

# Financial statements 1-12/2006

14 February 2007

CEO Pekka Eloholma

# Forward-Looking Statements

Certain sections of this presentation contain forward-looking statements based on the Company's current expectations, estimates, projections and assumptions.

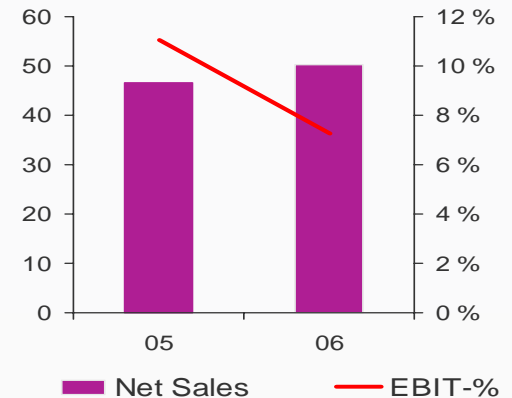
Words such as 'forecasts', 'estimates', 'expects', 'plans', and variations of these words and similar expressions are intended to identify forward-looking statements, which include, but are not limited to, AffectoGenimap's performance and profitability, market growth and industry developments.

These statements involve certain risks and uncertainties, which are difficult to predict, and therefore actual future results and trends may differ materially from what is forecast in forward-looking statements. AffectoGenimap undertakes to update such statements with respect to new information and future events only within the limits of its statutory obligation to disclose information.

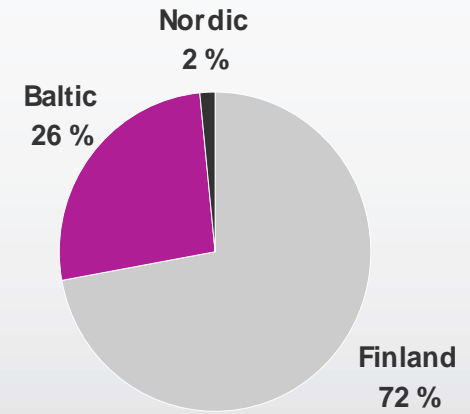
# AffectoGenimap in brief: a focused IT services provider

- Sales € 50.2 million in 2006
  - 750 employees
- Operations in Finland, Sweden and Baltic countries
- Business intelligence (BI)
- Operational solutions for selected needs
  - Geographic information system (GIS)
  - Document management (DM)
  - Development of demanding solutions for specific customer needs
  - In Baltics also services related to ERPs

Financial performance<sup>(1)</sup>



Sales 2006, €50.2 million



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# AffectoGenimap's strategy

## Business Intelligence

- Enhancing customer benefits from existing ERP systems
- Leading position in a fast growing business segment
- Deep business understanding and world-class technologies

## Operational solutions

- DM, GIS & operational applications
- Experience in system development and application integration
- Worldwide competence on selected industries (insurance)

