



EFORE

ENERGY FOR ELECTRONICS

Interim Report (9 months)
November 1, 2009 – July 31, 2010

Vesa Vähämöttönen
President and CEO
August 26, 2010

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Summary of business development

Key figures improved

- Key customer demand increased
- Net sales totaled EUR 19.0 million (EUR 15.0 million)
 - The increase compared with the previous quarter was EUR 3.3 million
- The result of operating activities was EUR 0.2 million (EUR 0.0 million)
 - The availability of components as well as their higher price level limited the deliveries and slowed the improvement of profitability during the third quarter

Focus of product development was on developing new technologies and products for new applications

- Investment on product development during the period under review was EUR 5.7 million (EUR 4.8 million) representing 11.6 % (9.7 %) of net sales
- In custom-designed power supply solutions the focus was on developing new technologies and products especially for new applications e.g. for the fourth-generation broadband wireless networks, plug-in hybrid and electric vehicles as well as other energy efficient solutions



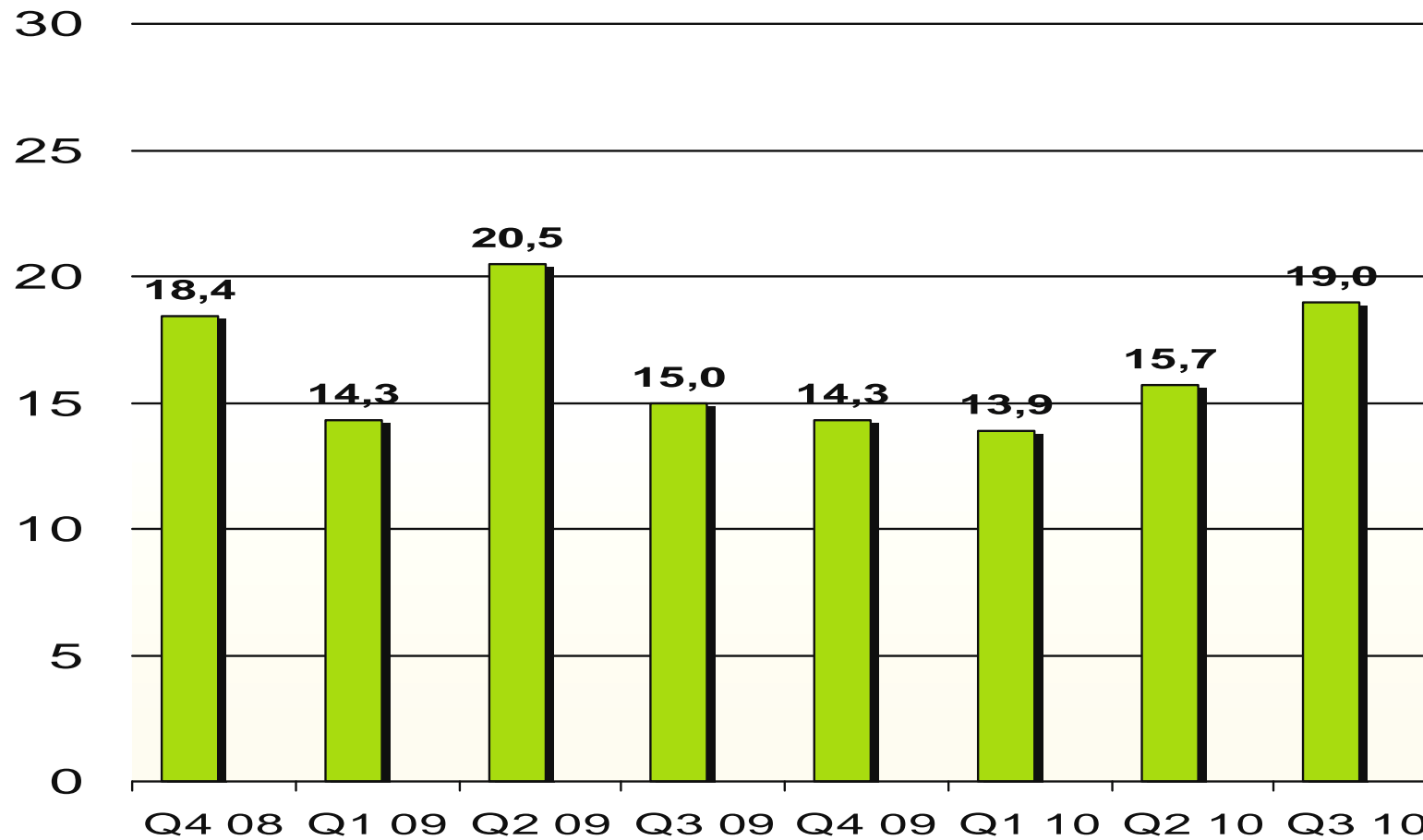
Alexander Luiga has been appointed as new Executive Vice President, Sales and Marketing starting from 1 August, 2010

