

**STOCK EXCHANGE RELEASE**

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EB, ELEKTROBIT CORPORATION, INTERIM REPORT JANUARY-SEPTEMBER 2012**NET SALES AND OPERATING RESULT GREW CLEARLY FROM PREVIOUS YEAR****SUMMARY JULY – SEPTEMBER 2012**

- Net sales of the third quarter grew to EUR 47.0 million (EUR 37.0 million, 3Q 2011), representing an increase of 27.0 % year-on-year. Net sales of Automotive Business Segment grew to EUR 30.2 million (EUR 23.9 million, 3Q 2011), representing a 26.5 % growth year-on-year. The Wireless Business Segment's net sales grew by 29.2 % to EUR 16.8 million (EUR 13.0 million, 3Q 2011).
- The figures of the third quarter include non-recurring income of EUR 1.2 million and a positive cash flow impact of EUR 10.8 million resulting from the settlement payment of USD 13.5 million received in the reorganization case of TerreStar Corporation. Regarding to the impacts on the income statement, the currency conversion has been made by using the exchange rate used for the third quarter income statement, and regarding the cash flow impacts, by using the exchange rate of the date of payment.
- Operating profit was EUR 2.1 million (operating loss of EUR -3.1 million, 3Q 2011). Operating profit without non-recurring items from the reorganization cases of TerreStar companies was EUR 0.8 million (operating loss of EUR -2.9 million without non-recurring items related to reorganization cases of from TerreStar companies, 3Q 2011).
- Operating profit of the Automotive Business Segment was EUR 0.2 million (operating loss of EUR -1.4 million, 3Q 2011).
- Operating profit of the Wireless Business Segment was EUR 1.9 million (operating loss of EUR -1.7 million, 3Q 2011). Operating profit of Wireless Business Segment without non-recurring items related to reorganization cases of TerreStar companies was EUR 0.6 million (operating loss of EUR -1.4 million without non-recurring items related to reorganization cases of TerreStar companies, 3Q 2011).
- EBITDA was EUR 3.9 million (EUR -1.2 million, 3Q 2011). Automotive Business Segment's EBITDA was EUR 1.3 million (EUR -0.2 million, 3Q 2011) and Wireless Business Segment's EBITDA was EUR 2.6 million (EUR -0.9 million, 3Q 2011).
- Cash flow from operating activities was EUR 2.1 million including an approximately EUR 10.8 million positive cash flow effect resulting from the settlement payment in the reorganization cases of TerreStar Corporation (EUR -6.6 million, 3Q 2011). Net cash flow was EUR 9.7 million (EUR -10.6 million, 3Q 2011).
- Earnings per share were EUR 0.01 (EUR -0.02, 3Q 2011).
- On August 28, 2012 U.S. time, Elektrobit Inc., a subsidiary of Elektrobit Corporation, received based on a settlement, a cash payment of USD 13.5 million (EUR 10.8 million) in full and final satisfaction of its claim against TerreStar Corporation and in resolution of all disputes between EB and other parties in the TerreStar Corporation Chapter 11 reorganization cases under



United States Bankruptcy Code. On August 24, 2012 U.S. time, the United States Bankruptcy Court formally approved TerreStar Corporation's motion for final settlement with Elektrobitt Inc. (a subsidiary of Elektrobitt Corporation) and TerreStar Corporation and certain of its preferred shareholders entered into between the parties on August 8, 2012. The settlement does not include the TerreStar Networks Chapter 11 cases, which remain pending, and does not include any distribution therefrom that may be available for EB.

- The settlement payment in the TerreStar Corporation Chapter 11 cases resulted a non-recurring positive effect of approximately USD 1.6 million (EUR 1.2 million) to EB's operating result, and a non-recurring positive effect of USD 13.5 million (EUR 10.8 million) to EB's cash flow in the third quarter of the year.

SUMMARY JANUARY - SEPTEMBER 2012

- Net sales of the reporting period was EUR 143.6 million (EUR 113.1 million, 1-9 2011), representing an increase of 26.9 % year-on-year. Net sales of Automotive Business Segment grew to EUR 85.9 million (EUR 70.2 million, 1-9 2011), representing a 22.3 % growth year-on-year. The Wireless Business Segment's net sales grew by 35.0 %, to EUR 57.9 million (EUR 42.9 million, 1-9 2011).
- Operating profit was EUR 2.6 million (operating loss of EUR -7.5 million, 1-9 2011), including EUR 1.2 million non-recurring costs related to collecting the receivables from TerreStar Companies (EUR 0.2 million, 1-9 2011) and non-recurring income of EUR 1.2 million resulting from the settlement payment in TerreStar Corporation's reorganization cases. Operating profit without these non-recurring items was EUR 2.6 million (operating loss of EUR -7.3 million, 1-9 2011).
- Operating profit of the Automotive Business Segment was EUR 1.4 million (operating loss of EUR -1.3 million, 1-9 2011). The Wireless Business Segment's operating profit was EUR 1.3 million (operating loss of EUR -6.1 million, 1-9 2011), including EUR 1.2 million non-recurring costs related to collecting the receivables from TerreStar Companies (EUR 0.2 million, 1-9 2011) and non-recurring income of EUR 1.2 million resulting from the settlement payment in TerreStar Corporation's reorganization cases. Wireless Business Segment's operating profit without these non-recurring items was EUR 1.3 million (operating loss of EUR -5.9 million, 1-9 2011).
- EBITDA was EUR 8.0 million (EUR -0.6 million, 1-9 2011). Automotive Business Segment's EBITDA was EUR 4.4 million (EUR 3.0 million, 1-9 2011) and Wireless Business Segment's EBITDA was EUR 3.6 million (EUR -3.7 million, 1-9 2011).
- Cash flow from operating activities was EUR 2.1 million (EUR -1.8 million, 1-9 2011) including an approximately EUR 10.8 million positive cash flow effect resulting from the settlement payment in the reorganization cases of TerreStar Corporation in the third quarter of 2012. Net cash flow was EUR 8.4 million (EUR -13.3 million, 1-9 2011)
- Cash and other liquid assets totaled EUR 18.3 million (EUR 7.2 million, 1-9 2011).
- Equity ratio was 54.8% (63.6%, 1-9 2011).
- Earnings per share were EUR 0.01 (EUR -0.06, 1-9 2011).



EB'S CEO JUKKA HARJU:

"During the third quarter EB's net sales continued to grow strongly and operating result improved clearly from previous year. The net sales and operating result in January-September also grew clearly from previous year in EB and in its both business segments.

The settlement made with TerreStar Corporation in August, and the settlement payment of USD 13.5 million from our receivables concluded our 1.5 years long process of collecting the receivables from TerreStar Corporation in its reorganization cases in the USA.

The outlook for the final quarter of the year is good and, EB has good preconditions to achieve this year a clearly better profitability level than in 2011, which is our most important target for this year."

OUTLOOK FOR 2012

Compared to the previous year, the demand for EB's products and services is estimated to grow year-on-year during 2012 in both Automotive and Wireless Business Segments. Carmakers continue to invest in software for new car models and the market for automotive software products and services is estimated to continue growing. In Wireless Business Segment the demand growth will be driven by especially the increasing use of the LTE technology that increases the performance of mobile networks, and the authorities' needs for new communication solutions that use commercial technologies of smart phones and mobile networks.