## Baltic

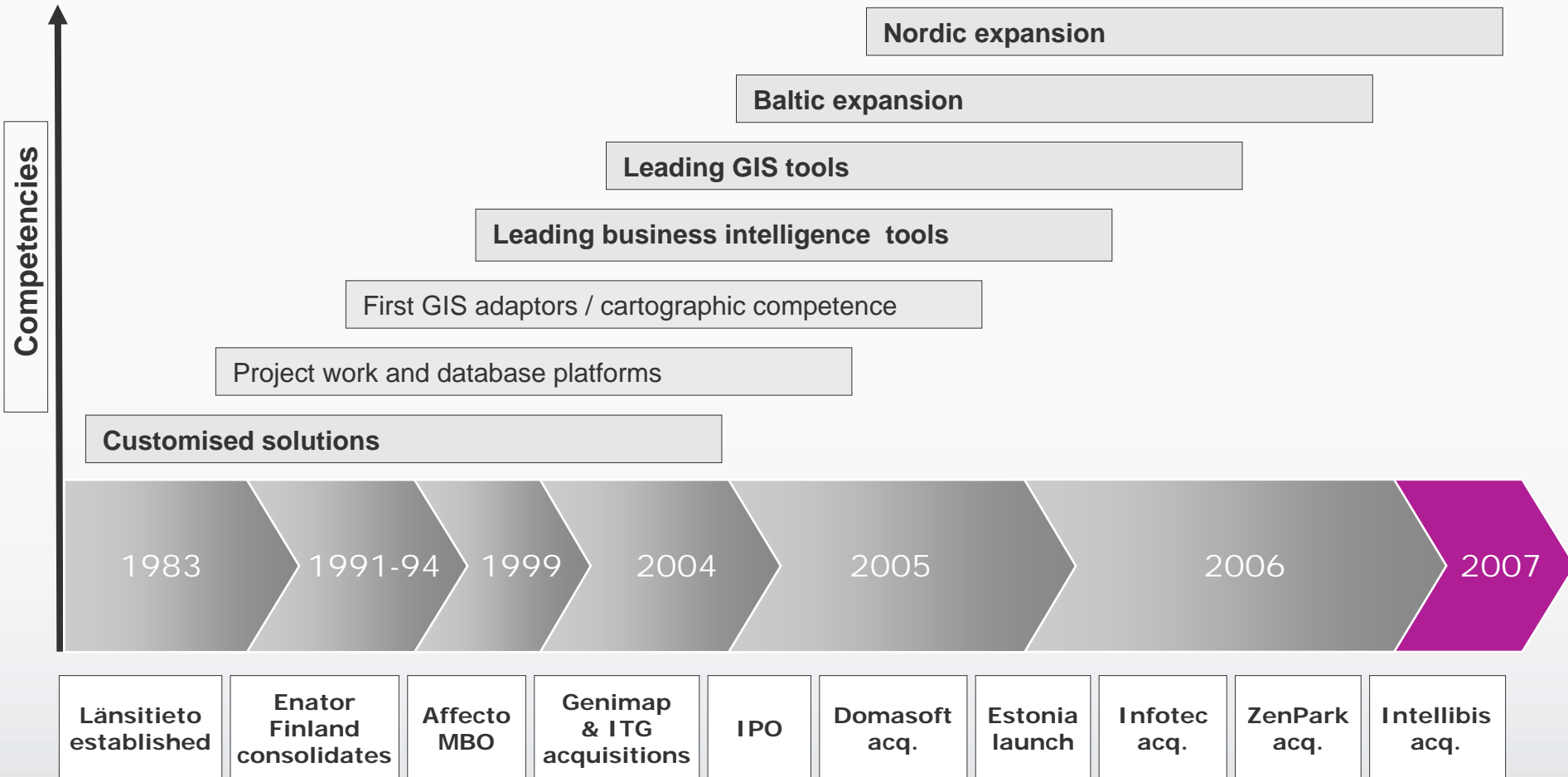
- Strong market growth in IT services
- Expanding to other CEE countries
- Nearshoring services for the Nordic region

## Employees

- Personal development
- Inspiring leadership
- Competitive incentive system

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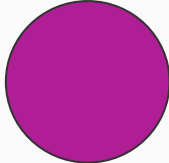
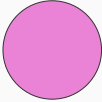
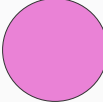



# Systematic development of competencies



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# Geographical Segments & Business Areas (After Intellibis, 2006 segments)

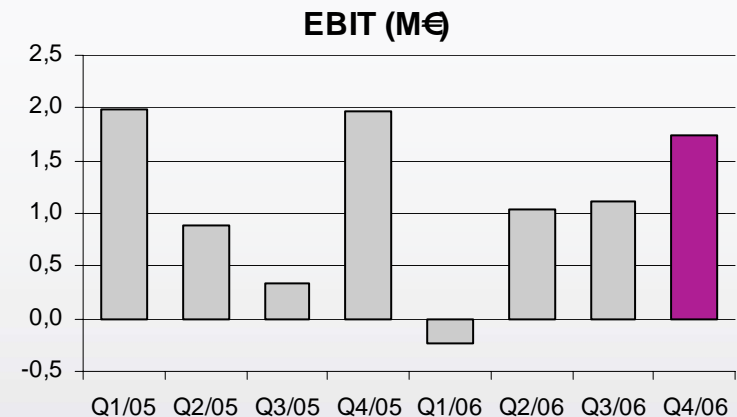
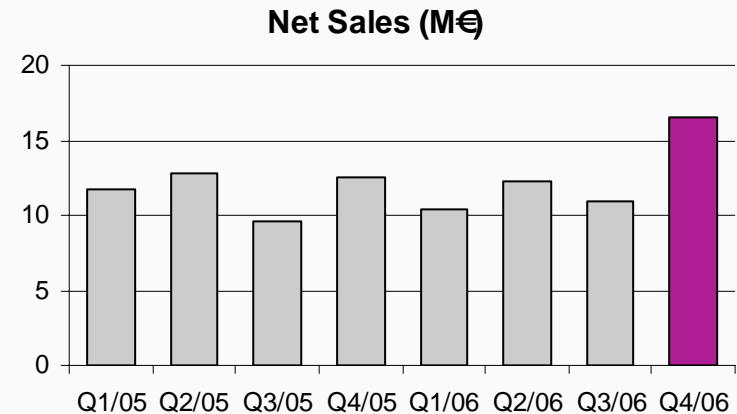


