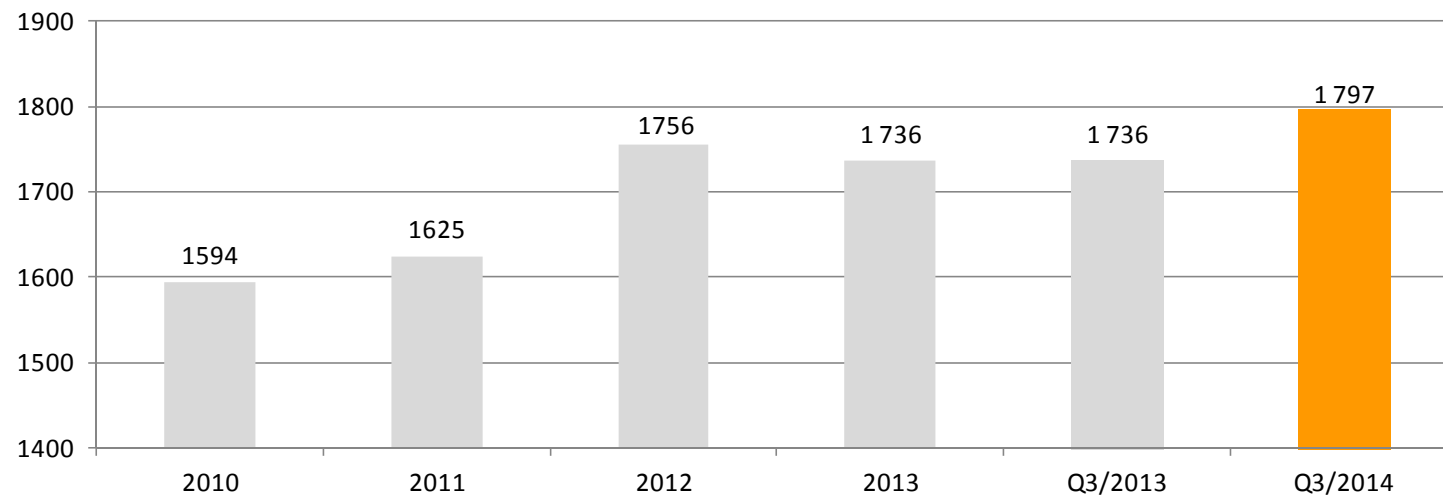
Return on capital employed (ROCE), %

7-9/2014: 14.5% (7-9/2013: 12.9%)



Personnel, average

1-9/2014: 1,797 (1-9/2013: 1,736)



Key Figures 7-9/2014

(EUR 1,000)	7-9/2014	7-9/2013	Change %
Revenue	29,529	27,510	7.3
EBITDA	2,404	2,170	10.8
EBITDA, %	8.1	7.9	
Operating profit (EBIT)	1,749	1,515	15.4
EBIT, %	5.9	5.5	
Basic earnings per share, EUR	0.06	0.05	20.0
Equity ratio, %	35.7	34.6	
Operating cash flow	-544	-1,468	62.9
ROCE, %	14.5	12.9	
Personnel at end of the period	1,864	1,721	8.3

Key Figures 1-9/2014

(EUR 1,000)	1-9/2014	1-9/2013	Change %	1-12/2013
Revenue	96,548	96,209	0.4	128,647
EBITDA	7,134	7,260	-1.7	9,064
EBITDA, %	7.4	7.5		7.0
Operating profit (EBIT)	5,179	5,226	-0.9	6,366
EBIT, %	5.4	5.4		4.9
Basic earnings per share, EUR	0.19	0.18	5.6	0.22
Equity ratio, %	35.7	34.6		35.9
Operating cash flow	818	-2,406	134.0	1,789
ROCE, %	14.8	15.2		14.6
Personnel at end of the period	1,864	1,721	8.3	1,728