EB expects for the year 2012 that net sales and operating result will grow clearly from the previous year (net sales of EUR 162.2 million, and operating loss of EUR -4.0 million in 2011). For the second half of 2012 EB expects that the net sales will grow clearly (EUR 86.1 million in 2H 2011) and operating result to be clearly positive (EUR 0.4 million in 2H 2011). Due to the seasonal nature of the EB's business and due to the holiday period during the third quarter, the net sales and operating result without non-recurring items in the fourth quarter are expected to be higher than in the third quarter of 2012 (net sales EUR 47.0 million, operating profit without non-recurring items EUR 0.8 million, 3Q 2012).

More specific market outlook is presented under the "Business Segments' development during July – September 2012 and Market Outlook" section.

The profit outlook for the year 2012 does not include possible non-recurring income or costs related to the reorganization cases of TerreStar Networks Inc. More information about the reorganization cases of TerreStar Networks and the amount of the receivables and collecting the receivables as well as other uncertainties regarding the outlook is presented under "Risks and Uncertainties" section.



In addition, more information on TerreStar Networks Inc.'s and its parent company TerreStar Corporation's reorganization cases are presented in the October 20 and 25, November 20 and December 30, 2010, February 17, 2011, November 18, 2011, June 21, 2012, August 3, 2012, August 24, 2012 and August 28, 2012 stock exchange releases as well as in EB's interim reports and financial statements at www.elektrobit.com.

INVITATION TO A PRESS CONFERENCE

EB will hold a press conference on the Interim Report 3Q 2012 for media, analysts and institutional investors in Finland, Oulu, Tutkijantie 8, on Tuesday, November 6, 2012, at 11.00 a.m. (CET+1). The conference will also be held as a conference call and the presentation will be shown simultaneously in the Internet through WebEx. The conference will be held in English. For more information please go to www.elektrobit.com/investors.

EB, Elektrobit Corporation

EB creates advanced technology and turns it into enriching end-user experiences. EB is specialized in demanding embedded software and hardware solutions for wireless and automotive industries. The net sales for the year 2011 totaled MEUR 162.2. Elektrobit Corporation is listed on NASDAQ OMX Helsinki. www.elektrobit.com



EB, ELEKTROBIT CORPORATION, INTERIM REPORT JANUARY-SEPTEMBER 2012

FINANCIAL PERFORMANCE DURING JANUARY-SEPTEMBER 2012

(Corresponding figures are for January-September 2011 unless otherwise indicated)

EB's net sales during January-September 2012 grew strongly by 26.9 per cent year-on-year to EUR 143.6 million (EUR 113.1 million). Operating profit was EUR 2.6 million (operating loss of EUR -7.5 million), including EUR 1.2 million non-recurring costs related to collecting the receivables from TerreStar Companies (EUR 0.2 million) and EUR 1.2 million non-recurring income resulting from the settlement payment in the reorganization cases of TerreStar Corporation. Operating profit without these non-recurring items was EUR 2.6 million (operating loss of EUR -7.3 million).

Net sales of the Automotive Business Segment grew in January-September 2012 to EUR 85.9 million (EUR 70.2 million), representing 22.3 per cent growth year-on-year. The operating profit was EUR 1.4 million (operating loss of EUR -1.3 million).

The Wireless Business Segment's net sales in January-September 2012 grew strongly, 35.0 per cent year-on-year, to EUR 57.9 million (EUR 42.9 million). The net sales grew in the defence and public safety markets, in the mobile infrastructure markets and in the test tool market. The operating profit of the Wireless Business Segment in January-September 2012 was EUR 1.3 million (operating loss of EUR -6.1 million) including EUR 1.2 million non-recurring costs related to collecting the receivables from TerreStar Companies (EUR 0.2 million) and EUR 1.2 million non-recurring income resulting from the settlement payment in the reorganization cases of TerreStar Corporation. Wireless Business Segment's operating profit without non-recurring items was EUR 1.3 million (operating loss of EUR -5.9 million).

CONSOLIDATED INCOME STATEMENT (MEUR)	1-9 2012	1-9 2011
	9 months	9 months
NET SALES	143.6	113.1
OPERATING PROFIT (LOSS)	2.6	-7.5
Financial income and expenses	-0.1	-0.7
RESULT BEFORE TAX	2.5	-8.2
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	2.0	-8.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2.0	-8.4
Result for the period attributable to:		
Equity holders of the parent	1.5	-8.4
Non-controlling interests	0.5	0.1
Total comprehensive income for the period attributable to:		
Equity holder of the parent	1.5	-8.6



Non-controlling interests	0.5	0.1
Earnings per share from continuing operations, EUR	0.01	-0.06

- Cash flow from operating activities was EUR 2.1 million (EUR -1.8 million) including an approximately EUR 10.8 million positive cash flow effect resulting from the settlement payment in the reorganization cases of TerreStar Corporation in the third quarter of 2012.
- Equity ratio was 54.8% (63.6%).
- Net gearing was 7.9% (3.0%).

QUARTERLY FIGURES

Elektrobit Group's net sales and operating result, MEUR:

	3Q 12	2Q 12	1Q 12	4Q 11	3Q 11
Net sales	47.0	48.0	48.6	49.0	37.0
Operating profit (loss)	2.1	-0.4	0.9	3.5	-3.1
Operating profit (loss) without non-recurring costs	0.8	0.6	1.2	4.2	-2.9
Result before taxes	1.9	0.1	0.5	3.8	-3.1
Result for the period	1.8	-0.1	0.3	3.2	-3.1

Wireless Business Segment, net sales and operating result without non-recurring items, MEUR

	3Q 12	2Q 12	1Q 12	4Q 11	3Q 11
Net sales	16.8	21.0	20.0	21.0	13.0
Operating profit (loss)	1.9	-0.6	-0.0	1.4	-1.7
Operating profit (loss) without non-recurring items	0.6	0.4	0.3	2.1	-1.4

Non-recurring items are exceptional gains and costs that are not related to normal business operations and occur only seldom. These items include capital gains or losses, significant changes in asset values such as write-downs or reversals of write-downs, significant restructuring costs, or other items that the management considers to be non-recurring. When evaluating a non-recurring item, the euro translation value of the item is considered, and in case of a change in an asset value, it is measured against the total value of the asset.

Non-recurring items, mentioned in the tables above, are costs related to collecting the receivables from TerreStar Companies and income resulting from the settlement payment in the reorganization cases of TerreStar Corporation, which are reported as a part of the Wireless Business Segment's operating result. During 2011 and 2012 EB has not reported these costs as non-recurring, since the amount has not been that significant. However, in June 2012 it has become obvious that the legal proceedings with TerreStar Companies will continue and it was estimated that further costs related



to the process will be approximately EUR 0.8 million, due to which EB booked a provision of EUR 0.8 million. Along with this provision, the cumulative costs resulting from collecting the receivables are of such significance, that the Company sees it necessary to present the operating result also without those costs. During the third quarter, settlement payment received from the reorganization cases of TerreStar Corporation had a positive effect of USD 1.6 million (EUR 1.2 million) to EB's operating result.

