



STOCK EXCHANGE RELEASE

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EB, ELEKTROBIT CORPORATION, INTERIM REPORT, JANUARY-JUNE 2010

PROFITABILITY IMPROVED FROM LAST YEAR

SUMMARY 2Q 2010

- Net sales amounted to EUR 44.7 million (EUR 37.4 million, 2Q 2009), representing an increase of 19.6 per cent year-on-year.
- Operating profit was EUR 0.1 million (EUR -1.1 million, 2Q 2009).
- Operating cash flow was EUR -4.5 million (EUR -1.0 million, 2Q 2009). The net cash flow was EUR -7.1 million (EUR -2.5 million, 2Q 2009).
- Cash and other liquid assets totaled to EUR 60.0 million (EUR 60.3 million in 2Q 2009).
- Equity ratio remained strong and was 55.4% (69.2% in 2Q 2009). The decrease reflects the intended distribution of funds from the share premium fund of EUR 25.9 million which was recognized in 1Q.
- Earnings per share were EUR -0.01 (EUR -0.01, 2Q 2009).
- In June EB conducted personnel negotiations with the personnel working in Elektrobit Wireless Communications Ltd and Elektrobit Corporation in Finland. As a result of the negotiations it was decided to temporarily dismiss approximately 100 employees full or part time for maximum of 90 days starting in July - August. If necessary, EB can execute additional temporary dismissals at maximum of approximately 100 employees during autumn. In case the temporary dismissals are being executed in full, the estimated cost savings in the second half of 2010 will be approximately EUR 1.7 million.

SUMMARY 1H 2010

- Net sales amounted to EUR 86.2 million (EUR 80.2 million, 1H 2009), representing an increase of 7.5 per cent year-on-year.
- Operating profit improved to EUR 1.8 million (EUR -1.1 million, 1H 2009).
- EBITDA was EUR 6.1 million (EUR 4.0 million, 1H 2009).
- Operating cash flow was EUR 6.1 million (EUR -3.7 million, 1H 2009). Net cash flow was 0.9 million (EUR -8.3 million, 1H 2009).
- Earnings per share were EUR -0.01 (EUR -0.02, 1H 2009).
- The General Meeting held on March 25, 2010 decided that the shareholders will be distributed EUR 0.20 per share from the parent company's share premium fund, provided that the Company will receive consent for this from the Finnish National Board of Patents and Registration. EB's Board of Directors will decide on the record date and payment date of the distribution as soon as possible after the consent has been received, which is expected to take place in August 2010, at the earliest.



EB'S CEO JUKKA HARJU:

"EB's net sales and profitability during the first half of 2010 improved from last year as expected. The demand in the Automotive Business Segment increased clearly from last year as the industry recovered from last year's down turn. The net sales and profitability in the Wireless Business Segment remained at the level of last year. Our main objective for the second half of 2010 is to continue to improve the profitability and gradually increase R&D investments both in Automotive and Wireless Segments."

OUTLOOK FOR THE SECOND HALF OF 2010

Signs of market recovery have continued during the first half of 2010 in both generic economic environment, and within the EB's Automotive and Wireless Business Segments. However, economic uncertainties and challenges in obtaining funding have increased the risk of credit losses and may affect the demand for the EB's services, solutions and products. This may also reflect to the net sales and result of the second half of 2010. More specific market outlook is presented under the "Business Segments' development during the second quarter 2010 and market outlook" section, and uncertainties regarding the outlook under the "Risks and uncertainties" section.

Our main focus for the second half of 2010 is to improve the profitability further.

EB expects that the net sales of the second half of 2010 is higher than in the second half of 2009 (EUR 73.6 million). The operating profit of the second half of 2010 is expected to be at the level of or better than the operating profit of the second half of 2009 (EUR 0.0 million).

Due to the holiday period and the nature of R&D services business the third quarter of 2010 will be weaker than the latter part of the half.



INVITATION TO PRESS CONFERENCE

Concerning the interim report 2Q 2010 EB will hold a press conference for media, analysts and institutional investors in Finland, Oulu, Tutkijantie 8 in meeting room 2 on Friday, August 6, 2010 at 11.00 am (CEST+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 on joining the conference 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 2009 totaled MEUR 153.8. Elektrobit Corporation is listed on NASDAQ OMX Helsinki. www.elektrobit.com

**EB, ELEKTROBIT CORPORATION, INTERIM REPORT, JANUARY - JUNE 2010****FINANCIAL PERFORMANCE DURING JANUARY - JUNE 2010**

(Comparisons are given to January-June 2009, unless otherwise indicated)

EB's net sales during January - June 2010 increased by 7.5 per cent to EUR 86.2 million (EUR 80.2 million). Operating profit increased to EUR 1.8 million (EUR -1.1 million).

