



EFORE

ENERGY FOR ELECTRONICS

Financial Statements 2008

November 1, 2007 – October 31, 2008

Reijo Mäihäniemi
President and CEO
December 12, 2008

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Summary of financial performance

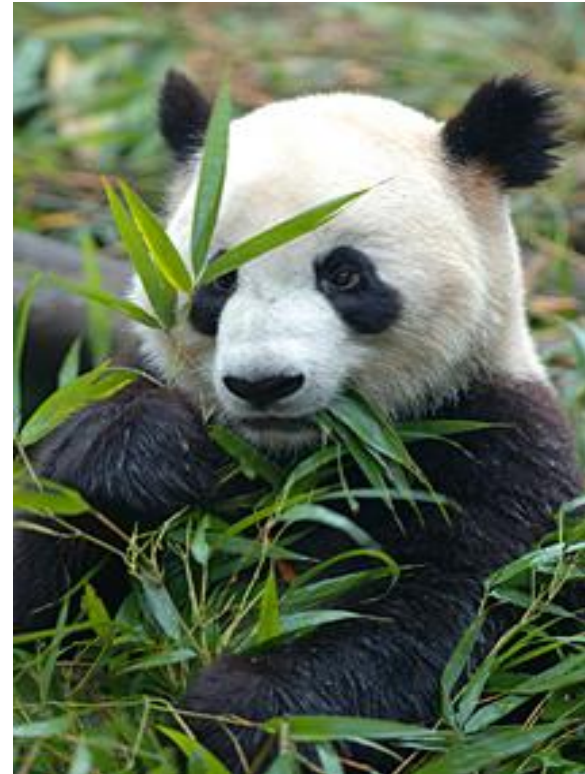
Projects to develop operations in order to improve profitability were successful

All four quarters were positive in the fiscal year 2008

- Outsourcing of administrative and support operations continued during the whole fiscal year
- Development of sales and marketing operations continued
 - The Site Power Solution sales group fully operational
 - Channel sales were developed especially in Europe
- Production in the USA was further streamlined

Energy saving solutions for our customers

- By developing more environmental friendly and energy efficient solutions Efore is contributing to prevent climate change and increasing energy consumption
- The dynamic control of a power supply according to actual need means remarkable possibility to save electricity
- With more efficient power supply total energy consumption will fall



Focus on new generation power supply solutions

- Investment on product development during the fiscal year was EUR 7.1 million (EUR 6.0 million) representing 9.1 % (7.5 %) of net sales
- The new OPUS system product family was launched onto the market
- In custom-designed power supply solutions the focus was on developing new technologies and products for new applications e.g. for the national 3G networks in China and the coming fourth-generation LTE networks