Income Statement

(EUR 1,000)	7-9/2014	7-9/2013	Change %	1-9/2014	1-9/2013	Change %	1-12/2013
Revenue	29,529	27,510	7.3	96,548	96,209	0.4	128,647
Other operating income	583	847		1,160	1,063		1,134
Materials and services	-1,884	-3,113		-7,400	-8,563		-11,605
Staff costs	-21,175	-19,671		-69,265	-67,048		-90,250
Other operating expenses	-4,649	-3,402		-13,909	-14,401		-18,862
Depreciation and amortization	-656	-655		-1,955	-2,034		-2,697
Operating profit (EBIT)	1,749	1,515	15.4	5,179	5,226	-0.9	6,366
Financial income	4	-3		202	192		306
Financial expenses	-268	-255		-808	-709		-947
Share of the result of associate	0	0		0	-54		-54
Profit before taxes	1,485	1,257	18.1	4,572	4,655	-1.8	5,672
Income taxes	-135	-376		-613	-1,117		-1,282
Profit for the financial year	1,350	881		3,959	3,538		4,390

Balance sheet

(EUR 1,000)	30.9.2014	30.9.2013	31.12.2013
Goodwill	39,217	39,706	39,131
Other non-current assets	8,627	8,362	8,678
Non-current assets, total	47,844	48,068	47,809
Trade and other receivables	27,295	25,376	25,709
Cash and cash equivalents	1,944	1,122	975
Current assets, total	29,238	26,499	26,684
TOTAL ASSETS	77,082	74,567	74,493
Equity, total	27,034	25,061	25,481
Non-current liabilities, total	11,253	13,862	14,279
Current liabilities, total	38,795	35,644	34,734
TOTAL EQUITY AND LIABILITIES	77,082	74,567	74,493

Cash flow

(EUR 1,000)	7-9/2014	7-9/2013	1-9/2014	1-9/2013	1-12/2013
Operating cash flow (A)	-544	-1,468	818	-2,406	1,789
Investing cash flow (B)	-192	-483	-1,955	-875	-1,634
Cash flow after investments (A+B)	-736	-1,951	-1,137	-3,281	154
Financing cash flow (C)	740	870	1,895	-1,002	-4,647
Variation in cash (A+B+C)	4	-1,081	759	-4,282	-4,493
Assets at the beginning of the period	1,879	2,264	975	5,402	5,402
Exchange gains or losses on cash and cash equivalents	62	-61	211	2	65
Assets at the end of the period	1,944	1,122	1,944	1,122	975

Etteplan Oyj's financial targets and realization

Target and realization in 1-9/2014 Action

Growth

- Average 15% annual growth
 - 1-9/2014: 0.4%
- Growth in key customers
- Strong market position enables Etteplan to grow faster than the market
- Acquisitions supporting growth

Profitability

- Operating profit 10%
 - 1-9/2014: 5.4%
- Change of business model
- Market leadership