The distribution of net sales by Business Segments, MEUR:

	3Q 12	2Q 12	1Q 12	4Q 11	3Q 11
Automotive	30.2	27.0	28.7	28.0	23.9
Wireless	16.8	21.0	20.0	21.0	13.0
Corporation total	47.0	48.0	48.6	49.0	37.0

The distribution of net sales by market areas, MEUR and %:

	3Q 12	2Q 12	1Q 12	4Q 11	3Q 11
Asia	4.1 8.6%	2.2 4.6%	3.5 7.3%	5.5 11.2%	3.3 8.8%
Americas	8.5 18.2%	8.2 17.1%	7.6 15.6%	7.6 15.5%	4.9 13.4%
Europe	34.4 73.2%	37.6 78.4%	37.4 77.1%	36.0 73.3%	28.8 77.8%

Net sales and operating profit development by Business Segments and other businesses, MEUR:

	3Q 12	2Q 12	1Q 12	4Q 11	3Q 11
Automotive					
Net sales to external customers	30.2	27.0	28.7	28.0	23.9
Net sales to other segments	0.0	0.0	0.0	0.0	0.0
Operating profit (loss)	0.2	0.2	0.9	2.1	-1.4
Wireless					
Net sales to external customers	16.8	21.0	19.9	21.1	12.9
Net sales to other segments	0.0	0.0	0.2	0.1	0.1
Operating profit (loss)	1.9	-0.6	-0.0	1.4	-1.7
Other businesses					
Net sales to external customers	0.0	0.0	0.0	0.0	0.2
Operating profit (loss)	-0.0	-0.0	-0.0	0.0	-0.1
Total					
Net sales	47.0	48.0	48.6	49.0	37.0
Operating profit (loss)	2.1	-0.4	0.9	3.5	-3.1



SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

Annual General Meeting, held on March 26, 2012, approved the annual accounts for the financial year 2011, discharged the Company's management from liability, decided according to the proposal by the Company's Board of Directors, that no dividend shall be paid, confirmed the Board members and the auditor and their remuneration. The Board of Directors was authorized to decide on the repurchase of the Company's own shares, the issuance of shares as well as the issuance of special rights entitling to shares.

On May 11, 2012 EB announced to have signed committed credit facility agreements with Nordea Bank Finland plc. According to the agreements, the EUR 10 million credit facility agreement, valid until June 30, 2012, was extended and, in addition, a new EUR 10 million revolving credit facility agreement was signed. These facilities, intended for general financing purposes, are valid until June 30, 2014.

On June 21, 2012 EB lowered its operating result guidance for the first half of 2012 and gave more precise guidance for the whole year 2012 so that EB expected the operating result of the second quarter of 2012 to stay below the level of the first quarter 2012 (EUR 0.9 million, 1Q 2012), and that EB expected for the first half of 2012 that net sales will grow clearly from the previous year (EUR 76.1 million in 1H 2011), and the operating result will be close to zero level (operating loss of EUR - 4.4 million, 1H 2011). EB announced that due to the lowered operating result outlook for the first half of 2012 also the outlook for the whole year 2012 was lowered, however, EB still expects for the year 2012, that the net sales and operating result will grow clearly from the previous year (net sales of EUR 162.2 million, and operating loss of EUR -4.0 million in 2011). The reason for the changed operating result outlook was, that the company booked a provision of EUR 0.8 million due to the estimated costs related to collecting the receivables from TerreStar Companies, and in addition, it became obvious, that the operating profit in both Automotive and Wireless Business Segments during the second quarter of 2012 will remain somewhat lower than planned mainly due to the higher than estimated project costs. Regarding the company's net sales, the outlook was not changed.

On August 28, 2012 U.S. time, Elektrobit Inc., a subsidiary of Elektrobit Corporation, received based on a settlement, a cash payment of USD 13.5 million (EUR 10.8 million) in full and final satisfaction of its claim against TerreStar Corporation and in resolution of all disputes between EB and other parties in the TerreStar Corporation Chapter 11 reorganization cases under United States Bankruptcy Code. On August 24, 2012 U.S. time, the United States Bankruptcy Court formally approved TerreStar Corporation's motion for final settlement with Elektrobit Inc. (a subsidiary of Elektrobit Corporation) and TerreStar Corporation and certain of its preferred shareholders entered into between the parties on August 8, 2012. The settlement does not include the TerreStar Networks Chapter 11 cases, which remain pending, and does not include any distribution therefrom that may be available for EB.



The settlement payment in the TerreStar Corporation Chapter 11 cases resulted a non-recurring positive effect of approximately USD 1.6 million (EUR 1.2 million) to EB's operating result, and a non-recurring positive effect of USD 13.5 million (EUR 10.8 million) to EB's cash flow in the third quarter of this year.

BUSINESS SEGMENTS' DEVELOPMENT DURING JULY-SEPTEMBER 2012 AND MARKET OUTLOOK

(Corresponding figures are for July-September 2011 unless otherwise indicated)

EB's reporting is based on two segments which are the Automotive and Wireless Business Segments.

AUTOMOTIVE

In Automotive Business Segment EB offers software products and R&D services for carmakers, car electronics suppliers and for other suppliers to the automotive industry. The offering includes in-car infotainment solutions, such as navigation and human machine interfaces (HMI), as well as software for electronic control units (ECU) and driver assistance. By combining its software products and R&D services, EB is creating unique, customized solutions for the automotive industry.

EB and AUDI's subsidiary, Audi Electronics Venture GmbH (AEV), have the joint venture e.solutions GmbH that is currently developing infotainment software for VW Group's car models. EB owns 51% of e.solutions GmbH and AEV 49%. Since 2009 e.solutions has been included as subsidiary in Elektrobit Corporation's consolidated financial statements. The joint venture has more than 100 employees, and its head office is in Ingolstadt, Germany. EB also provides products and R&D services to the joint venture.

During the third quarter of 2012 the net sales of the Automotive Business Segment amounted to EUR 30.2 million (EUR 23.9 million), representing a growth of 26.5 % year-on-year. The operating profit was EUR 0.2 million (operating loss of EUR -1.4 million).

EB's automotive business continued to grow in the infotainment, driver assistance and ECU (Electronic Control Unit) software markets. e.solutions GmbH progressed well and according to its targets in developing high-end infotainment system.

Automotive Market Outlook

The demand for EB's products and services is estimated to develop positively year-on-year during 2012 in Automotive Business Segment. In the labor market, particularly in Germany, the



competition of talented engineers has continued to be tight and is slightly slowing down the growth of personnel and thereby the growth of the services business.

The move to greater electronic content in cars has been underway for several years and has been responsible for such major innovations as security systems, anti-lock brakes, engine control units, driver assistance, and infotainment. These features have become so enormously popular that they are now widely available, in both low-end and high-end vehicles, demonstrating that consumers are willing to pay for technology that enhances their driving experience. As a result from this and the reduced costs as production volumes ramp up, carmakers have been steadily integrating more electronic components into vehicles. A Roland Berger study estimates the share of electronics in cars will grow from 23 per cent in 2010 to 33 per cent until 2020.

The increasingly sophisticated and networked features and growing performance foster the complexity of automotive electronics. At the same time consumers expect the same richness of features and user experience they know from the internet and mobile devices also within the car. These development trends are driving the industry towards gradual separation of software and hardware in electronics solutions in order to manage the architectural software layer appropriately and to aim for efficiency in innovation and implementation. The use of standard software solutions is expected to increase in the automotive industry. This enables faster innovation, improves quality and development efficiency and reduces complexity related to deployment of software.

