

SOLTEQ PLC'S INTERIM REPORT 1.1.-30.9.2009

- Turnover decreased by 6,5 % and totalled 20,3 million euros (21,7 million euros)
- Operating result decreased by 125 thousand euros and totalled 678 thousand euros (803 thousand euros)
- Operating result is burdened by termination benefits in the amount of 440 thousand euros
- Operating result improved during the third quarter and totalled 453 thousand euros (383 thousand euros)
- Earnings per share was 0,03 euros (0,03 euros)

KEY FIGURES

Turnover by operation:

%	1-9/09	1-9/08	1-12/08
Softwareservices	63	60	61
Licences	28	25	26
Hardware	9	15	13

Turnover by segment:

Me	1-9/09	1-9/08	Change
Trade	13,3	14,5	-1,2
Industry and services	7,0	7,2	-0,2
Total	20,3	21,7	-1,4

Operating result by segment:

Me	1-9/09	1-9/08	Change
Trade	0,0	1,0	-1,0
Industry and services	0,7	-0,2	+0,9
Total	0,7	0,8	-0,1

Managing Director Hannu Ahola:

"During the third quarter it has been observable among several business sectors of ours that the uncertainty is clearly began to ease. This has appeared as picking up of sales project backlog and strengthened sales backlog among existing customers.

During the third quarter we achieved 8,1 % level of operating result. Since our cost level in the future will be clearly lower compared to the first half of the year and the development of sales of services and

licenses is expected to be favorable, the odds are in our favour to further improve the operating result percentage and to achieve our published profitability objective for 2009. Also the bases for 2010 seem to be good.

During the review period Solteq Plc announced that company will reform its organizational structure in the beginning of 2010 to correspond to the company's strategic focus areas ERP (enterprise resource planning), EAM (enterprise asset management), DATA (data management and integration) and STORE (retail solutions and technology). The reform aims at streamlining operations further, enabling faster responsiveness and improving development opportunities in the company's rapidly growing business segments. The planning work on the basis of this is in a full swing and the first positive effects are already evident."

BUSINESS ENVIRONMENT AND BUSINESS DEVELOPMENT

Solteq is a strategic partner for trade and industry, whose core competency is IT solutions that are critical to business. Solteq combines its own product portfolio with the products from the leading software companies in the world to deliver individual business development and ERP solutions for its customers. The information that is processed by means of these solutions is helping customers to manage their business even better than before and to improve their profitability.

Solteq's operations are internally divided into five separate units. The result is monitored through two operating segments. The segment Trade consists of Trade and Car Trade units. Industry and services segment consists of Industry and Information Management units. Application services is company's internal service unit. OOO Solteq Russia operates as an independent subsidiary which with the assistance of the parent company's organization serves customers operating in Russia. The number data of OOO Solteq Russia is reported according to the operating segment of the end customer.

During third quarter Solteq's turnover totalled 5 620 thousand euros, in which contains decrease of 10,7 per cent compared to third quarter of 2008. This decrease of turnover had been anticipated and was mainly due to decrease in hardware sales that was fainter compared to previous year. No changes are expected to the turnover trend announced earlier by Solteq Plc, i.e. turnover is expected to decrease by 0-5 percent.

Solteq's operating result for the review period totalled 678 thousand euros, whereas during 2008 the operating result was 803 thousand euros. During the third quarter the operating result improved approximately 18 per cent and totalled 453 thousand euros (383 thousand euros) and companys's operating profit percentage was 8,1 %. Improved profitability is due to both improved level of sales of services and licenses and efficiency measures that company has taken during the first quarter of 2009.



Company's order backlog strengthened further during the third quarter and the sales project backlog has increased as well. Solteq anticipates that among its clientele the confidence related to investment abilities is improving and the uncertainty that appeared during first half of the year is going to ease little by little. Positive trend gives Solteq a strong ground to achieve its objectives for the rest of the year and good bases for 2010. No changes are made to Solteq's earlier estimate that the operating result is approximately 5-7 percent of the turnover.

Solteq Plc announced 16.9.2009 that company will reform its organizational structure to correspond to the company's strategic focus areas. New organizational structure creates possibilities to improve company's efficiency and it supports company to sell its product range to new areas. The first positive effects related to this reform are anticipated to appear during the last quarter of 2009. The organizational reform will take effect on 1.1.2010.

TRADE

Business environment - Trade

Solteq's Trade unit has had no significant changes compared to the second quarter. Customers' decision making processes are still taking longer than usual, but based on the number of inquiries the demand for all product segments is clearly going to pick up and several new projects are pending. Companies' management participate actively to the ERP development projects, because companies strive to achieve efficiency and cost gains by the means of those projects during the tighter economical times. Especially the demand for warehouse management and ERP solutions relating to optimization of logistics chain has increased.