- He has made a long career in leading sales and marketing functions and setting up sales network in Asia.
- His work experience is from international companies such as Liteonmobile (ex Perlos), Moteco and ABS Pumps International

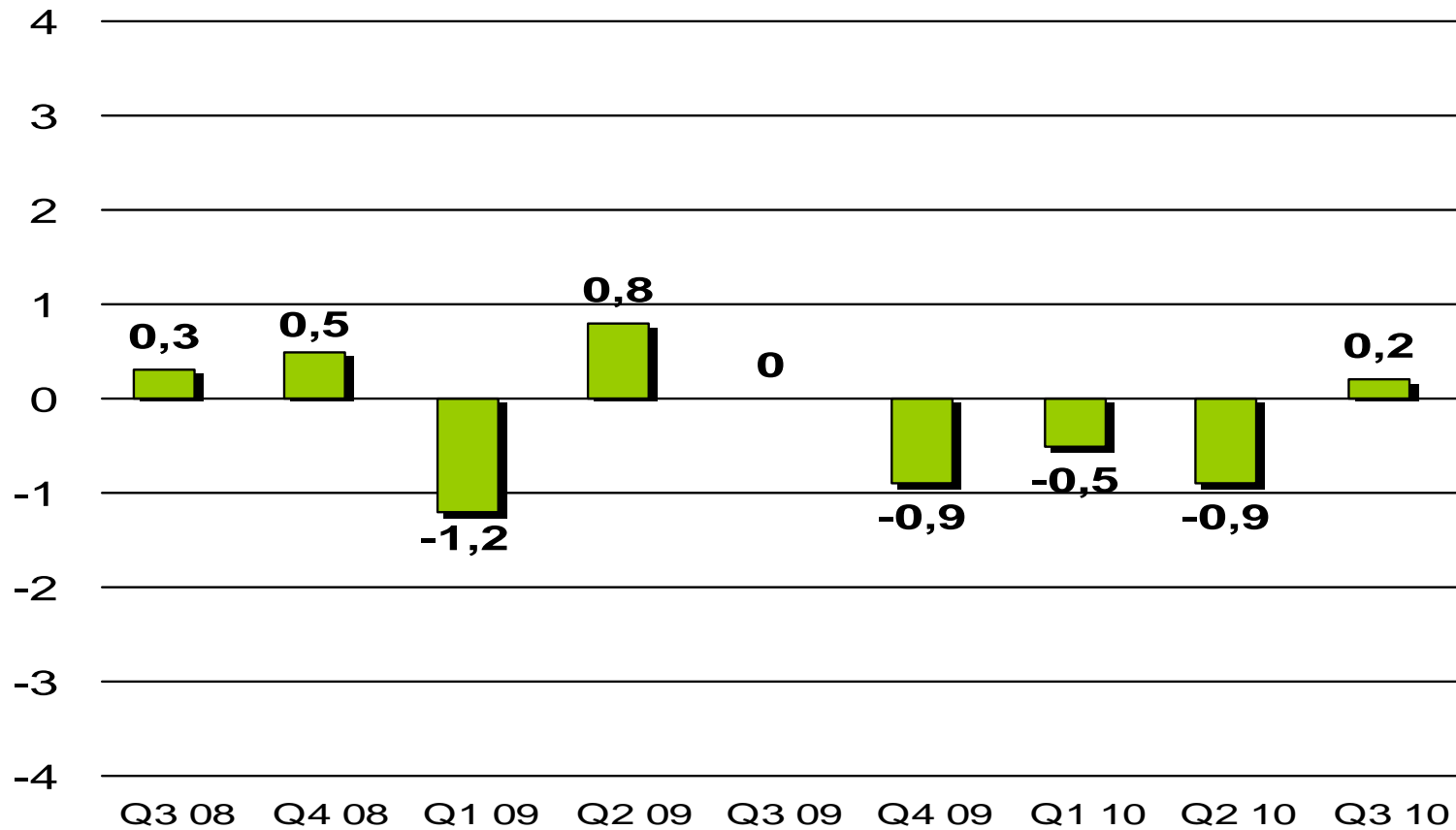


Financial development in the 3rd quarter