The Automotive Business Segment's net sales during January - June 2010 amounted to EUR 37.1 million (EUR 29.9 million) representing a growth of 24.3 per cent. The operating profit increased to EUR 0.7 million (EUR -3.1 million). The profitability improvement year-on-year is mainly due to the recovered market situation and the improved performance in our R&D service projects.

The Wireless Business Segment's net sales during January - June 2010 amounted to EUR 48.7 million (EUR 50.0 million), representing a decline of -2.7 per cent compared to January - June 2009. The operating profit was EUR 1.3 million (EUR 1.4 million).

The total R&D investments during the reporting period grew to EUR 10.1 million (EUR 6.9 million), equaling 11.7 per cent of the net sales (8.7 per cent).

CONSOLIDATED INCOME STATEMENT (MEUR)	1-6 2010	1-6 2009
	6 months	6 months
NET SALES	86.2	80.2
OPERATING PROFIT (LOSS)	1.8	-1.1
Financial income and expenses	-1.8	-0.5
RESULT BEFORE TAX	0.0	-1.6
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-1.2	-2.6
Profit after tax for the year from discontinued operations		
RESULT FOR THE PERIOD	-1.2	-2.6
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	0.6	-2.8
Result for the period attributable to:		
Equity holders of the parent	-1.5	-2.6
Minority interest	0.3	
Total comprehensive income for the period attributable to:		
Equity holder of the parent	0.3	-2.8
Minority interest	0.3	
Earnings per share EUR continuing operations	-0.01	-0.02
Earnings per share EUR discontinued operations		
Earnings per share EUR continuing and discontinued operations	-0.01	-0.02



- Cash flow from Business Operations amounted to EUR 6.1 million (EUR -3.7 million).
- Equity ratio was 55.4% (69.2%).
- Net gearing was -50.7% (-35.9%).

QUARTERLY FIGURES

The distribution of the Group's overall net sales and profit, MEUR:

	2Q 10	1Q 10	4Q 09	3Q 09	2Q 09
Net sales	44.7	41.5	40.1	33.5	37.4
Operating profit (loss)	0.1	1.7	0.5	-0.8	-1.1
Operating profit (loss) without non-recurring costs	0.1	1.7	0.8	-0.8	-0.4
Result before taxes	-0.7	0.7	0.1	-0.6	-0.7
Result for the period	-0.9	-0.3	-0.3	-0.5	-1.6

The distribution of the net sales by Business Segments, MEUR:

	2Q 10	1Q 10	4Q 09	3Q 09	2Q 09
Automotive	18.6	18.5	16.8	14.8	13.5
Wireless	25.9	22.8	23.0	18.6	23.7
Corporation total	44.7	41.5	40.1	33.5	37.4

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

	2Q 10	1Q 10	4Q 09	3Q 09	2Q 09
Asia	2.6	2.7	4.4	1.8	2.5
	5.9%	6.5%	11.0%	5.5%	6.8%
Americas	17.4	15.8	13.7	11.1	12.5
	39.0%	38.1%	34.2%	33.1%	33.5%
Europe	24.6	23.0	22.0	20.6	22.3
	55.2%	55.4%	54.8%	61.4%	59.7%



Net sales (external) and operating profit development by Business Segments and Other businesses, MEUR:

	2Q 10	1Q 10	4Q 09	3Q 09	2Q 09
Automotive					
Net sales	18.6	18.5	16.8	14.8	13.5
Operating profit (loss)	-0.2	0.9	0.3	-0.9	-2.5
Wireless					
Net sales	25.9	22.8	23.0	18.6	23.7
Operating profit (loss)	0.3	0.9	-0.3	-0.1	0.9
Other businesses					
Net sales	0.2	0.2	0.2	0.2	0.2
Operating profit (loss)	0.0	-0.1	0.5	0.2	0.4
Total					
Net sales	44.7	41.5	40.1	33.5	37.4
Operating profit (loss)	0.1	1.7	0.5	-0.8	-1.1

BUSINESS SEGMENTS' DEVELOPMENT DURING THE SECOND QUARTER 2010 AND MARKET OUTLOOK

EB's reporting is based on the Automotive and Wireless Business Segments.

AUTOMOTIVE

The Automotive Business Segment consists of in-car software products, navigation software for after market devices and development services for the automotive industry with leading car manufacturers, car electronics suppliers and automotive chipset suppliers as customers. By combining its software products and R&D services EB is creating unique, customized solutions for its automotive customers.