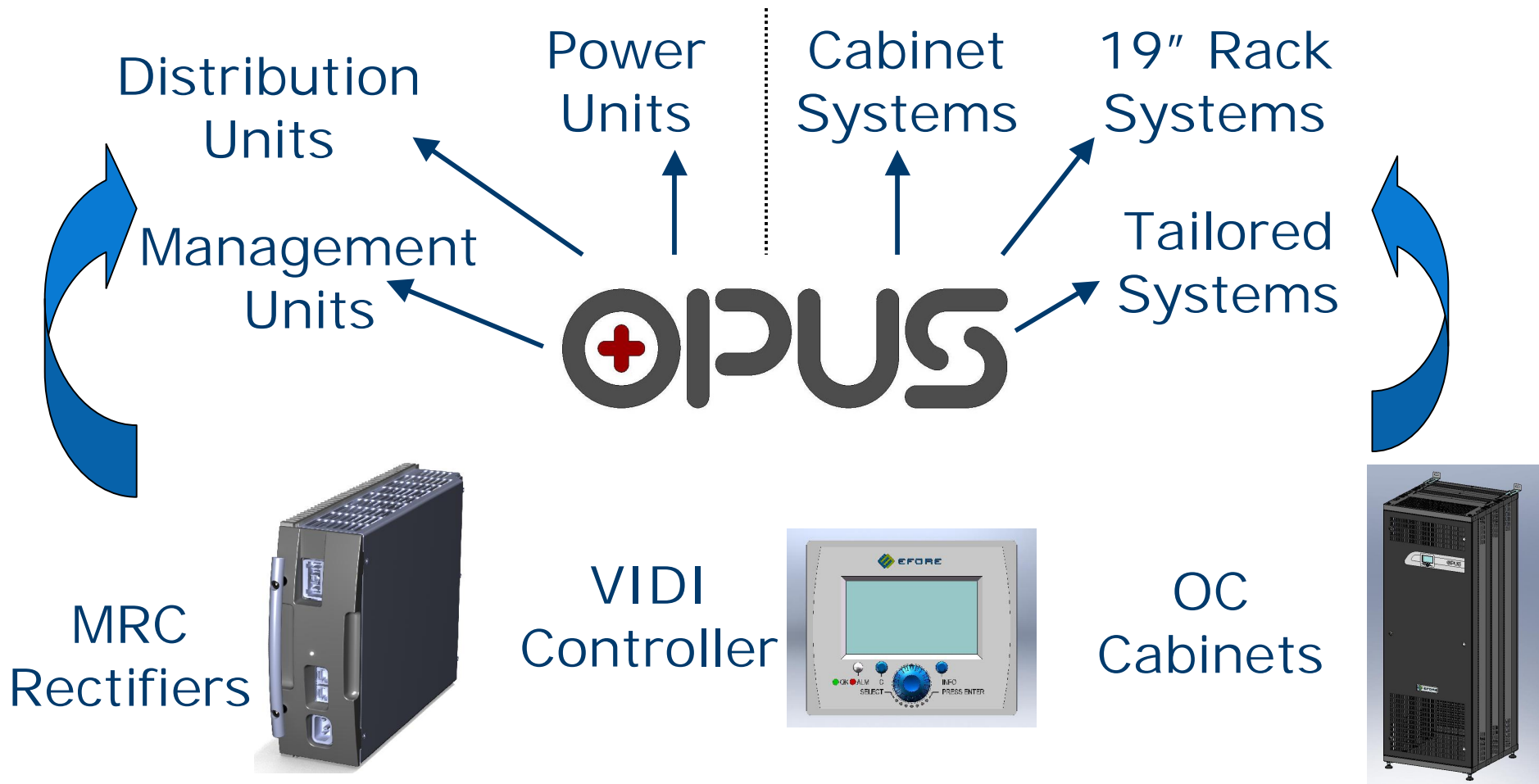


OPUS

- Versatile OPUS series products are designed especially to deliver battery secured power to industry, automation, telecom and datacom applications
- The OPUS system handles all the most commonly employed DC voltages over an extensive power range, and the completely new system control unit can also be operated remotely



OPUS system product family



Closer cooperation with Helsinki University of Technology

- An agreement was made with Helsinki University of Technology (TKK) concerning the establishment of a new- technology R&D laboratory on the university's premises
- The laboratory will be doing research into new power supply architectures that save electricity in the sites and utilization of renewable and alternative energy sources in them