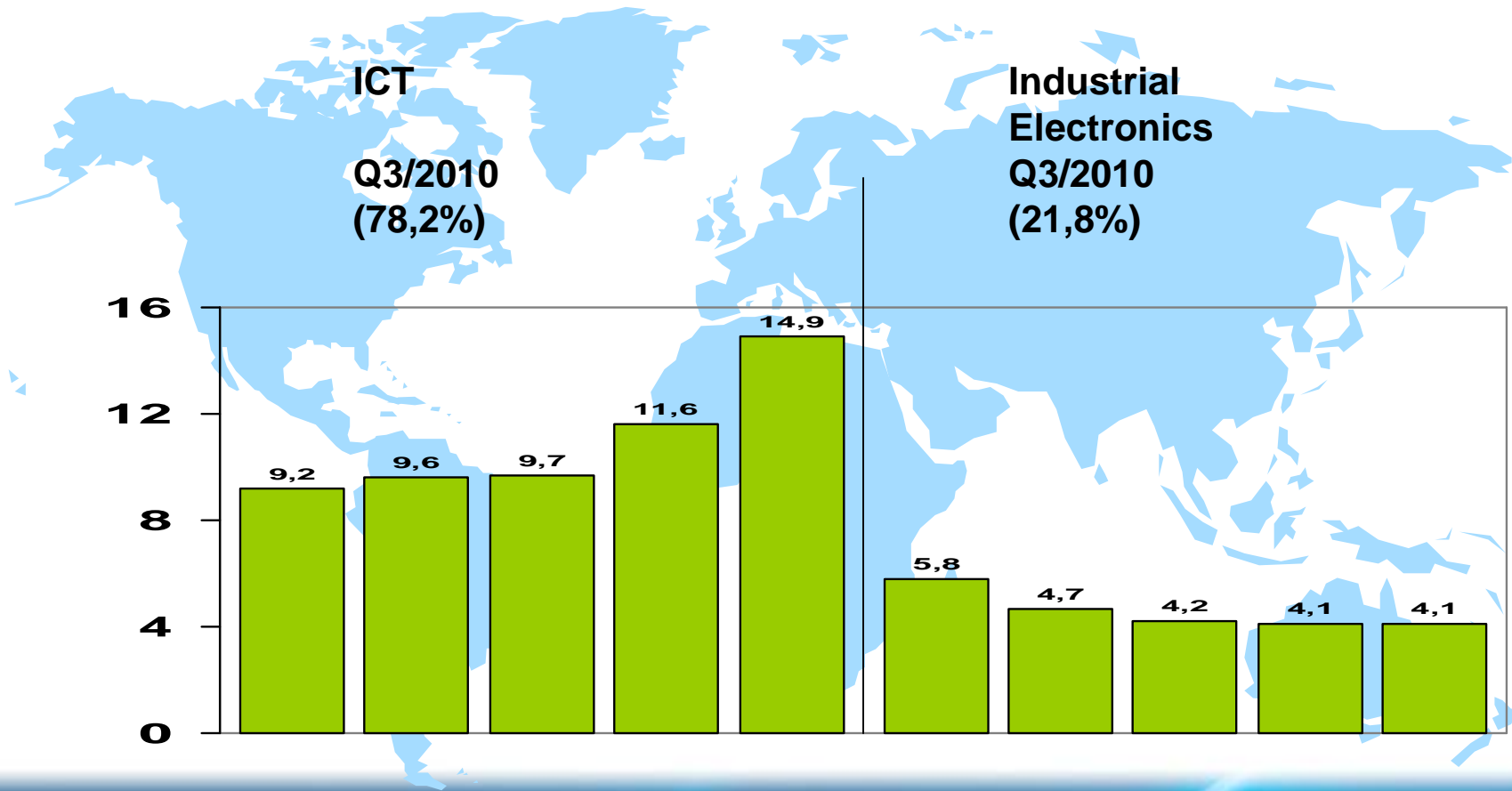
Net Sales by quarter, MEUR



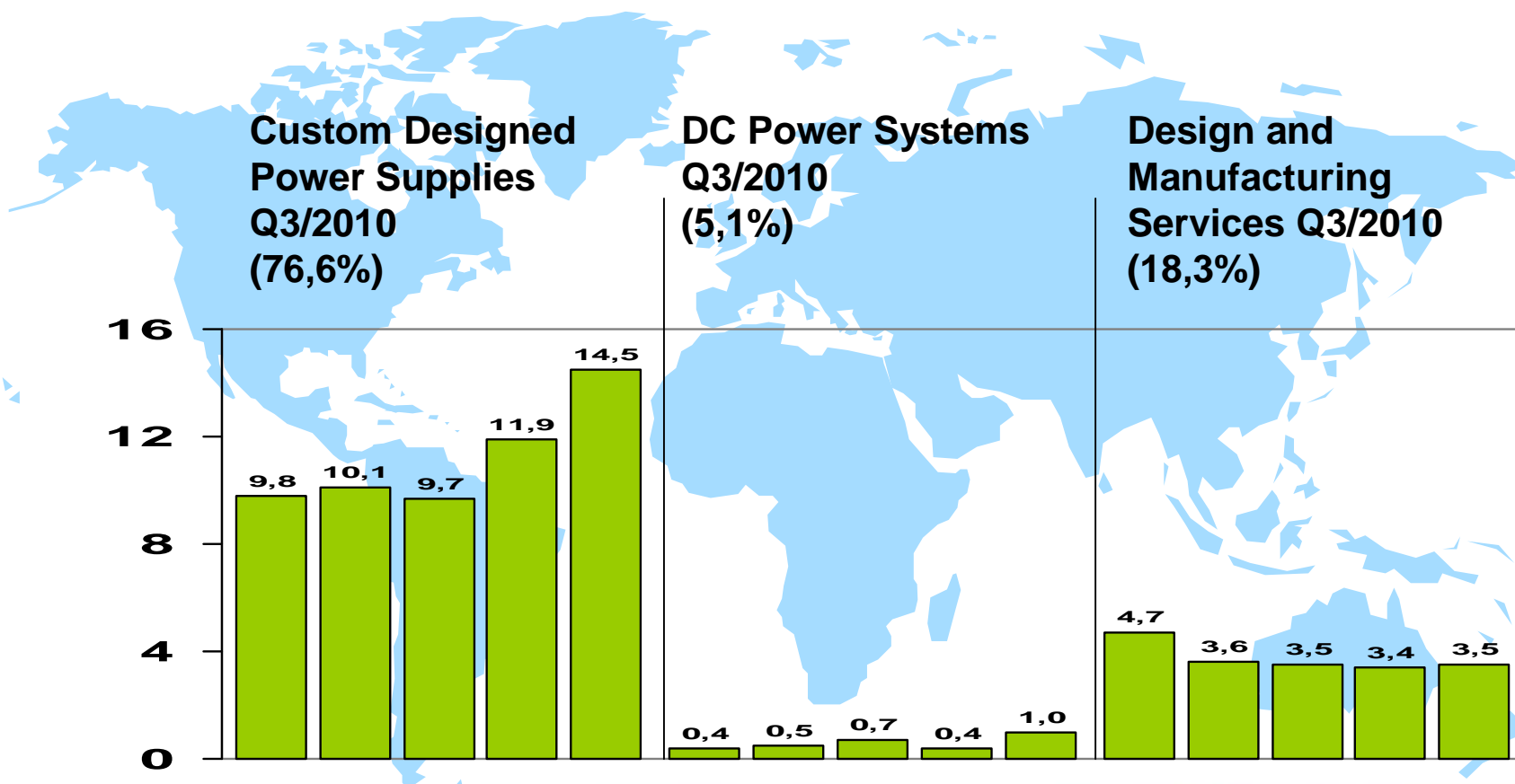
Operating Profit (-loss) by quarter, MEUR