During the second quarter of 2010, the Automotive Business Segment's net sales amounted to EUR 18.6 million (EUR 13.5 million, 2Q 2009) representing a growth of 38.1 per cent year-on-year. The operating loss reduced to EUR -0.2 million (EUR -2.5 million, 2Q 2009). The profitability improvement year-on-year is mainly due to the recovered market situation and the improved performance in our R&D service projects.

During the second quarter of 2010 the demand for Automotive products and services improved year-on-year and the market recovery continued. EB continued to investigate the possibility to expand its business to driver assistance applications. In May EB introduced the EB Assist ADTF, a driver assistant development environment that significantly accelerates the software development process of driver assistance systems.



In the Industry Premium Conference held in Germany in June EB told that it will bring to market the Infotainment Software Suite developed by e.solutions (EB & Audi Joint Venture) as a pre-integrated, cost-efficient, and highly customizable software solution to its customers. Volkswagen Group has announced earlier that they will use the Infotainment Software Suite as their next generation high-end infotainment platform.

Automotive Market Outlook

The majority of the innovation and differentiation in the automotive industry is brought about by software and electronics. The share of electronics and software in cars has grown significantly during the past years and it is expected that the trend of increased use of software in automotive continues to prevail in the market. The estimated annual automotive software market long-term growth rate of some 15 per cent (Frost & Sullivan) was recently negatively affected by the downturn of the automotive industry. However, during the last months the market has clearly improved and is expected to return to the level of the long-term growth.

In order to enable faster innovation, to improve quality and development efficiency and to reduce complexity related to software, the use of standard software solutions is expected to increase in the automotive industry.

The underlying growth of the automotive software market will continue and the cost pressures of the automotive industry are expected to accelerate the need of productized, efficient software solutions EB is offering.

EB's net sales cumulating from the automotive industry are currently primarily driven by the development of new cars and platforms and dependency on production volumes of the car industry is limited. However, over the years to come dependency on the production volumes is increasing as a result of the transition towards software product business models.



WIRELESS

The Wireless Business Segment comprises the following businesses:

- Wireless Solutions provides customized solutions and R&D services for wireless industry and other industries utilizing wireless technologies.
- Wireless Communications Tools provides test tools for measuring, modeling and emulating radio channel environments.

The Wireless Business Segment's net sales during the second quarter 2010 amounted to EUR 25.9 million (EUR 23.7 million, 2Q 2009), representing a growth of 9.1 per cent. Operating profit was EUR 0.3 million (EUR 0.9 million, 2Q 2009).

During the second quarter EB-designed TerreStar GENUS smartphone proceeded in the AT&T certification process. EB continued to strengthen its capabilities in emerging new technologies such as MeeGo and Android complementing its already strong competencies in Symbian and Windows Mobile. In June EB introduced new terminals as part of the EB Tough VoIP product family.

In June, the temporarily decreased order volumes led to personnel negotiations with the personnel working in Elektrobit Wireless Communications Ltd and Elektrobit Corporation in Finland. As a result of the negotiations it was decided to temporarily dismiss approximately 100 employees full or part time for maximum of 90 days starting in July - August. If necessary, EB can execute additional temporary dismissals at maximum of approximately 100 employees during autumn.

Wireless Communications Tools demand continued to be driven by the advanced development tools for 3GPP LTE technology.

Wireless Market Outlook

The global mobile device market volumes have grown as expected during the first half of 2010. The value share is expected to move towards higher-end due to the increased demand for new features and services. The global mobile infrastructure market is expected to be flat during 2010 and the consolidation of the industry may continue. The mobile satellite communication service industry is introducing new data and mobile communication services with new operators being formed and traditional ones upgrading their solutions and offerings.

The wireless communication R&D services market continues to be challenging and the continuing price pressure drives increasing off-shoring in the industry. However, OEMs are expected to increase their R&D flexibility that can create new opportunities for partnering for EB. New open software architectures and platforms are creating opportunities for companies such as EB with strong integration capabilities.



LTE standard continued gaining strength and EB's business driven by LTE is expected to increase.

Mastering of multi-radio technologies and end-to-end system architectures covering both terminal and network technologies, has gained importance in the complex wireless technology industry. The demand for EB's hybrid satellite-terrestrial device solutions is expected to continue. The satellite-terrestrial and Mobile Satellite Services (MSS) market demand is expected to start moving from the current reference design phase towards the launch of commercial products and services. This can create new service and product related business opportunities for EB.

The current economic downturn did not have a significant effect on the overall wireless communications tools market. Need for advanced development tools 3GPP LTE technology is expected to remain as a driver for the demand in the medium and long term. EB provides world leading channel emulation tools for the development of MIMO based 3GPP LTE and other advanced radio technologies.

RESEARCH AND DEVELOPMENT

EB continued its investments in R&D in the automotive software products and tools, in radio channel emulation products and in Wireless Solutions' product platforms.