- R&D laboratory was opened on Dec. 10, 2008



Opening of R & D unit and laboratory on December 10, 2008

- A laboratory was opened by Jorma Kyyrä, the Dean of the Faculty of Electronics, Communications and Automation at Helsinki University of Technology (TKK), and Reijo Mähäniemi, Efore's President and CEO.



A new-technology research and development laboratory at Helsinki University of Technology (TKK)

- At TKK Efore will be doing research on renewable and alternative energy sources and carrying out various R&D projects aimed at improving energy efficiency



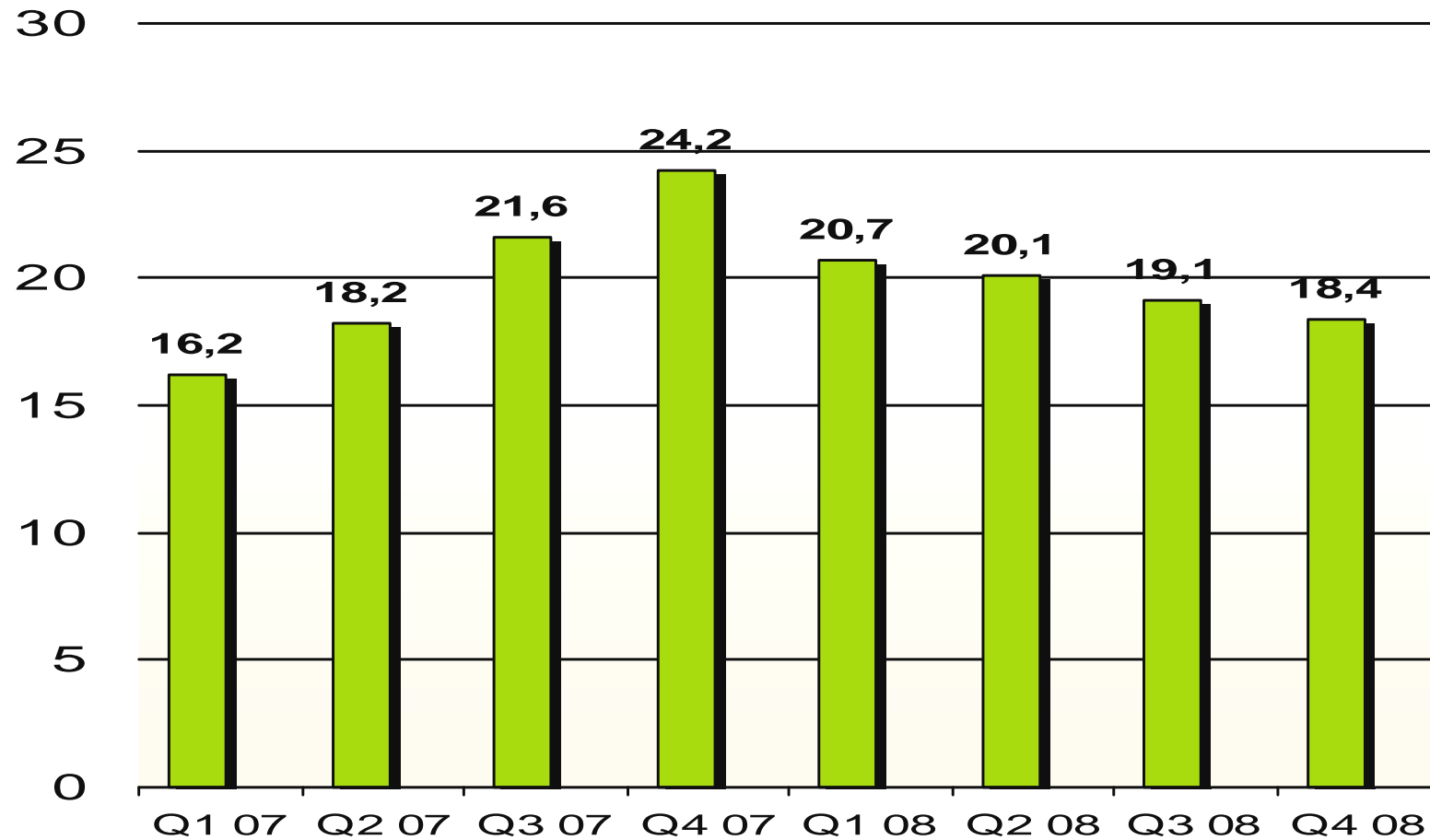
Financial performance in the 4th quarter