	XBI	Carto-graphic Solutions	Customized Solutions
Finland			
Baltic			
Nordic			

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# Overview to Q4/2006

- Net sales 16.6 M€ (12.5 M€)
  - Growth 33%
  - All-time-highest quarter
    - Both in Finland and in Baltic
  
- EBIT 1.7 M€ (2.0 M€)
  - Best quarter in 2006, better operational EBIT than in Q4/05
    - Q4/05 included 0.4 M€ capital gains

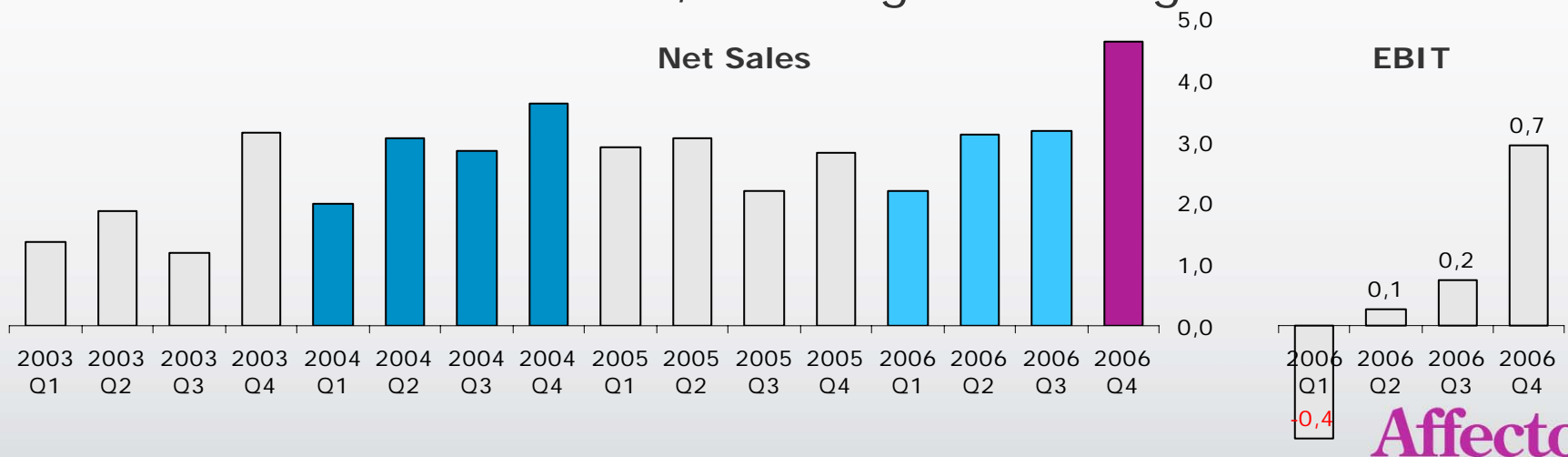


## Business areas in Finland - Q4/2006

- Net sales 11.1 M€ (9.6 M€), EBIT 1.6 M€ (1.7 M€)
  - Growth 15%, EBIT margin 15%
  - Note: Q4/05 EBIT included 0.4 capital gains
- XBI: Net sales 6.4 M€ (6.2 M€)
  - ZenPark included from 1 October 06
  - Resource transfer to Cartographic Sol. (approx. -0.7 M€)
  - Third-party license sales continued to decrease
- Customized Solutions: 2.2 M€ (1.7 M€)
  - Demand for application integration services growing
- Cartographic Solutions: 2.5 M€ (1.8 M€)
  - Sales of digital content growing well
  - Resource transfer from XBI impact. +0.7 M€