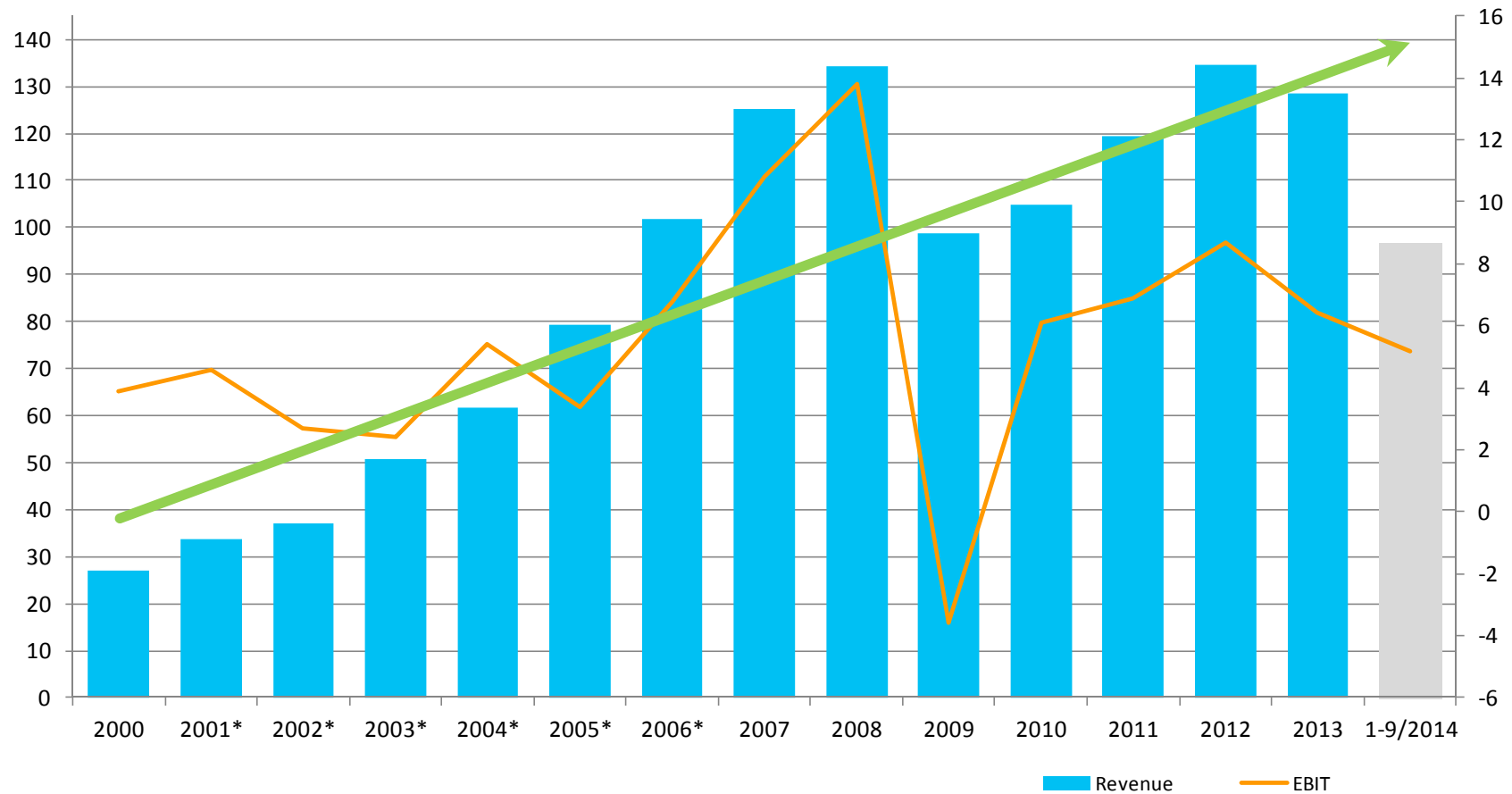
Cash flow

- Improvement of cash flow to strengthen the balance sheet
 - 1-9/2014: 0.8 MEUR
- Development of pricing models
- Improved processing and sales of sales receivables

High value-added services

- Share of Managed Services to grow to 50% of revenue by 2016
 - 1-9/2014: nearly 40%
- Service solutions and project business

Revenue and EBIT 2000 - 2014



*) includes continuing and discontinued operations

Major shareholders on September 30, 2014

Name	Number of shares	Holding of shares, %
Ingman Group Oy Ab	13 650 000	67,64
Oy Fincorp Ab	2 118 901	10,50
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
Sijoitusrahasto Taaleritehdas Mikro Markka	240 000	1,19
Kempe Anna	220 000	1,09
Kempe Lasse	100 000	0,50
Kempe Pia	97 700	0,48
Other shareholders	1 861 798	9,23
Total	20 179 414	100,00
Nominee-registered shares	207 660	1,03

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