Change-over to SEPA and PCI standards, VAT percentage change related to food and risks relating to old systems are among others increasing the demand for store systems among specialty and chain stores. According to one chain of stores the chain has to print out as much as 4-5 million new labels and price tags due to the VAT percentage change of food. Among the chained commerce this change of VAT percentage is going to increase the need for consultation and system development. Also the demand for electric labels for store shelf edges, introduced in the markets a couple of years ago, is more active than earlier.

The demand has picked up also among medium-sized wholesale business, in which several projects relating to warehouse automation and ERP are pending. Compared to the first half of 2009 the number of inquiries has multiplied. However in consequence of decelerated decision-making the actual decisions related to projects might be postponed to the beginning of next year.

Business environment - Car Trade



The demand for IT systems relating to Car Trade remained weak as in the beginning of the year. The weak demand was affected by summer holiday season and extremely weak sales of new cars. During January - September approximately 72 000 new cars were registered which is 39 per cent less than during the same period in 2008. Solteq anticipates that extensive IT system renewals will only start after the consumers' confidence improves and when the sales of new cars picks up clearly compared to current situation.

Business development - Trade

During the third quarter the business operations of Solteq's Trade unit have developed in accordance with the plans. The demand for Solteq's solutions has not decreased in phase with the IT investments made by the companies during current year, and that's why Solteq has even relatively improved its position in the markets. During the review period Solteq has further focused on developing quality and competence certification relating to its activities and production of services, which has had a positive impact on demand and profitability. Domestically combined with global products is an advantage in the markets too.

The increase of demand was most intense among the optimization solutions during the review period. Solteq continued its information campaign that was launched during the second quarter, in which the effects of SEPA and PCI standards were introduced to the customers. The campaign has contributed to the demand for store systems.

Business development - Car Trade

During the review period the turnover and result of Car Trade unit were clearly weaker compared to corresponding period in 2008. The demand for services concentrated on development of customers' existing systems.

Due to the weak market situation Solteq has made an effort in developing own product range in order to be even more competitive when the investments are started again.

INDUSTRY

Business environment - Industry

Precaution and strict consideration related to investment decisions were still evident among Solteq's customers in Industry unit. The continuance of cost savings among large and middle-sized industrial companies has also created possibilities. During the review period it was evident that in addition to precaution there is emerging optimism among the clientele.

Under a tight cost pressure an increasing number of customers are seeking more efficiency to their activities by the means of various IT solutions. During the review period the customers of Industry unit



sought additional efficiency to their operations especially by the means of maintenance IT solutions, whose demand picked up compared to the first half of year.

The demand for ERP solutions was weak during the review period. Customers' interest focused especially on precision solutions relating to efficiency improvement and better utilization of existing systems.

Business environment - Information Management

Solteq's Information Management business unit offers harmonization and management of master data to its customers. The objective for harmonization is to improve quality of the data that is recorded in the IT systems. Managing by information in integrated systems is enabled for customers by the means of master data management.

The business environment of Information Management was challenging during the review period. However the demand has improved compared to the second quarter. Despite the prolonged decision-making the companies are still interested in harmonization solutions which improve the efficiency of present systems and gain cost savings. Projects seek solutions to carefully defined individual needs.

The customers of Information Management unit consisted mainly of industrial companies. Solteq foresees that public sector customers are a growing customer group in the future. Solteq believes that companies will continue their investments in information management also during the economically tight period because clear cost savings with a short payback period are achieved by the means of harmonization.

Business development - Industry

The budgeted objectives related to the sales of ERP systems were not achieved. Instead the demand for maintenance IT solutions was more active compared to the beginning of year.

Of the individual projects, the most significant was the SAP renewal of Helsinki University which continued as planned.

During the review period the most significant deliveries among maintenance systems were deliveries to Nokian Tyres Plc, UPM and Leppäkosken Sähkö. In addition the new maintenance system of Ruukki Plc's Hämeenlinna unit was implemented. Increased sales efforts that have increased the total number of concluded deals appeared also among the sales of maintenance systems.

The sales project backlog of OOO Solteq Russia, Solteq's subsidiary acting in St Petersburg, increased and the company strengthened its partnership network in St. Petersburg.

In product development, efforts continued to develop a software solution for operative property management together with Microsoft.

During the review period the piloting of this software continued with two new projects. New software solution for operative property management expands Solteq's supply for companies that offer maintenance or field maintenance operations as service. The first development version of this software is released during the last quarter of 2009.

Business development - Information Management

Information Management unit started a large harmonization project in September that will be finished in May 2010. It has been agreed that two new harmonization project will be started during the last quarter of 2009.