The total R&D investments during the second quarter of 2010 were EUR 5.4 million (EUR 3.5 million, 2Q 2009), equaling 12.1 per cent of the net sales (9.4 per cent in 2Q 2009). EUR 1.0 million of R&D investments were capitalized.

OUTLOOK FOR THE SECOND HALF OF 2010

Signs of market recovery have continued during the first half of 2010 in both generic economic environment, and within the EB's Automotive and Wireless Business Segments. However, economic uncertainties and challenges in obtaining funding have increased the risk of credit losses and may affect the demand for the EB's services, solutions and products. This may also reflect to the net sales and result of the second half of 2010. More specific market outlook is presented under the "Business Segments' development during the second quarter 2010 and market outlook" section, and uncertainties regarding the outlook under the "Risks and uncertainties" section.

Our main focus for the second half of 2010 is to improve the profitability further.



EB expects that the net sales of the second half of 2010 is higher than in the second half of 2009 (EUR 73.6 million). The operating profit of the second half of 2010 is expected to be at the level of or better than the operating profit from business operations of the second half of 2009 (EUR 0.0 million).

Due to the holiday period and the nature of R&D services business the third quarter of 2010 will be weaker than the latter part of the half.

RISKS AND UNCERTAINTIES

EB has identified a number of business, market and finance related factors that can affect the level of sales and profits. Those of the greatest significance on a short term are those affecting the utilization and chargeability levels and average hourly prices of R&D services. On the ongoing financial period the global economic slowdown may affect the demand for the EB's services, solutions and products and provide pressure on e.g. volumes and pricing. It may also increase the risk for credit losses. Challenges in obtaining funding have also resulted payment delays by one of the EB's significant customers and increased the risk of credit losses. This risk may grow during the second half of 2010. EB has paid particular attention in order to secure and collect receivables. The receivables from the above mentioned customer are significant in amount. However, based on the current information available for EB, there is no reason to believe that EB would not be able to collect most of them. It is possible that based on later information, this view may need to be reconsidered. At the worst, challenges in obtaining funding may also result to the termination of significant business relations when a customer can not comply with its contractual obligations towards EB.

As the EB's customer base consists mainly of companies operating in the fields of automotive and telecommunications, 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. However, 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. The more specific market outlook is presented under the "Business Segments' development during the second quarter 2010 and market outlook" section.



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, ramping up and down project resources, 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, activations based on customer contracts, obsolescence of inventories and technology risks in product development causing higher than planned R&D costs. 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, development of the cost of materials and production yields. The abovementioned risks may manifest themselves as higher cost of product delivery, and ultimately, as lower profit. Revenues expected to come from new products for existing and new customers include normal timing risks.

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 June 30, 2010, are compared with the statement of financial position of December 31, 2009 (MEUR).

	6/2010	12/2009
Non-current assets	39.1	39.4
Current assets	128.0	120.8
Total assets	167.1	160.2
Share capital	12.9	12.9
Other equity	73.8	99.5
Minority interest	1.1	0.4
Total shareholders' equity	87.8	112.8
Non-current liabilities	12.8	15.0
Current liabilities	66.5	32.4
Total shareholders' equity and liabilities	167.1	160.2



Net cash flow from operations during the period under review:

<i>+ net profit +/- adjustment of accrual basis items</i>	<i>EUR +6.7 million</i>
<i>+ decrease in net working capital</i>	<i>EUR +3.1 million</i>
<i>- interest, taxes and dividends</i>	<i>EUR -3.7 million</i>
<i>= cash generated from operations</i>	<i>EUR +6.1 million</i>
<i>- net cash used in investment activities</i>	<i>EUR -2.4 million</i>
<i>- net cash used in financing</i>	<i>EUR -2.8 million</i>
<i>= net change in cash and cash equivalents</i>	<i>EUR +0.9 million</i>

The amount of accounts and other receivables, booked in current receivables, was EUR 65.6 million (EUR 59.3 million on December 31, 2009). Accounts and other payables, booked in interest-free current liabilities, were 61.6 million (EUR 27.5 million on December 31, 2009) including the intended distribution of funds from the share premium fund of EUR 25.9 million which was recognized in 1Q 2010.

The amount of non-depreciated consolidation goodwill at the end of the period under review was EUR 18.5 million (EUR 18.5 million on December 31, 2009).

The amount of gross investments in the period under review was EUR 4.2 million, consisting of replacement investments. Net investments for the reporting period totaled EUR 3.9 million. The total amount of depreciation during the period under review was EUR 4.3 million, including EUR 1.1 million of depreciation owing to business acquisitions.