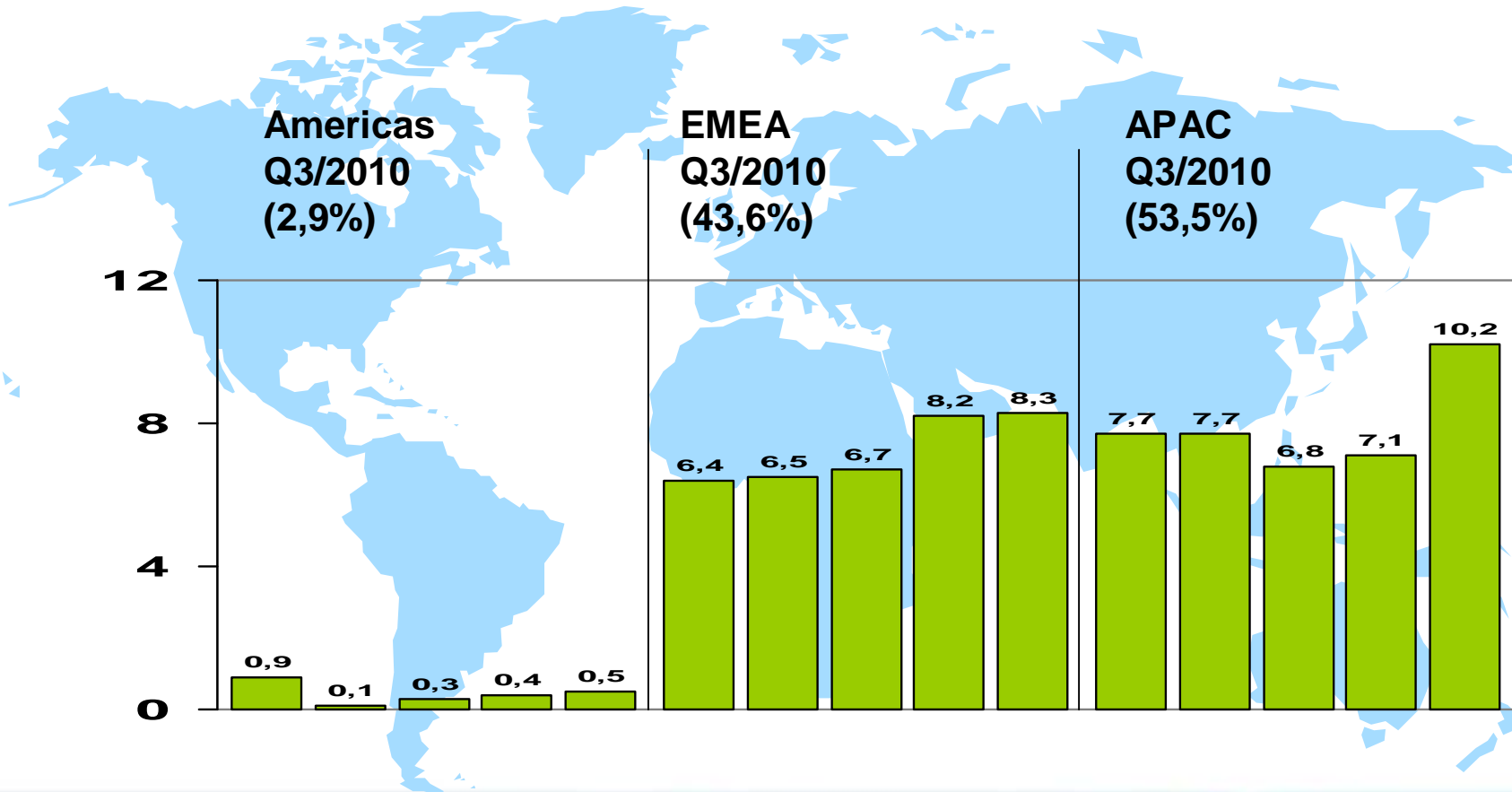
Net Sales by Customer Groups Q3/2009 – Q3/2010 (MEUR)