Efore Group (3 months)

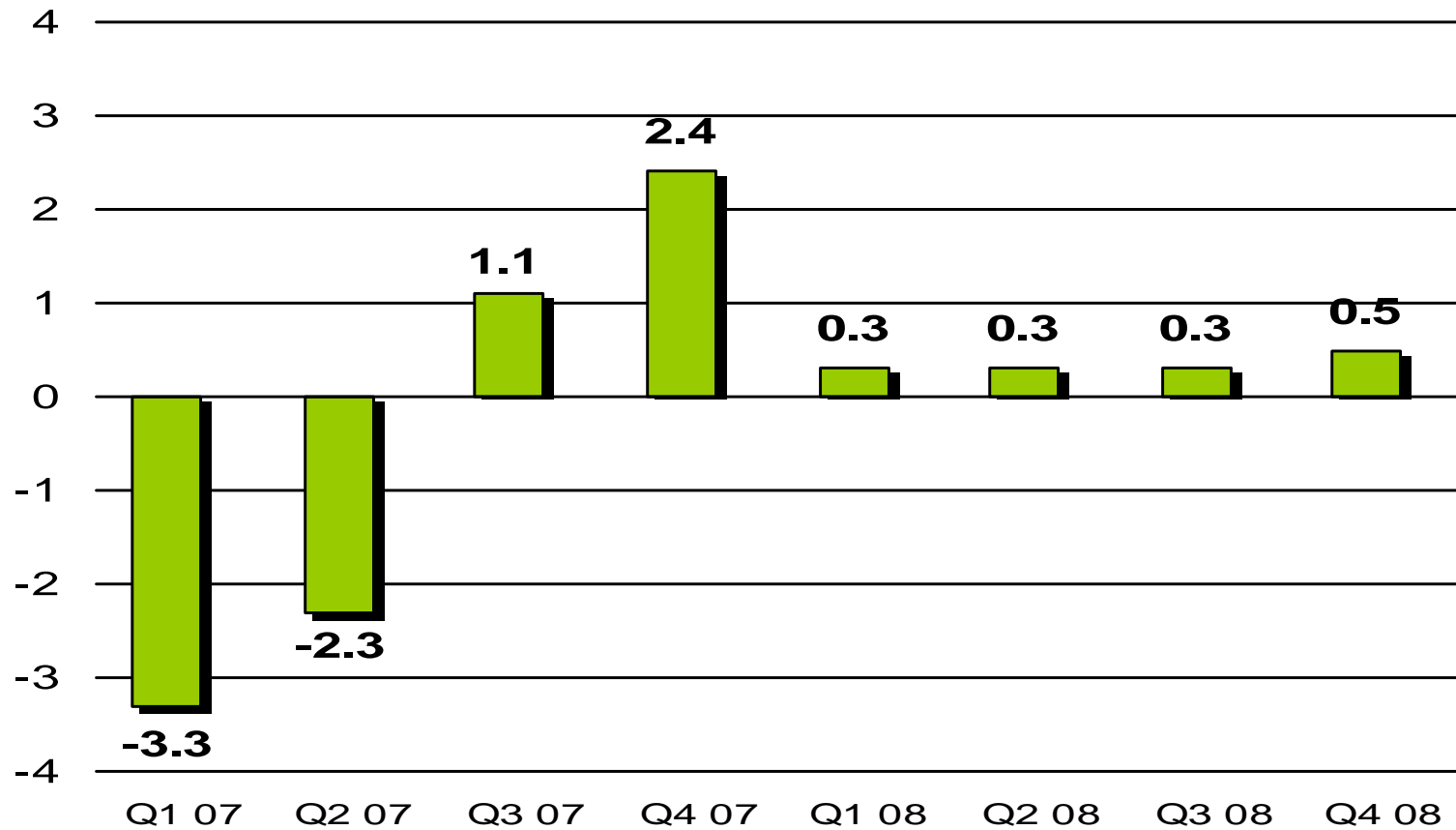
CONSOLIDATED INCOME STATEMENT

EUR million	Aug./08- Oct./08 3 months	Aug./07- Oct./07 3 months
Net sales	18,4	24,2
Change in inventories of finished goods and work in progress	0,1	-0,1
Other operating income	0,5	1,5
Materials and services	-11,7	-15,7
Employee benefits expenses	-3,6	-3,8
Depreciation	-1,1	-1,1
Impairments	0,0	-0,6
Other operating expenses	-2,0	-2,0
OPERATING PROFIT (-LOSS)	0,5	2,4
% net sales	3,0	10,1
Financing income	1,2	0,2
Financing expenses	-1,0	-0,9
Share of profit of associated companies	0,1	0,0
PROFIT (-LOSS) BEFORE TAX	0,8	1,8
% net sales	4,5	7,4
Tax on income from operations	-0,1	-0,1
PROFIT (-LOSS) FOR THE PERIOD	0,8	1,7
NET PROFIT/LOSS ATTRIBUTABLE		
To equity holders of the parent	0,8	1,7