The amount of interest-bearing debt at the end of the reporting period was EUR 15.5 million. The distribution of net financing expenses on the income statement was as follows:

interest, dividend and other financial income	EUR 0.3 million
interest expenses and other financial expenses	EUR -0.4 million
foreign exchange gains and losses	EUR -1.8 million

EB's equity ratio at the end of the period was 55.4 per cent (71.5 per cent at the end of 2009).

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 20.0 million.



PERSONNEL

EB employed an average of 1548 people between January and June 2010. At the end of June, EB had 1572 employees (1528 at the end of 2009). A significant part of EB's personnel are product development 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.

Oulu, August 6, 2010

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EB, ELEKTROBIT CORPORATION, CONDENSED FINANCIAL STATEMENTS AND NOTES
JANUARY- JUNE 2010

(unaudited)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (MEUR)	1-6/2010	1-6/2009	1-12/2009
	6 months	6 months	12 months
NET SALES	86.2	80.2	153.8
Other operating income	1.4	1.9	4.0
Change in work in progress and finished goods	0.0	-1.2	-0.9
Work performed by the undertaking for its own purpose and capitalized	0.1	0.4	0.4
Raw materials	-6.5	-3.7	-8.3
Personnel expenses	-49.1	-47.3	-90.9
Depreciation	-4.3	-5.1	-9.7
Other operating expenses	-26.1	-26.2	-49.8
OPERATING PROFIT (LOSS)	1.8	-1.1	-1.4
Financial income and expenses	-1.8	-0.5	-0.6
RESULT BEFORE TAXES	0.0	-1.6	-2.0
Income taxes	-1.3	-1.0	-1.3
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-1.2	-2.6	-3.3
Result after taxes for the period from discontinued Operations			1.3
RESULT FOR THE PERIOD	-1.2	-2.6	-2.0
Other comprehensive income:			
Exchange differences on translating foreign operations	1.9	-0.2	-0.3
Other comprehensive income for the period total	1.9	-0.2	-0.3
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	0.6	-2.8	-2.4
Result for the period attributable to			
Equity holders of the parent	-1.5	-2.6	-2.2
Minority interest	0.3		0.2
Total comprehensive income attributable to			
Equity holders of the parent	0.3	-2.8	-2.5
Minority interest	0.3		0.2



Earnings per share EUR continuing operations			
Basic earnings per share	-0.1	-0.02	-0.03
Diluted earnings per share	-0.1	-0.02	-0.03
Earnings per share EUR discontinued operations			
Basic earnings per share			0.01
Diluted earnings per share			0.01
Earnings per share EUR continuing and discontinued Operations			
Basic earnings per share	-0.01	-0.02	-0.02
Diluted earnings per share	-0.01	-0.02	-0.02
Average number of shares, 1000 pcs	129 413	129 413	129 413
Average number of shares, diluted, 1000 pcs	130 382	129 413	129 580
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MEUR)	June 30, 2010	June 30, 2009	Dec. 31, 2009
ASSETS			
Non-current assets			
Property, plant and equipment	10.8	13.9	11.4
Goodwill	18.5	18.5	18.5
Intangible assets	9.1	9.2	8.7
Other financial assets	0.1	0.4	0.3
Receivables	0.4	0.8	0.4
Deferred tax assets	0.1		0.1
Non-current assets total	39.1	42.7	39.4
Current assets			
Inventories	2.5	2.2	2.4
Trade and other receivables	65.6	60.4	59.3
Financial assets at fair value through profit or loss	45.5	0.2	40.2
Cash and short term deposits	14.4	60.3	18.8
Current assets total	128.0	123.2	120.8
TOTAL ASSETS	167.1	165.9	160.2
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	12.9	12.9	12.9
Share premium		64.6	64.6
Invested non-restricted equity fund	38.7		



Translation difference	1.7	-0.0	-0.1
Retained earnings	33.3	35.2	35.0
Minority interest	1.1		0.4
Total equity	87.8	112.7	112.8
Non-current liabilities			
Deferred tax liabilities	1.7	2.3	2.3
Provisions	0.6	1.7	0.9
Interest-bearing liabilities	10.5	13.6	11.8
Other liabilities		0.1	
Non-current liabilities total	12.8	17.6	15.0
Current liabilities			
Trade and other payables	59.3	26.3	24.4
Financial liabilities at fair value through profit or loss	0.0		0.4
Pension obligations	1.1	1.2	1.2
Provisions	1.1	1.9	1.5
Interest-bearing loans and borrowings	5.0	6.3	4.9
Current liabilities total	66.5	35.7	32.4
Total liabilities	79.3	53.3	47.3
TOTAL EQUITY AND LIABILITIES	167.1	165.9	160.2