Net Sales by Products Q3/2009- Q3/2010 (MEUR)



Net Sales by Region Q3/2009 – Q3/2010 (MEUR)



Interim report Nov 1st, 2009 – July 31, 2010

Efore Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	July 31, 2010	July 31, 2009
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	1,7	1,9
Tangible assets	5,1	5,9
Investments in associates	0,6	0,6
Other long-term investments	0,0	0,0
NON-CURRENT ASSETS	7,5	8,5
CURRENT ASSETS		
Inventories	10,6	8,7
Trade receivables and other receivables	13,7	12,3
Tax receivable, income tax	0,1	0,0
Cash and cash equivalents	5,0	4,5
CURRENT ASSETS	29,4	25,4
ASSETS	36,8	33,9

Efore Group

CONSOLIDATED STATEMENT OF COMPREHENSIVE IN

EUR million

May/10-
July/10
3 months

May/09-
July/ 09
3 months

Net sales	19,0	15,0
Change in inventories of finished goods and work in progress	0,1	-0,4
Other operating income	0,3	0,3
Materials and services	-13,5	-9,7
Employee benefits expenses	-3,0	-2,6
Depreciation	-0,8	-0,8
Impairments	0,0	0,0
Other operating expenses	-1,7	-1,8
OPERATING PROFIT (-LOSS)	0,2	0,0
% net sales	1,3	0,1
Financing income	0,0	0,1
Financing expenses	-0,2	-0,5
Share of profit of associated companies	0,1	0,1
PROFIT (-LOSS) BEFORE TAX	0,2	-0,3
% net sales	1,0	-2,0
Tax on income from operations	0,0	-0,1
PROFIT (-LOSS) FOR THE PERIOD	0,2	-0,4

Efore Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	July 31, 2010	July 31, 2009
EQUITY AND LIABILITIES		
EQUITY		
Share capital	15,0	34,5
Treasury shares	-0,6	-0,6
Other reserves	20,5	1,0
Translation differences	0,6	0,2
Retained earnings	-15,9	-13,9
EQUITY	19,5	21,1
Equity attributable to equity holders of the pa	19,5	21,1
NON-CURRENT LIABILITIES		
Interest-bearing liabilities	0,1	0,2
NON-CURRENT LIABILITIES	0,1	0,2
CURRENT LIABILITIES		
Interest-bearing liabilities	0,2	0,8
Trade payables and other liabilities	16,6	11,0
Tax liabilities	0,0	0,1
Provisions	0,5	0,7
CURRENT LIABILITIES	17,3	12,6
LIABILITIES	17,4	12,8
TOTAL EQUITY AND LIABILITIES	36,8	33,9

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CONSOLIDATED CASH FLOW STATEMENT, EUR million

11/09-07/10

11/08-07/09

Cash flows from operating activities		
Cash generated from operations	0,8	3,8
Interest paid	0,0	-0,1
Other financial items	0,1	-0,4
Income taxes paid	0,1	-0,2
Net cash from operating activities (A)	1,0	3,1
Cash flows from investing activities		
Purchase of tangible and intangible assets	-1,4	-1,3
Dividend received	0,0	0,2
Net cash used in investing activities (B)	-1,4	-1,1
Cash flows from financing activities		
Purchase of treasury shares	0,0	-0,6
Repayment of long-term borrowings	-0,2	-0,1
Dividends paid	0,0	-1,8
Net cash used in financing activities (C)	-0,2	-2,6
Net increase/decrease in cash and cash equivalents (A+B+C)	-0,6	-0,6