## Business in the Baltic countries - Q4/2006

- Net sales 4.6 M€ (2.9 M€), EBIT 0.7 M€ (0.6 M€)
  - Growth 60% compared with Q4/05, highest quarter ever
  - Margin 15%
- Normal business conditions
  - Long-term projects providing basis for stable utilization
  - Active recruitment, challenge in finding skilled labour



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## Intellibis acquisition in December 2006

- Intellibis AB acquired for 12 M€ (EV)
  - Earn-out max. 4 M€ based on financial performance in 2007
- Local management continues to manage the Nordic operations
- Why? Good presence in the Swedish BI market
  - Offices also in Southern Sweden
  - Over 10 M€ annual revenue impact
  - Enables future growth in the Nordic market
  - Complementing knowledge and skills
    - Intellibis has a strong Microsoft offering
    - AffectoGenimap is strongest with BusinessObjects, Cognos and Informatica

## Nordic area included since 1 December 2006

- Intellibis was included in group accounts only for 1 month → no major impact in 2006 earnings
- Intellibis had a good year 2006
  - Sales grew strongly to approx. 10.9 M€
  - Operational EBIT was approx 1.5 M€ (before transaction costs and IFRS)
- Growth is expected to continue
  - Price development has been positive
  - Utilization rate has remained high
  - Delivery capacity has been increased by recruitments

# Segment comparison Q4/2006

## Net Sales

Segment	Q4/06	Q4/05	Growth	2006	2005	Growth
Finland	11 073	9 633	15 %	36 267	35 713	2 %
Baltic	4 628	2 896	60 %	13 083	11 022	19 %
Nordic	881			881		
Eliminations	-16	-29		-36	-36	
<b>Total</b>	<b>16 566</b>	<b>12 498</b>	<b>33 %</b>	<b>50 194</b>	<b>46 699</b>	<b>7 %</b>

Segment	Q4/06	Q4/05	Growth	2006	2005	Growth
XBI	8 025	6 195	30 %	21 518	21 160	2 %
Customized Sol.	6 074	4 570	33 %	19 061	18 255	4 %
Cartographic Sol	2 483	1 782	39 %	9 652	7 383	31 %
Eliminations	-16	-49		-36	-99	
<b>Total</b>	<b>16 566</b>	<b>12 498</b>	<b>33 %</b>	<b>50 194</b>	<b>46 699</b>	<b>7 %</b>

## EBIT

Segment	Q4/06	Margin	Q4/05	Margin	2006	2005
Finland	1 612	15 %	1 741	18 %	4 641	4 281
Baltic	673	15 %	565	20 %	497	1 218
Nordic	-22				-22	
Group manag.	-527		-352		-1 474	-346
<b>Total</b>	<b>1 736</b>	<b>10 %</b>	<b>1 953</b>	<b>16 %</b>	<b>3 642</b>	<b>5 153</b>

- XBI revenue also from Baltic and Nordic areas
- Small resource transfer from XBI to Cartographic (0.7 M€ impact Q4)
- EBIT margin 15% in Finland and Baltic
- Nordic affected by IFRS intangibles
- General group costs reported separately since Q4/05

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# Income statement 1-12/2006

(1 000 EUR)	Q4/06	Q4/05	2006	2005
Net sales	16 566	12 498	50 194	46 699
Other operating income	28	436	138	864
Changes in inventories of finished goods and work in progress	-107	67	287	97
Materials and services	-3 668	-3 809	-13 177	-13 926
Personnel expenses	-7 847	-5 076	-23 996	-20 235
Depreciation, amortization and impairment charges	-515	-267	-1 372	-1 095
Other operating expenses	-2 723	-1 894	-8 432	-7 251
<b>Operating result</b>	<b>1 736</b>	<b>1 953</b>	<b>3 642</b>	<b>5 153</b>
Finance costs (net)	-26	-78	-184	-364
Result before income tax	1 710	1 875	3 458	4 789
Income tax	-307	-381	-824	-1 089
Minority interest	0	2	0	5
<b>Result for the period for equity holders of the company</b>	<b>1 403</b>	<b>1 492</b>	<b>2 633</b>	<b>3 695</b>
EPS (eur/share)	0,09	0,10	0,16	0,25

- R&D costs 0.5 M€ booked as costs
- Depreciation 1.4 M€
  - Capex 1.1 M€
- Acquisition related IFRS depreciation 0.4 M€ (0.4 M€)
  - 0.2 M€ in Q4 (0.0)