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

	1-6/2010	1-6/2009	1-12/2009
	6 months	6 months	12 months
CASH FLOW FROM OPERATING ACTIVITIES			
Result for the period	-1.2	-2.6	-2.0
Adjustment of accrual basis items	7.9	6.2	7.7
Change in net working capital	3.1	-7.1	-3.8
Interest paid on operating activities	-2.5	-0.9	-2.0
Interest received from operating activities	0.3	1.2	1.6
Other financial income and expenses, net received	0.0	0.0	0.0
Income taxes paid	-1.5	-0.4	-1.1
NET CASH FROM OPERATING ACTIVITIES	6.1	-3.7	0.4
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of business unit, net of cash acquired	-0.2		-0.7
Disposal of business unit, net of cash acquired		-0.9	-0.6
Purchase of property, plant and equipment	-0.4	-1.0	-1.2
Purchase of intangible assets	-1.9	-0.4	-1.5
Purchase of other investments	-0.0	-0.0	-0.1
Sale of property, plant and equipment	0.1	0.1	0.3
Sale of intangible assets	0.0	0.1	0.1
Proceeds from sale of investments	0.2	0.0	0.2



NET CASH FROM INVESTING ACTIVITIES	-2.4	-2.1	-3.4
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowing		1.0	1.6
Repayment of borrowing	-1.2	-1.4	-3.9
Payment of finance liabilities	-1.7	-2.1	-4.1
NET CASH FROM FINANCING ACTIVITIES	-2.8	-2.5	-6.5
NET CHANGE IN CASH AND CASH EQUIVALENTS	0.9	-8.3	-9.5
Cash and cash equivalents at beginning of period	59.1	68.6	68.6
Cash and cash equivalents at end of period	60.0	60.3	59.1

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (MEUR)

A = Share capital
 B = Share premium
 C = Invested non-restricted equity fund
 D = Retained earnings
 E = Minority share
 F = Total equity

	A	B	C	D	E	F
Equity on January 1, 2009	12.9	64.6		37.6		115.1
Share-related compensation				0.1		0.1
Total comprehensive income for the period				-2.8		-2.8
Other items				0.3		0.3
Equity on June 30, 2009	12.9	64.6		35.1		112.7
Equity on January 1, 2010	12.9	64.6		34.9	0.4	112.8
Distribution of funds from the share premium fund		-25.9				-25.9
Transfer from the share premium fund		-38.7	38.7			0.0
Share-related compensation				0.3		0.3
Total comprehensive income for the period				0.3		0.3
Other items				-0.5	0.7	0.2
Equity on June 30, 2010	12.9	0.0	38.7	35.1	1.1	87.8



NOTES TO THE FINANCIAL STATEMENT BULLETIN

Accounting principles for the Interim Report:

The same accounting policies and methods of computation are followed in the interim report 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.

The nature and amount of items affecting assets, liabilities, equity, net income, or cash flows which are unusual because of their nature, size or incidence:

Distribution of funds from the share premium fund:

The General Meeting held on March 25, 2010 decided in accordance with the proposal of the Board of Directors that the shareholders will be distributed EUR 0.20 per share from the parent company's share premium fund, corresponding at the date of the General Meeting an aggregate amount of EUR 25,882,538 based on the number of shares, provided that the company will receive consent for this from the Finnish National Board of Patents and Registration. The resolution was booked in group in March 2010.

Transfer of the funds from the share premium fund to the invested non-restricted equity fund:

The General Meeting decided in accordance with the proposal of the Board of Directors that the share premium fund in the parent company's balance sheet as at 31 December 2009 will be decreased by transferring to the company's invested non-restricted equity fund all the funds remaining in the share premium fund after the distribution of the share premium fund, provided that the company will receive consent for the decrease from the Finnish National Board of Patents and Registration. The resolution was booked in group in March 2010.

Payment of dividend:

The General Meeting held on March 25, 2010 decided in accordance with the proposal of the Board of Directors that no dividend shall be distributed.



SEGMENT INFORMATION (MEUR)

OPERATING SEGMENTS	1-6/2010 6 months	1-6/2009 6 months	1-12/2009 12 months
Automotive			
Net sales to external customers	37.1	29.9	61.5
Net sales to other segments		0.0	0.0
Net sales total	37.1	29.9	61.5
Operating profit (loss)	0.7	-3.1	-3.8
Wireless			
Net sales to external customers	48.7	50.0	91.6
Net sales to other segments	0.0	0.2	0.2
Net sales total	48.7	50.2	91.8
Operating profit (loss)	1.3	1.4	1.0
OTHER ITEMS			
Other items			
Net sales to external customers	0.4	0.3	0.6
Operating profit (loss)	-0.1	0.6	1.3
Eliminations			
Net sales to other segments	-0.0	-0.2	-0.2
Operating profit (loss)	0.0	0.0	0.0
Group total			
Net sales to external customers	86.2	80.2	153.8
Operating profit (loss)	1.8	-1.1	-1.4



Net sales of geographical areas (MEUR)	1-6/2010	1-6/2009	1-12/2009
	3 months	6 months	12 months
Net sales			
Europe	47.6	48.9	91.4
Americas	33.2	24.4	49.2
Asia	5.3	6.9	13.2
Net sales total	86.2	80.2	153.8

Material events subsequent to the end of the interim period not reflected in the financial statements for the interim period:

There are no such material events subsequent to the end of the interim report period that have not been reflected in this report.