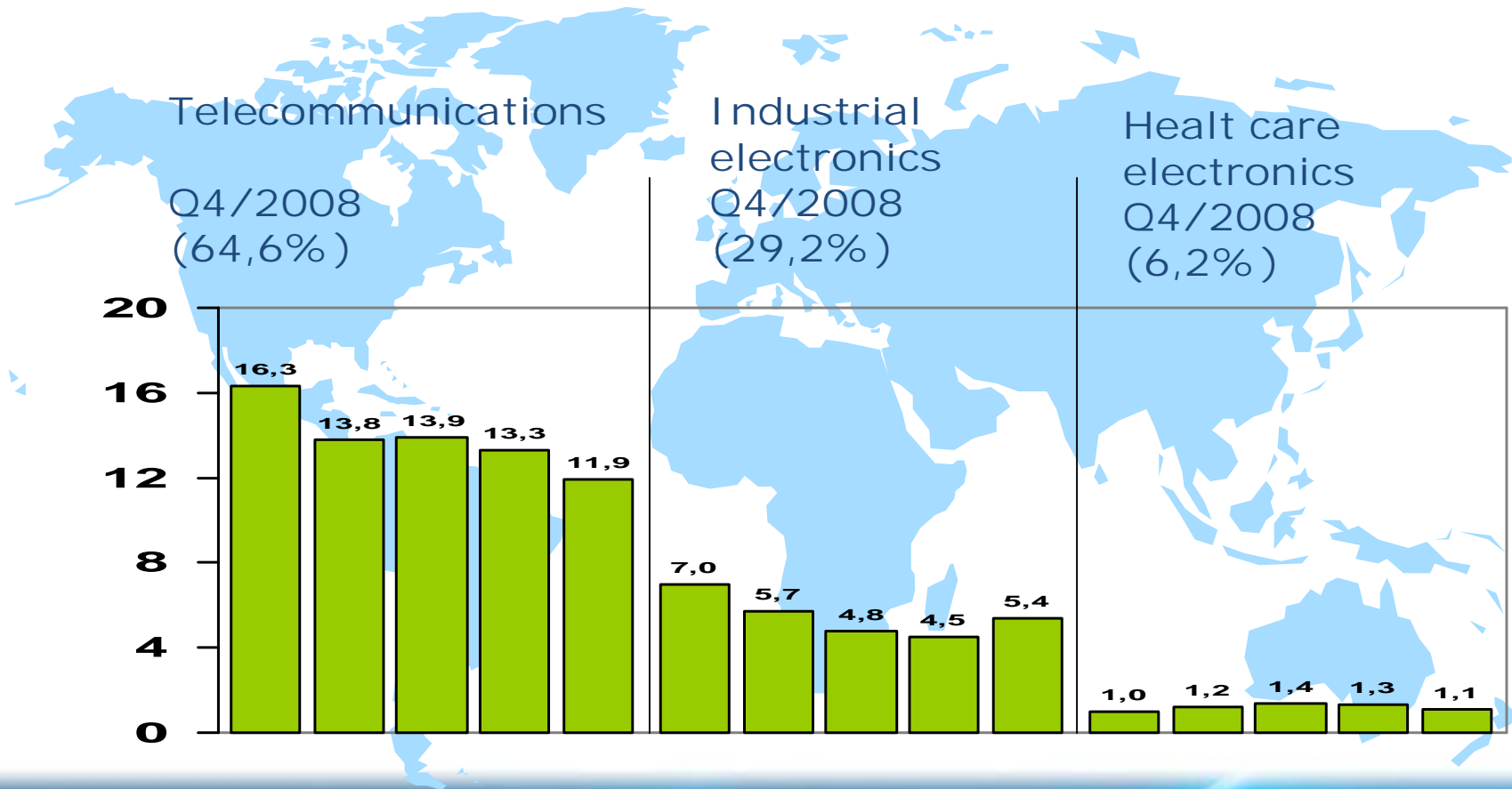
Net Sales by Quarter, MEUR



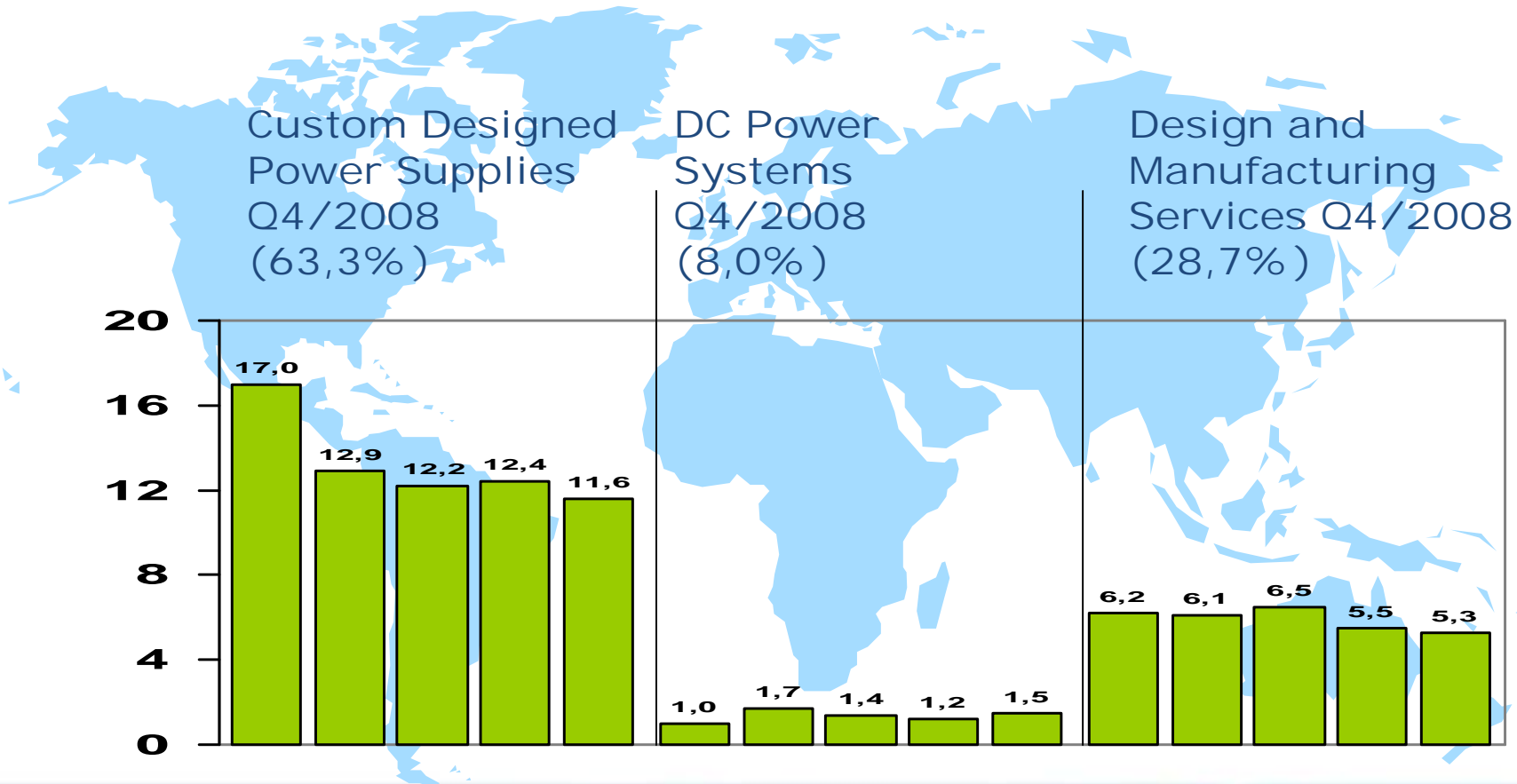
Operating Profit (-loss) by Quarter, MEUR