The fundamental industry migration and consequent growth of the automotive software market will continue. Cost pressures of the automotive industry are expected to accelerate the need for productized and efficient software solutions EB is offering. The estimated annual automotive software market growth rate until 2019 is expected to exceed the growth rate of passenger car production volume that is estimated to be 5.5% CAGR (LMC Automotive's Q4 2012 Forecast).

Uncertainty regarding the development of the global automotive market in 2013 has increased during the last months. If the prevailing economic uncertainty and consequent to that, the weakening of the new car sales market continue, the carmakers' cost adjustment activities will also concern their R&D investments in 2013. However, the carmakers will continue to invest in automotive software for new car models but the market growth rate in 2013 may be less than in the previous year.

EB's net sales cumulating from the automotive industry is currently primarily driven by the development of software and software platforms for new cars and by sales of software licenses needed in product development. Hence the dependency of EB's net sales on car production volumes is currently limited; however, the direct dependency on production volumes is expected to increase as a result of the EB's transition towards software product business models over the forthcoming years.

WIRELESS



The Wireless Business Segment offers development services and customized solutions for wireless communications markets, radio channel emulator products for industries and authorities utilizing wireless technologies, and products and product platforms for defence and public safety markets.

Net sales of the Wireless Business Segment during the third quarter of 2012 grew 29.2 % year-on-year to EUR 16.8 million (EUR 13.0 million). The net sales grew especially in the mobile infrastructure markets, in the test tool markets and in the public authorities markets.

Operating profit was EUR 1.9 million (operating loss of EUR -1.7 million), including non-recurring income of EUR 1.2 million resulting from the settlement payment in TerreStar Corporation's reorganization cases. Wireless Business Segment's operating profit without this non-recurring income was EUR 0.6 million (operating loss of EUR -1.4 million without non-recurring items related to reorganization cases of TerreStar companies).

EB continued its R&D investments in radio channel emulation products and in products and product platforms targeted for the defence and public safety markets. Complementing its radio channel emulator product family, EB announced the new EB Prosim FS8, a compact sized radio channel emulator for 4G LTE product developers and mobile network operators.

Wireless Market Outlook

Compared to the previous year, the demand for EB's products and services is estimated to grow year-on-year during 2012 in the Wireless Business Segment.

In the mobile infrastructure market the use of LTE standard, which improves the performance of mobile networks, is expected to continue to gain strength. EB's business driven by LTE is expected to increase. Mastering of multi-radio technologies and end-to-end system architectures covering both terminals and networks has gained importance in the complex wireless technology industry. Fast implementation of LTE technology and wide radio spectrum bandwidth needed have increased the demand for EB's service business, and the demand is expected to stay at the current level.

The demand in the smart phone services R&D market remains low. Changes in the business ecosystem of smart phone manufacturers have led to a shift in demand towards device platform development for chipset manufacturers. Companies outside traditional wireless markets have a growing interest towards connectivity solutions creating value for their own products, which creates demand for EB's R&D services.

The market for communications, jamming and intelligence solutions targeted for defence and public safety is estimated to remain stable. EB's competence and long experience in software radio based solutions is expected to bring new business opportunities. The trend of adopting new commercial technologies, such as LTE and smart phone related software applications, is expected to continue



in special verticals such as public safety. The networks used by public authorities often utilize dedicated spectrum blocks outside the commercial frequency bands, which generates the need for special user terminal variants for these networks. In the mobile satellite communication industry the demand for terminals for new data and mobile communications services is expected to slowly increase during the next few years.

LTE technology is based on multi-antenna technologies which create demand for advanced radio channel emulation tools when introducing LTE technologies. The growth of demand in the test tool market is shifting from the performance testing of LTE base stations to LTE terminals, where increasingly the over-the-air (OTA) technology will be widely used. EB provides world leading radio channel emulation tools for the development of MIMO based LTE, LTE-Advanced and other advanced radio technologies.

RESEARCH AND DEVELOPMENT

EB continued its investments in R&D in the automotive software products and tools in Automotive Business Segment, and in radio channel emulation products and products and product platforms for the defence and public safety markets in Wireless Business Segment.

The total R&D investments during January-September 2012 were EUR 18.2 million (EUR 18.0 million, 1-9 2011), equaling 12.6% of the net sales (15.9%, 1-9 2011). The share of R&D investments in Automotive Business Segment was EUR 13.4 million (EUR 13.3 million, 1-9 2011) and in Wireless Business Segment EUR 4.8 million (EUR 4.7 million, 1-9 2011).

EUR 2.9 million of R&D investments of the reporting period were capitalized (EUR 4.9 million, 1-9 2011). Depreciations of R&D investments were EUR 0.7 million during the reporting period (EUR 1.3 million, 1-9 2011). The amount of capitalized R&D investments at the end of September 2012 was EUR 13.7 million. A significant part of these capitalizations is related to customer agreements of Automotive Business Segment, where future license fees, based on the actual car delivery volumes, are expected to accumulate in the coming years.

OUTLOOK FOR 2012

Compared to the previous year, the demand for EB's products and services is estimated to grow year-on-year during 2012 in both Automotive and Wireless Business Segments. Carmakers continue to invest in software for new car models and the market for automotive software products and services is estimated to continue growing. In Wireless Business Segment the demand growth will be driven by especially the increasing use of the LTE technology that increases the performance of mobile networks, and the authorities' needs for new communication solutions that use commercial technologies of smart phones and mobile networks.



EB expects for the year 2012 that net sales and operating result will grow clearly from the previous year (net sales of EUR 162.2 million, and operating loss of EUR -4.0 million in 2011). For the second half of 2012 EB expects that the net sales will grow clearly (EUR 86.1 million in 2H 2011) and operating result to be clearly positive (EUR 0.4 million in 2H 2011). Due to the seasonal nature of the EB's business and due to the holiday period during the third quarter, the net sales and operating result without non-recurring items in the fourth quarter are expected to be higher than in the third quarter of 2012 (net sales EUR 47.0 million, operating profit without non-recurring items EUR 0.8 million, 3Q 2012).

More specific market outlook is presented under the "Business Segments' development during July – September 2012 and Market Outlook" section.

The profit outlook for the year 2012 does not include possible non-recurring income or costs related to the reorganization cases of TerreStar Networks Inc. More information about the reorganization cases of TerreStar Networks and the amount of the receivables and collecting the receivables as well as other uncertainties regarding the outlook is presented under "Risks and Uncertainties" section.

In addition, more information on TerreStar Networks Inc.'s and its parent company TerreStar Corporation's reorganization cases are presented in the October 20 and 25, November 20 and December 30, 2010, February 17, 2011, November 18, 2011, June 21, 2012, August 3, 2012, August 24, 2012 and August 28, 2012 stock exchange releases as well as in EB's interim reports and financial statements at www.elektrobit.com.

RISKS AND UNCERTAINTIES

EB has identified a number of business, market and finance related risk factors and uncertainties that can affect the level of sales and profits.

Market risks

On the ongoing financial period the global economic uncertainty may affect the demand for EB's services, solutions and products and provide pressure on e.g. pricing. On a short term it may affect, in particular, the utilization and chargeability levels and average hourly prices of R&D services.