Related party transactions:	1-6/2010	1-6/2009	1-12/2009
Employee benefits for key management and stock option expenses total	1.0	1.4	2.2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME BY QUARTER (MEUR)	4-6/2010	1-3/2010	10-12/2009	7-9/2009	4-6/2009
	3 months	3 months	3 months	3 months	3 months
NET SALES	44.7	41.5	40.1	33.5	37.4
Other operating income	0.8	0.6	1.2	0.9	1.3
Change in work in progress and finished goods	-0.1	0.1	-0.1	0.4	-0.9
Work performed by the undertaking for its own purpose and capitalized	0.1	0.0	0.0	0.0	0.3
Raw materials	-3.2	-3.3	-2.5	-2.1	-1.5
Personnel expenses	-24.9	-24.2	-23.3	-20.3	-22.7
Depreciation	-2.2	-2.0	-2.2	-2.4	-2.4
Other operating expenses	-15.0	-11.1	-12.7	-10.8	-12.6
OPERATING PROFIT (LOSS)	0.1	1.7	0.5	-0.8	-1.1
Financial income and expenses	-0.8	-1.0	-0.3	0.2	0.5
RESULT BEFORE TAXES	-0.7	0.7	0.1	-0.6	-0.7
Income taxes	-0.2	-1.1	-0.4	0.1	-0.9
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-0.9	-0.3	-0.3	-0.5	-1.6
Result after taxes for the period					



from discontinued operations			1.0	0.3	
RESULT FOR THE PERIOD	-0.9	-0.3	0.7	-0.1	-1.6
Other comprehensive income					
for the period total	1.2	0.7	0.3	-0.4	-0.5
TOTAL COMPREHENSIVE					
INCOME FOR THE PERIOD	0.3	0.3	1.0	-0.5	-2.1

Result for the period attributable to:

Equity holders of the parent	-0.9	-0.6	0.6	-0.2	-1.6
Minority interest	0.0	0.3	0.1	0.0	

Total comprehensive income

for the period attributable to:

Equity holders of the parent	0.3	0.0	0.9	-0.6	-2.1
Minority interest	0.0	0.3	0.1	0.0	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (MEUR)	June 30, 2010	March 31, 2010	Dec. 31, 2009	Sept. 30, 2009	June 30, 2009
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ASSETS

Non-current assets

Property, plant and equipment	10.8	10.4	11.4	12.2	13.9
Goodwill	18.5	18.5	18.5	18.5	18.5
Intangible assets	9.1	8.8	8.7	8.8	9.2
Other financial assets	0.1	0.3	0.3	0.3	0.4
Receivables	0.4	0.4	0.4	0.8	0.8
Deferred tax assets	0.1	0.1	0.1	0.0	

Non-current assets total

39.1 38.5 39.4 40.7 42.7

Current assets

Inventories	2.5	2.4	2.4	2.6	2.2
Trade and other receivables	65.6	57.3	59.3	55.6	60.4
Financial assets at fair value					
through profit or loss	45.5	50.4	40.2	0.3	0.2
Cash and short term deposits	14.4	16.7	18.8	62.2	60.3