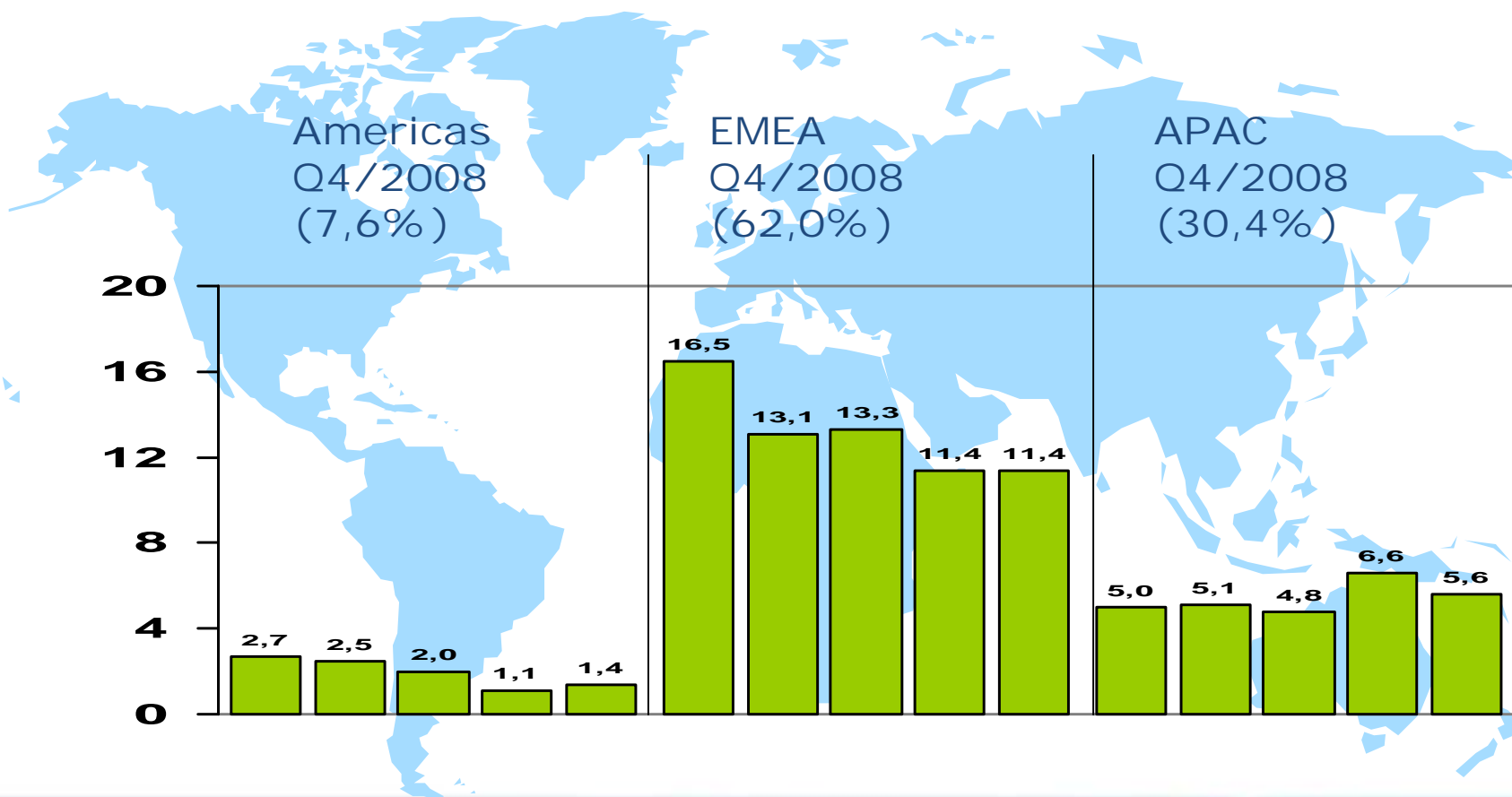
Net Sales by Customer Groups Q4/2007 – Q4/2008 (MEUR)



Net Sales by Products Q4/2007- Q4/2008 (MEUR)



Net Sales by Region Q4/2007 – Q4/2008 (MEUR)



Financial statements Nov 1st, 2007 – Oct
31st, 2008

Financial statements Nov 1st, 2007 – Oct 31st, 2008

- Net sales for the fiscal year totaled EUR 78.3 million (EUR 80.2 million)
 - The international financial crisis that began in the second half of the year affected global power supply markets during the fiscal year by weakening demand

Financial statements Nov 1st, 2007 – Oct 31st, 2008

- The operating profit for the fiscal year was EUR 1.4 million (EUR - 2.1 million).
 - A higher operating efficiency and a better cost structure contributed to this.
 - A stronger dollar in the fourth quarter also had a positive effect on the net profit.
 - The result for the fiscal year was affected by expenditure related to streamlining operations of a group subsidiary in the USA and expenses generated in agreeing on an issue relating to the parent company's product liability.

Efore Group (3 moths)

CONSOLIDATED INCOME STATEMENT

EUR million	Nov./07- Oct./08 12 months	Nov./06- Oct./07 12 months
Net sales	78,3	80,2
Change in inventories of finished goods and work in progress	-0,6	-0,2
Other operating income	0,8	1,7
Materials and services	-51,0	-53,7
Employee benefits expenses	-14,2	-16,1
Depreciation	-4,1	-3,7
Impairments	0,0	-2,2
Other operating expenses	-7,6	-8,0
OPERATING PROFIT (-LOSS)	1,4	-2,1
% net sales	1,8	-2,6
Financing income	2,1	1,1
Financing expenses	-2,1	-2,0
Share of profit of associated companies	0,2	0,1
PROFIT (-LOSS) BEFORE TAX	1,7	-2,9
% net sales	2,2	-3,6
Tax on income from operations	-0,5	-0,5
PROFIT (-LOSS) FOR THE PERIOD	1,2	-3,4
NET PROFIT/LOSS ATTRIBUTABLE To equity holders of the parent	1,2	-3,4

Efore Group

CONSOLIDATED BALANCE SHEET

EUR million	Oct. 31, 2008	Oct. 31, 2007	change %
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1,6	2,6	
Tangible assets	7,7	8,4	
Investments in associates	0,6	0,4	
Other long-term investments	0,0	0,0	
Deferred tax assets	0,0	0,1	
NON-CURRENT ASSETS	10,0	11,4	-12,6
CURRENT ASSETS			
Inventories	10,9	12,6	
Trade receivables and other receivables	15,7	14,8	
Tax receivable, income tax	0,0	0,1	
Financial assets at fair value through profit or loss	0,0	0,0	
Cash and cash equivalents	5,1	7,7	
CURRENT ASSETS	31,7	35,3	-10,0
ASSETS	41,7	46,7	-10,6