# Balance sheet

(1 000 EUR)	12/2006	12/2005
Property, plant and equipment	2 110	1 900
Goodwill	43 579	30 860
Other intangible assets	7 550	2 892
Other long-term assets	744	656
<b>Non-current assets</b>	<b>53 983</b>	<b>36 308</b>
Inventories and receivables	18 893	12 857
Restricted cash	381	550
Cash and cash equivalents	5 485	12 639
<b>Current assets</b>	<b>24 758</b>	<b>25 947</b>
<b>Total assets</b>	<b>78 741</b>	<b>62 354</b>
Equity for shareholders	39 092	33 553
Minority interest	0	20
Non-current liabilities	18 252	9 361
Current liabilities	21 397	19 420
<b>Total equity and liabilities</b>	<b>78 741</b>	<b>62 354</b>

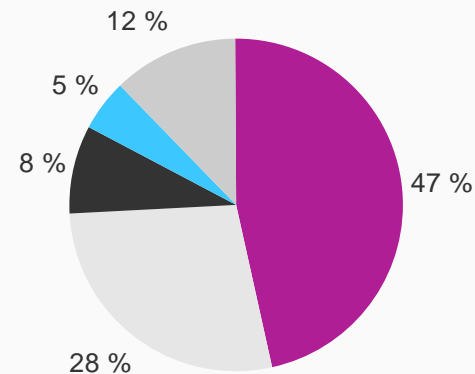
- Goodwill and debt growth attributed mainly to Intellibis acquisition, also ZenPark had an impact
  - Intangible assets growth due to IFRS allocation of acquisition prices
- Interest-bearing net debt 13.7 M€ (3.3 M€ 12/05)
- Gearing 35% (10%)
- Equity ratio 52% (57%)

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# AffectoGenimap's resources



Personnel by location



- Approx. 750 employees
  - 350 in Finland
  - 310 in Baltic countries
  - 90 in Sweden

# Ownership structure - 31 January 2007

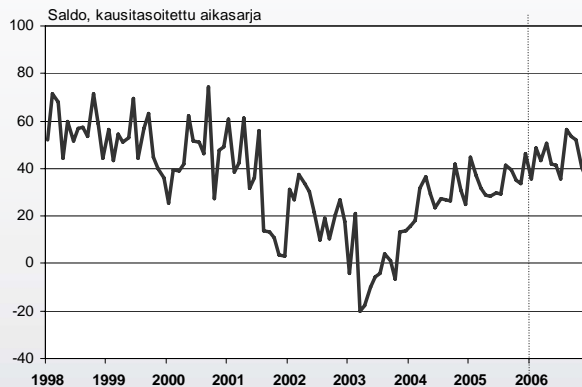
<u>Owner</u>	<u>%</u>
Eqvitec	15,9 %
Fenno Rahasto Ky	11,2 %
Intellibis Grundare AB	4,2 %
SITRA	4,0 %
Eläke-Fennia	3,5 %
EQ Pikkujättiläiset Fund	3,2 %
Varma	3,0 %
Darius Lazauskas	2,7 %
Kestutis Uzpalis	2,7 %
ABN Amro Finland Fund	2,1 %
Nominee registered foreign owners	12,9 %
Other shareholders	34,2 %
Treasury shares	0,2 %
<b>Total</b>	<b>100,0 %</b>

- Free float ~62%
  - Excl. large owners Eqviteq and Fenno ~27%
  - Excl. lock-up shares of personnel ~11%
- Foreign ownership ~25%
  - Incl. ~13% personnel

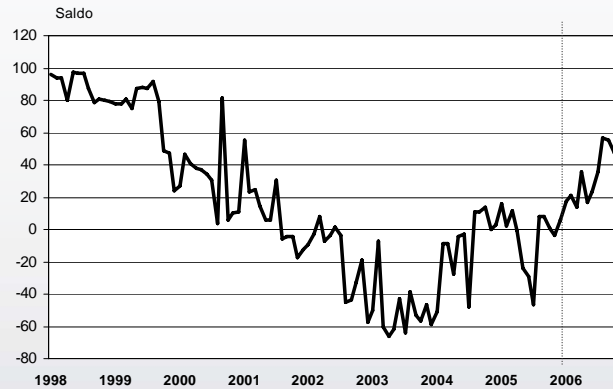
# Market Environment - Finland

- IT Services market sentiment at previous levels
  - Moderately good confidence in future