As EB's customer base consists mainly of companies operating in the fields of automotive and telecommunications and defense and public safety authorities, the company is exposed to market changes in these industries. EB believes that expanding the customer base will reduce dependence on individual companies and that the company will thereby be mainly affected by the general business climate in automotive and telecommunication industries. The more specific



market outlook is presented under the “Business Segments’ Development during the Third Quarter 2012 and Market Outlook” section.

Business related risks

EB’s operative business risks are mainly related to following items: uncertainties and short visibility on customers’ product program decisions, their make or buy decisions and on the other hand, their decisions to continue, downsize or terminate current product programs, execution and management of large customer projects, ramping up and down project resources, availability of personnel in labour markets (in particular in Germany), timing and on the other hand successful utilization of the most important technologies and components, competitive situation and potential delays in the markets, timely closing of customer and supplier contracts with reasonable commercial terms, delays in R&D projects, realization of expected return on capitalized R&D investments, obsolescence of inventories and technology risks in product development causing higher than planned R&D costs. Revenues expected to come from either existing or new products and customers include normal timing risks. EB has certain significant customer projects and deviation in their expected continuation could result also significant deviations in the Company’s outlook. In addition there are typical industry warranty and liability risks involved in selling EB’s services, solutions and products.

Product delivery business model includes such risks as high dependency on actual product volumes and development of the cost of materials. The above-mentioned risks may manifest themselves as lower amounts product delivery or higher cost of production, and ultimately, as lower profit.

Some of EB’s businesses operate in the industries that are heavily patented and therefore include risks related to management of intellectual property rights, on the one hand related to accessibility on commercially acceptable terms of certain technologies in the EB’s products and services, and on the other hand related to an ability to protect technologies, which EB develops or licenses from others, from claims that third parties’ intellectual property rights are infringed. Also parties outside of the industries operate actively in order to protect and commercialize their patents and therefore in their part increase the risks related to the management of intellectual property rights. At worst, claims that third parties’ intellectual property rights are infringed, could lead to substantial liabilities for damages. Also EB has been formally requested by one of its customer for indemnification that is unspecified both in terms of the grounds and the amount. While the analysis of the situation is pending, based on preliminary information available it does not seem likely that the claim would result to a significant liability on a short term. It is possible that based on later information, the above views may need to be reconsidered.

Financing risks



Global economic uncertainty may lead to payment delays and increase the risk for credit losses and on the other hand weaken the availability and terms of financing. To fund its operations, EB relies mainly on income from its operative business and may from time to time seek additional financing from selected financial institutions. Currently EB has a committed overdraft credit facility agreement of EUR 10 million and committed revolving credit facility agreement of EUR 10 million, valid until June 30, 2014. These agreements include financial covenants related to group's equity ratio and earnings before interests and taxes (EBITDA), to be reviewed semiannually. There is no assurance that additional financing will not be needed in case of clearly weaker than expected development of the EB's businesses.

Some parts of EB's business are more sensitive to customer dependency than others. Respectively, this may translate as accumulation of risk with respect to outstanding receivables and ultimately with respect to credit losses. EB has claimed its receivables in the amount of approximately USD 25.8 million (EUR 20.2 million as per exchange rate of November 5, 2012), in the Chapter 11 cases of its customers, both TerreStar Networks Inc. and its parent company TerreStar Corporation. In addition to the booked receivables, EB has also claimed additional costs in the amount of approximately USD 2.1 million (EUR 1.7 million as per exchange rate of November 5, 2012) and resulting mainly from the ramp down of the business operations between the parties. Thus, EB has asserted claims against each of the TerreStar entities in amounts totaling USD 27.9 million (EUR 21.9 million as per exchange rate of November 5, 2012). Due to uncertainties related to the accounts receivable, EB booked an impairment of the accounts receivable in the amount of EUR 8.3 million during the second half of 2010.

On October 19, 2010, TerreStar Networks and certain other affiliates of TerreStar Corporation and on February 16, 2011, the parent company TerreStar Corporation filed voluntary petitions for reorganization under Chapter 11 of the United States Bankruptcy Code to strengthen their financial position. Generally in a Chapter 11 case, any distribution of cash or other assets by a debtor to satisfy pre-bankruptcy claims of its creditors must be made under a Chapter 11 plan of reorganization or liquidation, or otherwise pursuant to an order of the bankruptcy court. Such plans must be approved by the United States Bankruptcy Court and (with limited exceptions) an affirmative vote of all classes of creditors whose claims will not be paid fully and immediately after the plan is approved by the court and becomes effective by its terms. Recoveries by holders of claims against TerreStar Networks and TerreStar Corporation have been or are to be funded by separate pools or streams of assets.

Following the sale of substantially all assets of TerreStar Networks' assets to Gamma Acquisition L.L.C., an acquisition subsidiary formed by Dish Network Corporation for about USD 1.375 billion, Terre Star Networks confirmed a plan of liquidation, which became effective on March 29, 2012. On that date, EB received a USD 650,890 distribution on the priority portion of its claim from TerreStar Networks. Based upon information contained in the debtors' disclosure statement accompanying the plan, the reorganized debtors' first post-confirmation status report, or otherwise available to EB, EB estimates that its pro rata total distribution under the plan may be in the range



of 8-10% of the face amount of its claim. However, this estimate is subject to various assumptions, and therefore the amount and timing of EB's distribution on the remaining portion of its claim cannot be predicted with certainty at this time.

As part of the Chapter 11 process, debtors often seek to recover payments previously made to creditors pursuant to various provisions of the Bankruptcy Code. While EB received certain payments that total approximately USD 2.5 million during the 90 days prior to TerreStar Networks' bankruptcy filing, and the liquidating trustee (the "Liquidating Trustee") of The TerreStar Networks Inc. Liquidating Trust (the trust having been formed in connection with confirmation of the Chapter 11 plan of TerreStar Networks) contemplates commencing actions against certain defendants, including EB, to recover such allegedly preferential transfers, EB believes that it has strong defenses to any such litigation. Therefore, if the Liquidating Trustee commences litigation to recover such payments from EB, it will be vigorously contested. EB entered into a 90-day tolling agreement with the Liquidating Trustee, extending the two-year avoidance action statute of limitations from October 19, 2012 through and including January 17, 2013, with a view to determining whether the parties may be able to reach a consensual resolution of these matters without incurring the cost and expense of litigation.

Further, as part of the process of reconciling accounts in preparation for making distributions under a plan, Chapter 11 debtors often challenge the amount or validity of some creditor claims. To date neither TerreStar Networks nor the Liquidating Trustee has asserted an objection to the amount or validity of EB's claims in its bankruptcy proceeding, but EB expects to provide the Liquidating Trustee with additional information and documents in support of certain elements of its claim that were filed in estimated or unliquidated amounts as part of the claims reconciliation process. If the Liquidating Trustee were to commence an action against EB to recover allegedly preferential transfers, EB anticipates that the trustee would seek to delay any distribution to EB on its claim pending resolution of the preference litigation and repayment by EB of any adverse judgment. The likelihood and outcome of any such dispute cannot be predicted with certainty at this time.