Efore Group

CONSOLIDATED BALANCE SHEET EUR million

EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	34,5	34,5	
Share premium account	0,0	0,0	
Other reserves	1,0	1,4	
Translation differences	0,5	-0,1	
Retained earnings	-10,9	-8,8	
SHAREHOLDERS' EQUITY	25,0	27,0	-7,4
Equity attributable to equity holders of the parent	25,0	27,0	
NON-CURRENT LIABILITIES			
Deferred tax liability	0,0	0,0	
Interest-bearing liabilities	0,2	0,2	
NON-CURRENT LIABILITIES	0,2	0,3	-15,5
CURRENT LIABILITIES			
Interest-bearing liabilities	0,9	0,8	
Trade payables and other liabilities	14,4	17,3	
Income tax liability	0,1	0,0	
Provisions	1,1	1,2	
CURRENT LIABILITIES	16,5	19,4	
LIABILITIES	16,7	19,7	
TOTAL EQUITY AND LIABILITIES	41,7	46,7	-10,6

Efore Group

CONSOLIDATED CASH FLOW STATEMENT EUR million

	11/07-10/08	11/06-10/07
Cash flows from operating activities	3,3	0,7
Cash generated from operations	-0,6	-0,9
Financing items and taxes	2,7	-0,1
Net cash from operating activities (A)		
Cash flows from investing activities	-1,7	-3,9
Purchase of tangible and intangible assets	0,1	0,2
Proceeds from sale of tangible and intangible assets	-1,6	-3,7
Net cash used in investing activities (B)		
Cash flows from financing activities	0,0	0,0
Repayment of long-term borrowings	0,0	-0,1
Net cash used in financing activities (C)	-4,0	-0,1
Net increase/decrease in cash and cash equivalents (A+B+C)	-2,9	-3,9

Efore Group

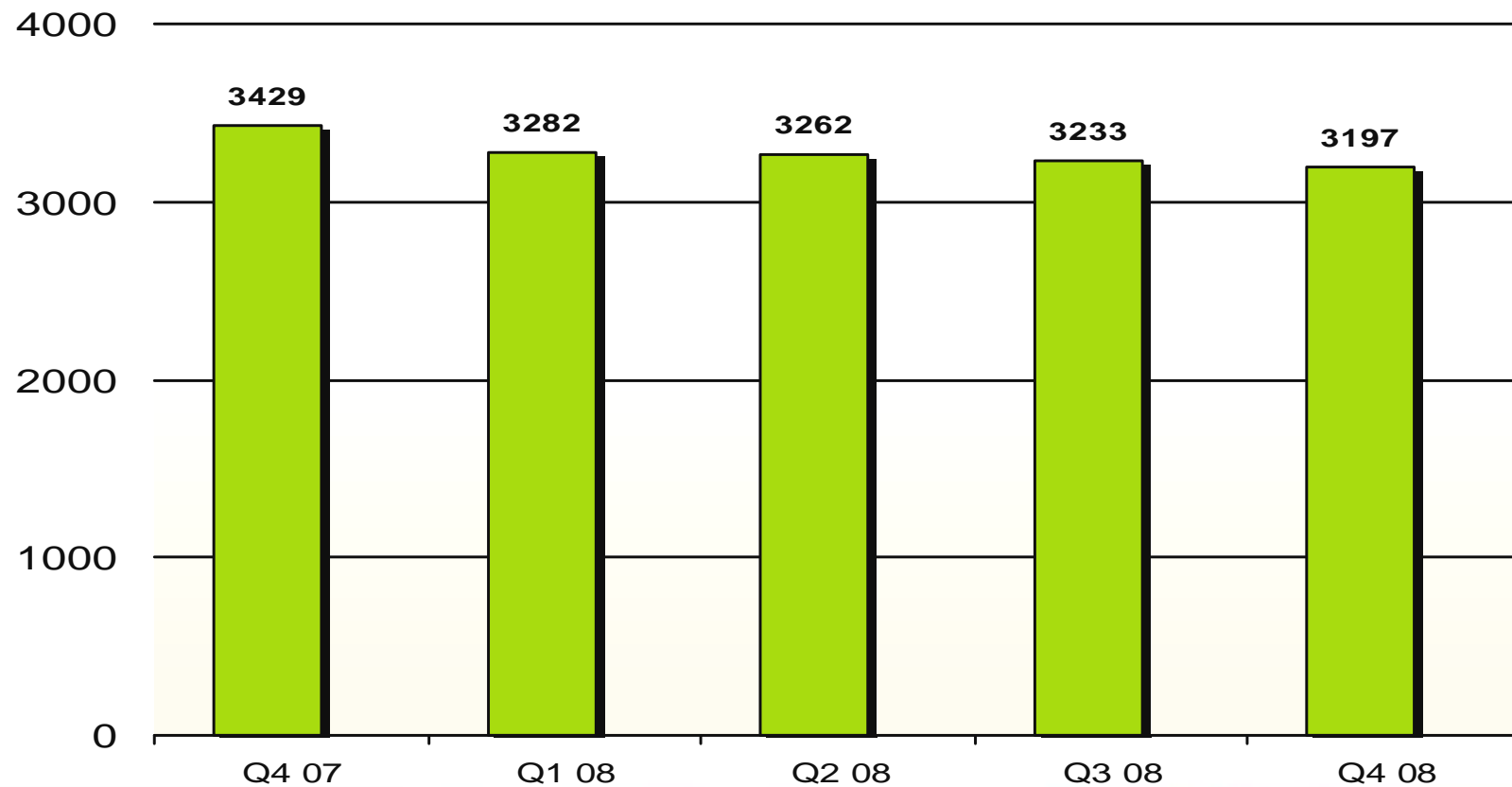
GROUP CONTINGENT LIABILITIES EUR million	Oct. 31, 2008	Oct. 31, 2007
Security and contingent liabilities		
On own behalf		
Pledges	0,0	0,0
For others		
Other contingent liabilities	0,1	0,1
Operating lease commitments		
Group as lessee		
Non-cancellable minimum operating lease payments:		
Less than 1 year	1,9	1,9
1-5 years	3,5	3,7
Fair values of derivate financial instruments		
Currency derivatives, non hedge accounting		
Forward currency contracts		
Nominal amount	0,0	1,2
Positive fair value	0,0	0,0
Negative fair value	0,0	0,0
Option contract		
Nominal amount	12,5	7,2
Positive fair value	0,0	0,2
Negative fair value	0,3	0,0