Current assets total

128.0 126.8 120.8 120.7 123.2

TOTAL ASSETS

167.1 165.3 160.2 161.4 165.9

EQUITY AND LIABILITIES

Equity attributable to equity holders

of the parent

Share capital	12.9	12.9	12.9	12.9	12.9
Share premium			64.6	64.6	64.6



Invested non-restricted equity fund	38.7	38.7			
Translation difference	1.7	0.5	-0.1	-0.4	-0.0
Retained earnings	33.3	34.5	35.0	35.1	35.2
Minority interest	1.1	0.7	0.4	0.0	
Total equity	87.8	87.4	112.8	112.2	112.7
Non-current liabilities					
Deferred tax liabilities	1.7	2.3	2.3	2.2	2.3
Provisions	0.6	0.8	0.9	1.3	1.7
Interest-bearing liabilities	10.5	10.4	11.8	12.5	13.6
Other liabilities			0.0	0.1	0.1
Non-current liabilities total	12.8	13.5	15.0	16.2	17.6
Current liabilities					
Trade and other payables	59.3	56.9	24.4	24.5	26.3
Financial liabilities at fair value through profit or loss	0.0	0.4	0.4		
Pension obligations	1.1	1.2	1.2	1.2	1.2
Provisions	1.1	1.2	1.5	1.9	1.9
Interest-bearing loans and Borrowings (non-current)	5.0	4.6	4.9	5.2	6.3
Current liabilities total	66.5	64.4	32.4	32.9	35.7
Total liabilities	79.3	77.9	47.3	49.1	53.3
TOTAL EQUITY AND LIABILITIES	167.1	165.3	160.2	161.4	165.9

CONSOLIDATED STATEMENT OF CASH FLOWS BY QUARTER	4-6/ 2010 3 months	1-3/ 2010 3 months	10-12/ 2009 3 months	7-9/ 2009 3 months	4-6/ 2009 3 months
Net cash from operating activities	-4.5	10.6	-0.5	4.6	-1.0
Net cash from investing activities	-1.4	-0.9	-0.7	-0.7	-0.7
Net cash from financing activities	-1.1	-1.7	-1.9	-2.1	-0.7
Net change in cash and cash equivalents	-7.1	8.0	-3.1	1.8	-2.5



FINANCIAL PERFORMANCE RELATED RATIOS	1-6/2010	1-6/2009	1-12/2009
	6 months	6 months	12 months
STATEMENT OF COMPREHENSIVE INCOME (MEUR)			
Net sales	86.2	80.2	153.8
Operating profit (loss)	1.8	-1.1	-1.4
Operating profit (loss), % of net sales	2.1	-1.4	-0.9
Result before taxes	0.0	-1.6	-2.0
Result before taxes, % of net sales	0.0	-2.0	-1.3
Result for the period	-1.2	-2.6	-3.3
PROFITABILITY AND OTHER KEY FIGURES			
Interest-bearing net liabilities, (MEUR)	-44.5	-40.5	-42.4
Net gearing, -%	-50.7	-35.9	-37.6
Equity ratio, %	55.4	69.2	71.5
Gross investments, (MEUR)	4.2	1.7	4.0
Average personnel during the period	1548	1636	1589
Personnel at the period end	1572	1606	1528
AMOUNT OF SHARE ISSUE ADJUSTMENT			
(1,000 pcs)	June 30,	June 30,	Dec. 31,
	2010	2009	2009
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	130 382	129 413	129 580
STOCK-RELATED FINANCIAL RATIOS (EUR)			
	1-6/2010	1-6/2009	1-12/2009
	6 months	6 months	12 months
Basic earnings per share	-0.01	-0.02	-0.03
Diluted earnings per share	-0.01	-0.02	-0.03
Equity *) per share	0.67	0.87	0.87

*) Equity attributable to equity holders of the parent



MARKET VALUES OF SHARES (EUR)	1-6/2010	1-6/2009	1-12/2009
Highest	1.25	0.65	1.40
Lowest	0.93	0.33	0.33
Average	1.09	0.48	0.62
At the end of period	0.96	0.59	0.94
Market value of the stock, (MEUR)	124.2	76.4	121.6
Trading value of shares, (MEUR)	8.2	5.2	11.1
Number of shares traded, (1,000 pcs)	7 575	10 711	17 822
Related to average number of shares %	5.9	8.3	13.8
SECURITIES AND CONTINGENT LIABILITIES (MEUR)	June 30, 2010	June 30, 2009	Dec. 31, 2009
AGAINST OWN LIABILITIES			
Floating charges	3.1	3.1	3.1
Pledges	0.8	0.2	1.0
Mortgages are pledged for liabilities totaled	7.5	9.3	8.6
AGAINST OTHER LIABILITIES			
Guarantees	2.4	2.8	3.8
Other liabilities			
OTHER DIRECT AND CONTINGENT LIABILITIES			
Rental liabilities			
Falling due in the next year	5.4	5.2	5.9
Falling due after one year	16.1	15.6	17.9
Other contractual liabilities			
Falling due in the next year	3.4	3.8	4.3
Falling due after one year	0.5	1.1	0.7



NOMINAL VALUE OF CURRENCY DERIVATIVES (MEUR)	June 30, 2010	June 30, 2009	Dec. 31, 2009
Foreign exchange forward contracts			
Market value	-0.0	0.1	-0.3
Nominal value	7.0	2.0	11.0
Purchased currency options			
Market value	0.4	0.3	0.1
Nominal value	13.0	8.5	11.5
Sold currency options			
Market value	-0.4	-0.2	-0.1
Nominal value	21.0	17.0	23.0