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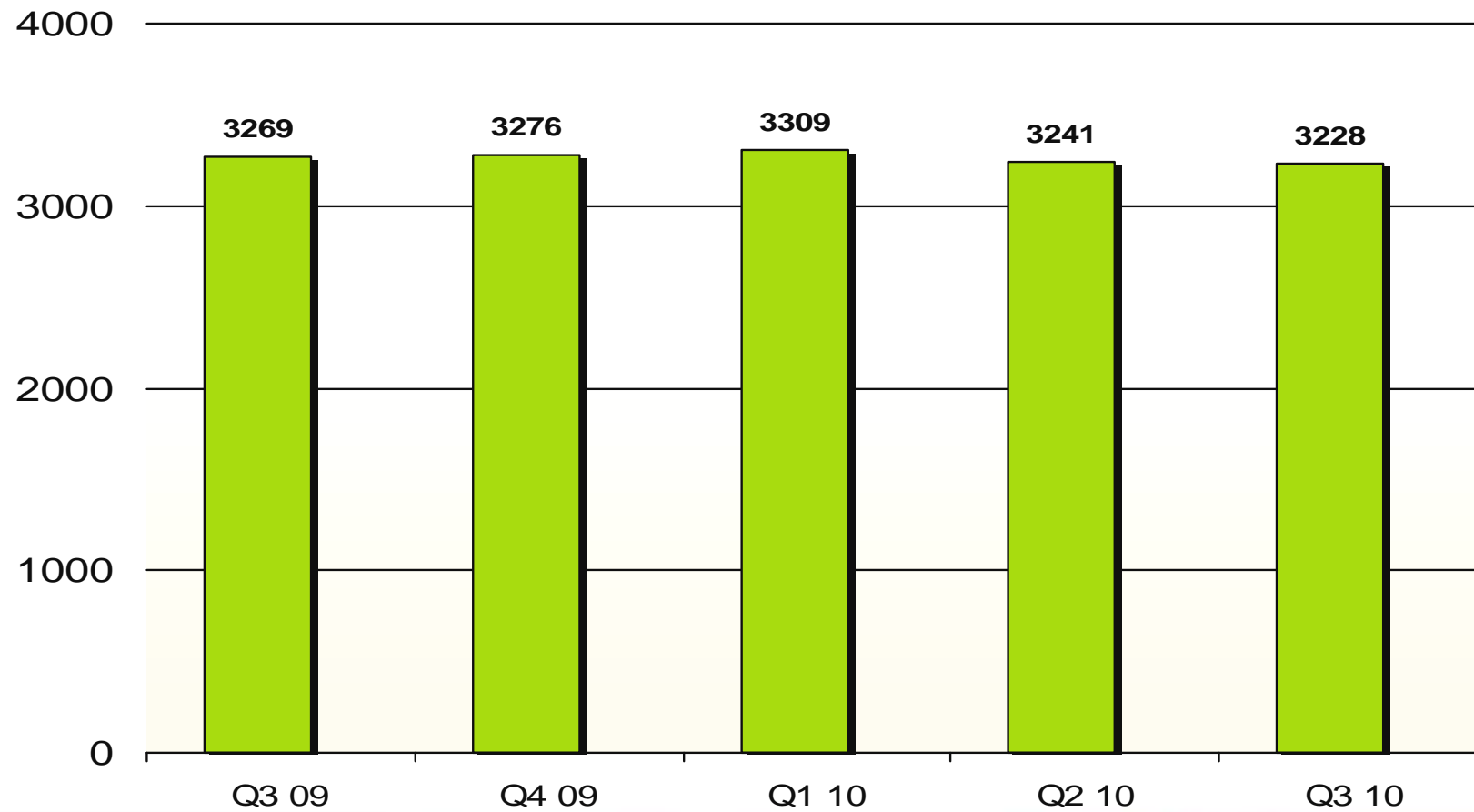
GROUP CONTINGENT LIABILITIES EUR million	July 31, 2010	July 31, 2009
Security and contingent liabilities		
For others		
Other contingent liabilities	0,1	0,1
Operating lease commitments		
Group as lessee		
Non-cancellable minimum operating lease payments:		
Less than 1 year	1,5	1,5
1-5 years	2,0	2,8
Fair values of derivate financial instruments		
Currency derivatives, not hedge		
Option contract		
Nominal amount	3,8	10,3
Positive fair value	0,0	0,0
Negative fair value	0,0	0,0