Efore Group

GROUP KEY FIGURES, EUR million	Aug./08- Oct./08 3 months	Aug./07- Oct./07 3 months	Nov./07- Oct./08 12 months	Nov./06- Oct./07 12 months
Earnings per share, EUR	0,02	0,04	0,03	-0,08
Earnings per share, diluted, EUR	0,02	0,04	0,03	-0,08
Shareholders' equity per share, EUR	0,62	0,67	0,62	0,67
Solvency ratio, %	59,9	57,9	59,9	57,9
Return on equity-%(ROE)	12,1	26,1	4,7	-11,8
Return on investment-%(ROI)	13,0	28,7	7	-8,1
Gearing, %	-16,0	-24,6	-16,0	-24,6
Net interest-bearing liabilities, EUR	-4,0	-6,6	-4,0	-6,6
Investments (intangible and tangible assets), EUR million	1,1	0,8	1,9	4,0
as percentage of net sales	5,8	3,1	2,5	4,9
Average personnel	621	714	637	766

Shares and shareholders

Number of shareholders



Major shareholders per October 31, 2008

Shareholder	No of shares	% of shares and votes
Evli Bank Plc	4 476 492	11,04
Nordea Bank Finland (nominee reg.)	3 988 253	9,84
Syrjälä & Co Oy	1 750 000	4,32
Tammivuori Leena	1 569 800	3,87
Tammivuori Matti	1 560 000	3,85
Maijos	1 496 000	3,69
Varma Mutual Pension Insurance Company	1 438 700	3,55
Tammivuori Esko	1 379 592	3,4
Q & A Consulting Oy Ab	1 038 400	2,56
Skandinaviska Enskilda Banken (nominee reg.)	989 915	2,44
FIM Fenno Sijoitusrahasto	981 804	2,42
Rausanne Oy	848 971	2,09
Veikko Laine Oy	814 400	2,01
Nordea Bank Finland Plc	675 320	1,67
Svenska Handelsbanken Ab (publ), Filialv. i Finland	617 400	1,52
Syrjälä Timo	500 000	1,23
Fabritius Hannes	473 316	1,17
Aktia Capital Mutual Fund	430 812	1,06
Illmarinen Mutual Pension Insurance Company	400 000	0,99
FIM Forte sijoitusrahasto	395 000	0,97

Outlook

Outlook 1/2

- According to the information the overall telecommunications market will remain at present level or fall to some extent. There are however growing geographical markets in the field such as Asia, the Middle East and Africa. The international financial crisis and the weakening world economy are expected to continue and will weaken the demand during the whole fiscal year.
- 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

- Projects to develop operations together with long term programs in order to improve productivity and reduce cost structure, lower inventories and make the production and product development processes more efficient will continue. The purpose of these projects is to maintain continuous improvement in the competitiveness of the company on the global market
- With ongoing development projects result for the fiscal year 2009 is expected to show an improvement compared to the previous fiscal year

Board of Directors' proposal for dividend

Board of Directors' proposal for dividend

- According to the financial statements ending October 31, 2008, the parent company has distributable equity of EUR 12,980,848.46. The Board of Directors proposes that dividend of 0.04 eur/share will be distributed.

Board of Directors' decisions concerning the Annual General Meeting

Board of Directors' proposal for dividend

- The Board of Directors will propose according to the Nomination Committee proposal the following six members to be elected to the Board: Mr. Isto Hantila, Mr. Marko Luoma, Mr. Ari Siponmaa, Mr. Timo Syrjälä, Mr. Matti Tammivuori and Mr. Matti Vikkula.

Thank you for your interest