Pursuant to an order of the bankruptcy court dated August 24, 2012, Elektrobit Inc., a subsidiary of EB, and TerreStar Corporation and certain of its preferred shareholders, entered into a full and final settlement of various disputes that had arisen between them in the TerreStar Corporation reorganization cases. Pursuant to this settlement, on August 28, 2012 TerreStar Corporation made a cash payment to Elektrobit Inc. of USD 13.5 million in full and final satisfaction of EB's claim against that entity. The settlement did not include the TerreStar Networks Chapter 11 cases, which remain pending, and did not include any distribution therefrom that may be available for EB. On October 24, 2012, the bankruptcy court entered an order approving a plan of reorganization for TerreStar Corporation and various affiliates (not including TerreStar Networks) which contains a provision specifically preserving the rights of EB and all other parties in interest with respect to EB's claim against TerreStar Networks.



Based on EB's current understanding, there is no reason to believe that EB would not be able to collect from the bankruptcy estate of TerreStar Networks the full amount of the pro rata distribution on its general unsecured claim in due course. It is possible that based on later information related to the TerreStar Networks' Chapter 11 cases, the above views may need to be reconsidered. Should the amount of the pro rata distribution on EB's general unsecured claim not be collected from the bankruptcy estate of TerreStar Networks, and should the Liquidating Trustee commence litigation resulting an order for EB to repay certain allegedly preferential transfers, costs related to the process would additionally lower EB's operating result on a non-recurring basis by approximately EUR 2.3 million, at maximum (USD-nominated items as per exchange rate of November 5, 2012).

More information on the risks and uncertainties affecting EB can be found on the Company's website at www.elektrobit.com.

STATEMENT OF FINANCIAL POSITION AND FINANCING

The figures presented in the statement of financial position of September 30, 2012, are compared with the statement of the financial position of December 31, 2011 (MEUR).

	9/2012	12/2011
Non-current assets	47.1	44.1
Current assets	96.3	71.0
Total assets	143.4	115.1
Share capital	12.9	12.9
Other equity	54.3	52.6
Non-controlling interests	2.0	1.5
Total shareholders' equity	69.2	67.0
Non-current liabilities	13.3	6.9
Current liabilities	60.8	41.3
Total shareholders' equity and liabilities	143.4	115.1

Net cash flow from operations during the period under review:

+ net profit +/- adjustment of accrual basis items	EUR +7.5 million
+/- change in net working capital	EUR -4.4 million
- interest, taxes and dividends	EUR -1.1 million
= cash generated from operations	EUR +2.1 million
- net cash used in investment activities	EUR -5.9 million
- net cash used in financing	EUR +12.2 million
= net change in cash and cash equivalents	EUR +8.4 million



The increase in the net working capital during the reporting period is resulting from EB's customer projects which have longer payment periods than earlier.

The amount of accounts and other receivables, booked in current receivables, was EUR 75.2 million (EUR 59.3 million on December 31, 2011). Accounts and other payables, booked in interest-free current liabilities, were EUR 47.8 million (EUR 36.3 million on December 31, 2011). The amount of non-depreciated consolidation goodwill at the end of the period under review was EUR 19.3 million (EUR 19.3 million on December 31, 2011).

The amount of gross investments in the period under review was EUR 8.7 million including R&D capitalizations of EUR 2.9 million. Net investments for the reporting period totaled EUR 8.4 million. The total amount of depreciation during the period under review was EUR 5.4 million, including EUR 0.8 million of depreciation owing to business acquisitions.

The amount of interest-bearing debt at the end of the reporting period was EUR 23.8 million. The distribution of net financing expenses on the income statement was as follows:

interest dividend and other financial income	EUR 0.0 million
interest expenses and other financial expenses	EUR -0.5 million
foreign exchange gains and losses	EUR 0.3 million

EB's equity ratio at the end of the period was 54.8% (62.8% on December 31, 2012). The decrease in equity ratio is mainly due to increase of interest bearing debts during the reporting period.

Cash and other liquid assets at the end of the reporting period were EUR 18.3 million (EUR 10.0 million on December 31, 2011). The increase in cash reserves is mainly consequent of USD 13.5 million payment from TerreStar Corporation and withdrawal of credit limits. EB has from Nordea Bank plc a committed credit facility agreement and a revolving credit facility agreement of altogether EUR 20 million, valid until June 30, 2014. EUR 16.1 million of these facilities was used at the end of the reporting period.

EB follows a hedging strategy, the objective of which is to ensure the margins of business operations in changing market circumstances by minimizing the influence of exchange rates. In accordance with the hedging strategy, the agreed customer commitments net cash flow of the currency in question is hedged. The net cash flow is determined on the basis of sales receivables, payables, the order book and the budgeted net currency cash flow. The hedged foreign currency exposure at the end of the review period was equivalent to EUR 2.5 million.



PERSONNEL

EB employed an average of 1679 people between January and September 2012. At the end of September, EB had 1738 employees (1607 at the end of 2011). A significant part of EB's personnel are R&D engineers.

FLAGGING NOTIFICATIONS

There were no changes in ownership during the period under review that would have caused flagging notifications which are obligations for disclosure in accordance with Chapter 2, section 9 of the Securities Market Act.

EVENTS AFTER THE REVIEW PERIOD

On October 26, 2012 EB announced that Elektrobit Automotive GmbH, a subsidiary of Elektrobit Corporation and Audi Electronics Venture GmbH (AEV), a subsidiary of AUDI AG, have decided to expand their joint venture activities from infotainment software to provide systems integration services to AUDI AG and other VW Group companies for their future connected infotainment solutions. To build the required engineering competences and capacity, the joint venture will establish a new site in Ulm, Germany and plans to hire up to 100 R&D engineers by end of 2013 leveraging the existing knowledge base and competency in systems integration and software development in Ulm area.

The expansion of the joint venture has no significant impact on the net sales, operating result and balance sheet of EB in 2012 and 2013, and thereby no material impact on EB's current financial outlook for 2012.

Oulu, November 6, 2012

EB, Elektrobit Corporation
The Board of Directors

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**EB, ELEKTROBIT CORPORATION,
CONDENSED FINANCIAL STATEMENTS AND NOTES JANUARY- SEPTEMBER 2012**

(unaudited)

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (MEUR)	1-9/2012	1-9/2011	1-12/2011
	9 months	9 months	12 months
NET SALES	143.6	113.1	162.2
Other operating income	2.0	2.0	2.8
Change in work in progress and finished goods	-0.1	0.4	0.0
Work performed by the undertaking for its own purpose and capitalized	0.2	0.1	0.4
Raw materials	-10.3	-8.6	-11.7
Personnel expenses	-78.6	-70.0	-95.2
Depreciation	-5.4	-7.0	-8.7
Other operating expenses	-48.9	-37.5	-53.8
OPERATING PROFIT (LOSS)	2.6	-7.5	-4.0
Financial income and expenses	-0.1	-0.7	-0.4
RESULT BEFORE TAXES	2.5	-8.2	-4.5
Income taxes	-0.5	-0.0	-0.6
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	2.0	-8.2	-5.1
Other comprehensive income:			
Exchange differences on translating foreign operations	0.0	-0.2	-0.2
Other comprehensive income for the period total	0.0	-0.2	-0.2
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2.0	-8.4	-5.2
Result for the period attributable to			
Equity holders of the parent	1.5	-8.4	-5.3
Non-controlling interests	0.5	0.1	0.2
Total comprehensive income attributable to			
Equity holders of the parent	1.5	-8.6	-5.5
Non-controlling interests	0.5	0.1	0.2
Earnings per share EUR continuing operations			
Basic earnings per share	0.01	-0.06	-0.04