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GROUP KEY FIGURES, EUR million	May/10- July/10 3 months	May/09- July/ 09 3 months
Earnings per share, basic,eur	0,00	-0,01
Earnings per share, diluted, eur	0,00	-0,01
Equity per share, eur	0,49	0,53
Solvency ratio, %	53,0	62,4
Return on equity-%(ROE)	3,5	-7,6
Return on investment-%(ROI)	4,0	-5,3
Gearing, %	-24,3	-16,5
Net interest-bearing liabilities	-4,7	-3,5
Investments (intangible and tangible assets)	0,6	0,4
as percentage of net sales	3,0	2,9
Average personnel	573	571

Shares and shareholders

Number of shareholders



Major shareholders per 31.7.2010

Nimi	Osakemäärä	%-osuus
1 EVLI PANKKI OYJ	4 864 853	12,00
2 NORDEA PANKKI SUOMI OYJ (HALL.REK)	3 961 619	9,77
3 KESKINÄINEN TYÖELÄKEVAKUUTUSYHTIÖ VARMA	1 706 050	4,21
4 TAMMIVUORI LEENA MAIJA	1 629 800	4,02
5 TAMMIVUORI MATTI REINO	1 560 000	3,85
6 TAMMIVUORI ESKO/KUOLINPESÄ	1 379 592	3,40
7 MAIJOS OY	1 100 097	2,71
8 FIM FENNO SJOITUSRAHASTO	972 689	2,40
9 EFORE OYJ	922 149	2,28
10 SVENSKA HANDELSBANKEN AB (PUBL), FILIALVVERKSAMHETEN	882 600	2,18
11 RAUSANNE OY	848 971	2,09
12 SYRJÄLÄ & CO OY	830 293	2,05
13 VEIKKO LAINE OY	814 400	2,01
14 FABRITIUS HANNES	435 196	1,07
15 SJOITUSRAHASTO AKTIA CAPITAL	430 812	1,06
16 ADAFOR OY	421 000	1,04
17 KESKINÄINEN ELÄKEVAKUUTUSYHTIÖ ILMARINEN	400 000	0,99
18 FIM FORTE SJOITUSRAHASTO	395 000	0,97
19 YLEINEN TYÖTTÖMYYSKASSA YTK	257 000	0,63
20 OY Q & A CONSULTING AB	250 000	0,62

Outlook

Outlook 1/2

- According to the estimations received from the companies in the business, the overall telecommunications market is recovering and especially investments in new broadband networks have been started. Service business is estimated to grow faster than investments in networks.
- The company continues to focus on new technologies as well as the development of demanding and innovative power supply solutions. Developing energy saving solutions that will take up less space and use renewable energy sources will be a focal point for product development.

Outlook 2/2

- Efore sees new business opportunities in utilizing its expertise in ecological, energy efficient solutions e.g. in electric vehicles, telecom infrastructure, industrial processes and power supply for data processing equipment.
- Resulting from the market recovery the company estimates that both net sales and result of operating activities of the current fiscal year will show an improvement compared to the previous fiscal year.

Events after the period under the review

Efore's management invests in the company's shares 1/2

- The Board of Directors of Efore Plc (Company) has on 25 August 2010 decided on a new shareholding plan directed to the members of the Efore Group Executive Management Team. The plan enables the participants to acquire a considerable long-term shareholding in the Company. Through this plan, the executives personally invest a considerable amount of their own funds in the Company's shares. The executives finance their investments partly themselves and partly by a loan provided by the Company. The actual owner risk will be carried out personally by the executives for the part of their personal investment in the plan.
- For the purpose of the share ownership, the members of the Executive Management Team will establish a limited company named Efore Management Oy whose entire share capital they own.

Efore's management invests in the company's shares 2/2

- On the basis of authorization granted by the Annual General Meeting of Shareholders of the Company on 9 February 2010, the Board of Directors of the Company decided on a share issue against payment directed to Efore Management on 25 August 2010. In the share issue, a maximum total of 2,000,000 new Company shares will be offered for subscription by Efore Management, in derogation from the shareholders' pre-emptive subscription rights.
- The shares to be subscribed in the share issue will represent an approximate maximum of 4.7 % of the number of shares and votes after the share issue.

Thank you for your interest