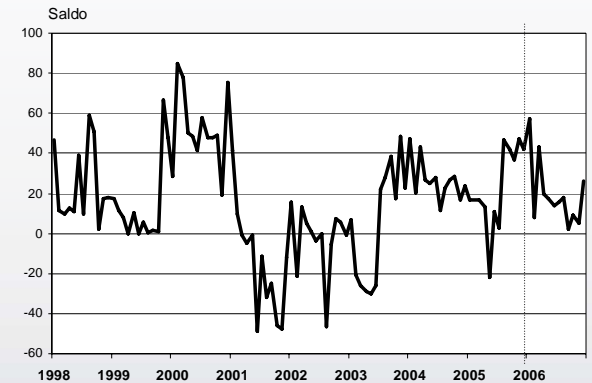
## Confidence Indicator



## Business Barometer



## Business Expectations



Source: Survey of Federation of The Finnish Information Industries, Jan 07

## Market environment - Baltic countries

- Baltic market developing well on overall basis
  - GDP is growing fast, but also general wage inflation
  - EITO's IT services growth forecasts are 11-13% for years 2006 and 2007 in Estonia, Latvia and Lithuania
- High demand for skilled workforce
  - Wage pressures

# Outlook

## Vision 2009

- AffectoGenimap is
  - the leading business intelligence (BI) solution provider in the Nordic, Baltic and CEE regions
  - the most competent and quality focused GIS, DM & operational solutions provider in selected industries & regions
- AffectoGenimap is the best investment for its stakeholders
  - Employees: best added value for her/his competence and market value
  - Customers: first-class solutions and services, based on deep understanding of the customer needs
  - Investors: solid shareholder value creation

## Financial targets: Profitable growth

- Profitable and sustainable growth is the key element in our strategy
- Financial targets 2009
  - ❖ **Net Sales: exceeding 100 MEUR in 2009**
  - ❖ **Profitability: one of the highest in our segment**
- Dividend policy:
  - The board intends to propose to the general meeting dividends up to one-half of earnings per share on average over the longer term

## Company name to be changed to Affecto

- Adopting a new simplified company name enables us to sharpen our operations both in domestic and international markets
- Affecto will be the marketing name of the company, effective in Finland on 1 February 2007
  - The name will be gradually adopted also by the group companies outside Finland
- The Board has proposed to the Annual General Meeting 2007 that the company's name is changed to Affecto Plc

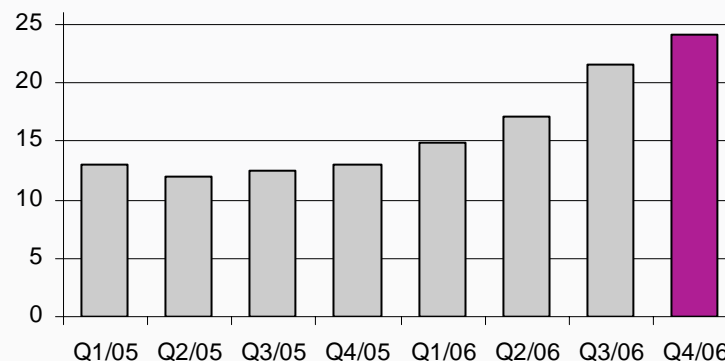
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# Annual General Meeting 2007

- Date: 28 March 2007
- Dividend proposal: 0.10 eur/share
  - Last year also 0.10 eur/share
- Proposal for board members
  - made by the nomination committee
  - Old members: Aaro Cantell, Heikki Lehmusto, Pasi Mäenpää, Jukka Norokorpi and Esko Rytönen
  - New member: Pyry Lautsuo, M.Sc.(Eng.), 61, retired long-term managing director of IBM Finland
- Name to be changed to Affecto Plc

# Outlook

Order backlog (M€)



- Order backlog 24.2 M€, has increased during Q4/2006
  - Increase in the Baltic
- Positive development is expected to continue during year 2007. Based on the recent acquisitions and good order backlog the company seeks to reach net sales of approx. 70 MEUR in 2007. The profitability is also expected to improve from year 2006. The first quarter will be significantly better than Q1/2006.
- M&A opportunities evaluated for non-organic growth