Diluted earnings per share	0.01	-0.06	-0.04
Average number of shares, 1000 pcs	129 413	129 413	129 413
Average number of shares, diluted, 1000 pcs	130 232	130 088	130 051

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MEUR)	Sept. 30, 2012	Sept. 30, 2011	Dec. 31, 2011
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ASSETS

Non-current assets

Property, plant and equipment	9.8	8.4	9.0
Goodwill	19.3	19.2	19.3
Intangible assets	17.8	14.3	15.7
Other financial assets	0.1	0.1	0.1
Deferred tax assets	0.0	0.1	0.1
Non-current assets total	47.1	42.1	44.1

Current assets

Inventories	2.7	2.1	1.8
Trade and other receivables	75.2	54.7	59.3
Financial assets at fair value through profit or loss	0.1		
Cash and short term deposits	18.3	7.2	10.0
Current assets total	96.3	64.0	71.0
TOTAL ASSETS	143.4	106.1	115.1

EQUITY AND LIABILITIES

Equity attributable to equity holders of the parent

Share capital	12.9	12.9	12.9
Invested non-restricted equity fund	38.7	38.7	38.7
Translation difference	0.4	0.4	0.4
Retained earnings	15.1	10.2	13.4
Non-controlling interests	2.0	1.4	1.5
Total equity	69.2	63.6	67.0

Non-current liabilities

Deferred tax liabilities	0.8	1.1	1.0
Pension obligations	1.3	1.3	1.3
Provisions	0.4	0.6	0.5
Interest-bearing liabilities	10.8	4.3	4.0
Non-current liabilities total	13.3	7.3	6.9

Current liabilities

Trade and other payables	46.1	29.1	34.9
Financial liabilities at fair value through profit or loss		0.5	0.3
Provisions	1.7	0.7	1.0



Interest-bearing loans and borrowings	13.0	4.9	5.0
Current liabilities total	60.8	35.2	41.3
Total liabilities	74.2	42.5	48.1
TOTAL EQUITY AND LIABILITIES	143.4	106.1	115.1

**CONSOLIDATED STATEMENT OF CASH FLOWS
(MEUR)**

	1-9/2012	1-9/2011	1-12/2011
	9 months	9 months	12 months
CASH FLOW FROM OPERATING ACTIVITIES			
Result for the period	2.0	-8.2	-5.1
Adjustment of accrual basis items	5.6	4.8	7.1
Change in net working capital	-4.4	-1.4	0.6
Interest paid on operating activities	-0.8	-0.3	-0.4
Interest received from operating activities	0.0	0.2	0.3
Other financial income and expenses, net received	0.0	0.0	0.0
Income taxes paid	-0.4	3.1	2.6
NET CASH FROM OPERATING ACTIVITIES	2.1	-1.8	5.3
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of business unit, net of cash acquired		-0.8	-0.8
Purchase of property, plant and equipment	-1.9	-1.2	-1.9
Purchase of intangible assets	-4.3	-5.5	-8.5
Purchase of other investments		-0.0	-0.0
Sale of property, plant and equipment	0.3	0.1	0.1
Sale of intangible assets	0.0		0.1
Proceeds from sale of investments	0.0	0.0	0.0
NET CASH FROM INVESTING ACTIVITIES	-5.9	-7.4	-11.1
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowing	16.6	0.2	0.2
Repayment of borrowing	-2.2	-2.2	-2.2
Payment of finance liabilities	-2.1	-2.1	-2.8
NET CASH FROM FINANCING ACTIVITIES	12.2	-4.1	-4.7
NET CHANGE IN CASH AND CASH EQUIVALENTS	8.4	-13.3	-10.6
Cash and cash equivalents at beginning of period	10.0	20.5	20.5
Cash and cash equivalents at end of period	18.3	7.2	10.0

**CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY (MEUR)**



A = Share capital
 B = Invested non-restricted equity fund
 C = Retained earnings
 D = Non-controlling interests
 E = Total equity

	A	B	C	D	E
Equity on January 1, 2011	12.9	38.7	18.9	1.3	71.8
Share-related compensation			0.3		0.3
Total comprehensive income for the period			-8.6	0.1	8.4
Other items			0.0		0.0
Equity on September 30, 2011	12.9	38.7	10.6	1.4	63.6
Equity on January 1, 2012	12.9	38.7	13.9	1.5	67.0
Share-related compensation			0.3		0.3
Total comprehensive income for the period			1.5	0.5	2.0
Other items			-0.0		-0.0
Equity on September 30, 2012	12.9	38.7	15.6	2.0	69.2

NOTES TO THE INTERIM FINANCIAL REPORTING

Accounting principles for the interim financial reporting:

The same accounting policies and methods of computation are followed in the interim financial reporting as compared with annual financial statements.

Explanatory comments about the seasonality or cyclicity of reporting period operations:

The Company operates in business areas which are subject to seasonal fluctuations.

Payment of dividend:

The General Meeting held on March 26, 2012 decided in accordance with the proposal of the Board of Directors that no dividend shall be distributed.

SEGMENT INFORMATION (MEUR)

OPERATING SEGMENTS	1-9/2012 9 months	1-9/2011 9 months	1-12/2011 12 months
Automotive			
Net sales to external customers	85.9	70.2	98.3



Net sales to other segments	0.0	0.0	0.0
Net sales total	85.9	70.2	98.3
Operating profit (loss)	1.4	-1.3	0.8
Wireless			
Net sales to external customers	57.6	42.6	63.6
Net sales to other segments	0.2	0.3	0.4
Net sales total	57.9	42.9	63.9
Operating profit (loss)	1.3	-6.1	-4.7
OTHER ITEMS			
Other items			
Net sales to external customers	0.1	0.3	0.4
Operating profit (loss)	-0.1	-0.1	-0.1
Eliminations			
Net sales to other segments	-0.3	-0.3	-0.4
Operating profit (loss)	0.0	0.0	0.0
Group total			
Net sales to external customers	143.6	113.1	162.2
Operating profit (loss)	2.6	-7.5	-4.0
Net sales of geographical areas (MEUR)	1-9/2012	1-9/2011	1-12/2011
	9 months	9 months	12 months
Net sales			
Europe	109.4	87.6	123.5
Americas	24.3	15.6	23.2
Asia	9.8	10.0	15.5
Net sales total	143.6	113.1	162.2
Related party transactions:	1-9/2012	1-9/2011	1-12/2011



	9 months	9 months	12 months
Employee benefits for key management and stock option expenses total	1.0	1.2	1.6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY QUARTER (MEUR)	7-9/ 2012	4-6/ 2012	1-3/ 2012	10-12/ 2011	7-9/ 2011
	3 months	3 months	3 months	3 months	3 months

NET SALES	47.0	48.0	48.6	49.0	37.0
Other operating income	0.7	0.7	0.6	0.8	0.5
Change in work in progress and finished goods	0.1	0.1	-0.2	-0.3	0.1
Work performed by the undertaking for its own purpose and capitalized	0.2	0.0	0.0	0.4	0.0
Raw materials	-3.1	-4.0	-3.2	-3.1	-2.9
Personnel expenses	-25.6	-25.8	-27.1	-25.2	-22.5
Depreciation	-1.8	-1.9	-1.7	-1.8	-1.9
Other operating expenses	-15.4	-17.4	-16.1	-16.3	-13.4
OPERATING PROFIT (LOSS)	2.1	-0.4	0.9	3.5	-3.1
Financial income and expenses	-0.2	0.4	-0.4	0.3	0.0
RESULT BEFORE TAXES	1.9	0.1	0.5	3.8	-3.1
Income taxes	-0.1	-0.2	-0.1	-0.6	0.0
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	1.8	-0.1	0.3	3.2	-3.1
Other comprehensive income for the period total	-0.0	-0.0	0.0	0.0	-0.1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1.8	-0.2	0.3	3.2	-3.2

Result for the period attributable to:

Equity holders of the parent	1.6	-0.3	0.2	3.1	-3.1
Non-controlling interests	0.2	0.2	0.2	0.1	0.0

Total comprehensive income for the period attributable to:

Equity holders of the parent	1.6	-0.3	0.2	3.1	-3.2
Non-controlling interests	0.2	0.2	0.2	0.1	0.0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MEUR)	Sept. 30, 2012	June 30, 2012	March 31, 2012	Dec. 31, 2011	Sept. 30, 2011
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ASSETS

Non-current assets

Property, plant and equipment	9.8	9.7	9.3	9.0	8.4
Goodwill	19.3	19.3	19.3	19.3	19.2
Intangible assets	17.8	17.8	17.2	15.7	14.3
Other financial assets	0.1	0.1	0.1	0.1	0.1
Deferred tax assets	0.0	0.1	0.1	0.1	0.1
Non-current assets total	47.1	47.0	46.0	44.1	42.1
Current assets					
Inventories	2.7	2.5	2.0	1.8	2.1
Trade and other receivables	75.2	68.0	62.1	59.3	54.7
Financial assets at fair value through profit or loss	0.1		0.1		
Cash and short term deposits	18.3	8.6	7.3	10.0	7.2
Current assets total	96.3	79.1	71.4	71.0	64.0
TOTAL ASSETS	143.4	126.2	117.4	115.1	106.1

EQUITY AND LIABILITIES

Equity attributable to equity holders of the parent

Share capital	12.9	12.9	12.9	12.9	12.9
Invested non-restricted equity fund	38.7	38.7	38.7	38.7	38.7
Translation difference	0.4	0.4	0.5	0.4	0.4
Retained earnings	15.1	13.4	13.7	13.4	10.2
Non-controlling interests	2.0	1.8	1.7	1.5	1.4
Total equity	69.2	67.4	67.5	67.0	63.6

Non-current liabilities

Deferred tax liabilities	0.8	0.9	0.9	1.0	1.1
Pension obligations	1.3	1.3	1.3	1.3	1.3
Provisions	0.4	0.5	0.7	0.5	0.6
Interest-bearing liabilities	10.8	4.9	3.7	4.0	4.3
Non-current liabilities total	13.3	7.6	6.7	6.9	7.3

Current liabilities

Trade and other payables	46.1	40.3	35.5	34.9	29.1
Financial liabilities at fair value through profit or loss		0.1		0.3	0.5
Provisions	1.7	1.4	0.7	1.0	0.7
Interest-bearing loans and borrowings (non-current)	13.0	9.4	7.1	5.0	4.9
Current liabilities total	60.8	51.2	43.2	41.3	35.2
Total liabilities	74.2	58.8	49.9	48.1	42.5
TOTAL EQUITY AND LIABILITIES	143.4	126.2	117.4	115.1	106.1



CONSOLIDATED STATEMENT OF CASH FLOWS BY QUARTER	7-9/ 2012 3 months	4-6/ 2012 3 months	1-3/ 2012 3 months	10-12/ 2011 3 months	7-9/ 2011 3 months
Net cash from operating activities	2.1	0.8	-0.9	7.1	-6.6
Net cash from investing activities	-1.3	-2.1	-2.5	-3.7	-2.3
Net cash from financing activities	8.9	2.6	0.7	-0.6	-1.7
Net change in cash and cash equivalents	9.7	1.3	-2.7	2.7	-10.6

FINANCIAL PERFORMANCE RELATED RATIOS	1-9/2012 9 months	1-9/2011 9 months	1-12/2011 12 months
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STATEMENT OF COMPREHENSIVE INCOME (MEUR)

Net sales	143.6	113.1	162.2
Operating profit (loss)	2.6	-7.5	-4.0
Operating profit (loss), % of net sales	1.8	-6.7	-2.5
Result before taxes	2.5	-8.2	-4.5
Result before taxes, % of net sales	1.7	-7.3	-2.8
Result for the period	2.0	-8.2	-5.1

PROFITABILITY AND OTHER KEY FIGURES

Interest-bearing net liabilities, (MEUR)	5.5	1.9	-0.9
Net gearing, -%	7.9	3.0	-1.4
Equity ratio, %	54.8	63.6	62.8
Gross investments, (MEUR)	8.7	8.6	12.4
Average personnel during the period	1679	1540	1553
Personnel at the period end	1738	1560	1607

AMOUNT OF SHARE ISSUE ADJUSTMENT (1,000 pcs)	Sept. 30, 2012	Sept. 30, 2011	Dec. 31, 2011
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At the end of period	129 413	129 413	129 413
Average for the period	129 413	129 413	129 413
Average for the period diluted with stock options	130 232	130 088	130 051

STOCK-RELATED FINANCIAL RATIOS (EUR)	1-9/2012 9 months	1-9/2011 9 months	1-12/2011 12 months
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Basic earnings per share	0.01	-0.06	-0.04
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Diluted earnings per share	0.01	-0.06	-0.04
Equity *) per share	0.52	0.48	0.51

*) Equity attributable to equity holders of the parent

MARKET VALUES OF SHARES (EUR)	1-9/2012	1-9/2011	1-12/2011
	9 months	9 months	12 months
Highest	0.79	0.76	0.76
Lowest	0.38	0.44	0.36
Average	0.63	0.61	0.55
At the end of period	0.66	0.47	0.38
Market value of the stock, (MEUR)	85.4	60.8	49.2
Trading value of shares, (MEUR)	5.2	3.5	5.0
Number of shares traded, (1,000 pcs)	8 288	5 736	9 169
Related to average number of shares %	6.4	4.4	7.1

SECURITIES AND CONTINGENT LIABILITIES (MEUR)	Sept. 30, 2012	Sept. 30, 2011	Dec. 31, 2011
AGAINST OWN LIABILITIES			
Floating charges	18.1	11.4	11.4
Guarantees	23.8	21.1	22.7
Rental liabilities			
Falling due in the next year	6.9	6.2	6.9
Falling due after one year	16.8	13.5	17.9
Other contractual liabilities			
Falling due in the next year	1.6	2.6	2.5
Falling due after one year	0.0	1.8	
Mortgages are pledged for liabilities totaled	20.0	4.3	4.3

NOMINAL VALUE OF CURRENCY DERIVATIVES (MEUR)	Sept. 30, 2012	Sept. 30, 2011	Dec. 31, 2011
Foreign exchange forward contracts			
Market value	0.1	-0.4	-0.3
Nominal value	2.5	7.0	5.5

Purchased currency options



Market value	0.0	0.1
Nominal value	4.3	4.3
Sold currency options		
Market value	-0.2	-0.1
Nominal value	8.6	8.6