Unit has also focused on business master data management by carrying out comparative survey in co-operation with eight companies and administrative sectors in public administration. The survey finds out the best current practices related to business master data management and maps the common development targets of the future. The results from this cooperation are expected to be available during the last quarter of 2009.

TURNOVER AND RESULT

Turnover decreased by 6,5% compared to the previous year and totalled 20.324 thousand euros (previous financial year 21.730 thousand euros).

Turnover consists of several individual customerships. At the most, one client corresponds to a less than five percentages of the turnover.

The operating result for the review period was 678 thousand euros (803 thousand euros), result before taxes was 582 thousand euros (562 thousand euros) and profit for the period 401 thousand euros (393 thousand euros).

Operating result is burdened by termination benefits in the amount of 440 thousand euros.

BALANCE SHEET AND FINANCING

The total assets amounted to 20.858 thousand euros (20.758 thousand euros). Liquid assets totalled 195 thousand euros (277 thousand euros).

The group's interest-bearing liabilities were 7.089 thousand euros (6.589 thousand euros).

The group's equity ratio was 45,3 percent (44,8%).

INVESTMENTS, RESEARCH AND DEVELOPMENT

Gross investments during the review period were 704 thousand euros (704 thousand euros).

Research and development

Solteq's research and development costs consist mainly of personnel costs. When developing basic products, it is Solteq's strategy to cooperate with global actors such as SAP, Wincor-Nixdorf and Microsoft and utilize their resources and distribution channels. Own development efforts are focused on added value products and developing tailored service concepts.

During the review period development costs capitalized under IFRS totalled 490 thousand euros (408 thousand euros). Most costs relating to development are annually expensed due to their nature. Capitalised costs relate to two development projects. Amortisation according to plan will begin when the projects have been commercially implemented.

PERSONNEL

The number of permanent employees at the end of the review period was 235 (264). Average number of personnel during the review period was 248 (264). In the end of the review period the number of personnel could be divided as follows: Trade 118, Industry and Services 92 and Shared Functions 25.

RELATED PARTY TRANSACTIONS

Solteq's related parties include Solteq's board of directors, managing director and the Group's management team. There have been no significant changes in the company's related party transactions since the financial statements 2008.

SHARES, SHAREHOLDERS AND TREASURY SHARES

Solteq Plc's equity on 30.9.2009 was 1.009.154,17 euros which was represented by 12.148.429 shares. The shares have no nominal value.

In the end of the review period the amount of treasury shares in Solteq Plc's possession was 258.436 shares. The amount of treasury shares represented 2,13 % from the total amount of shares and votes in the end of the review period. The equivalent value of acquired shares was 21.468 euros.

Exchange and rate

During the review period, the exchange of Solteq's shares in the Helsinki Stock Exchange was 0,3 million shares (0,8 million shares) and 0,4 million euros (1,2 million euros). Highest rate during the review period was 1,39 euros and lowest rate 1,02 euros. Weighted average rate of the share was 1,23 euros and end rate 1,28 euros. The market value of the company's shares in the end of the review period totalled 15,6 million euros (16,5 million euros).

Ownership

In the end of the review period, Solteq had a total of 2.004 shareholders (2.033 shareholders). Solteq's 10 largest shareholders owned 8.202 thousand shares i.e. they owned 67,5 per cent of the company's shares and votes. Solteq Plc's members of the board owned a total of 5.189 thousand shares which equals 42,7 per cent of the company's shares and votes.

ANNUAL GENERAL MEETING

Solteq Plc's annual general meeting on 27.3.2009 adopted the financial statements for 2008 and the members of the board and the managing director were discharged from liability for the financial year 2008.

The annual general meeting decided in accordance with the board's proposal to distribute a dividend in the amount of 0,04 euros per share. The reconciliation date for the dividend was 1.4.2009 and payment date 8.4.2009.

The annual general meeting decided to authorize the board of directors to decide on acquiring the company's own shares so that the amount in the possession of the company does not exceed 10 percent of the company's total shares at that moment. The shares can be acquired in order to develop the company's capital structure, finance and execute acquisitions or similar arrangements or used as part of the incentive scheme of the personnel or convey otherwise or be invalidated. The shares can be acquired in other proportion than the shareholders' holdings. The shares are to be acquired through public trading. The authorization is valid until the next annual general meeting.

BOARD OF DIRECTORS AND AUDITORS

Six members were elected to the board of directors. Seppo Aalto, Ari Heiniö, Veli-Pekka Jokiniiva, Ali Saadetdin, Jukka Sonninen and Markku Pietilä will continue as members of the board. The board elected Ali Saadetdin to act as the chairman of the board.

KPMG Oy Ab, Authorized Public Accountants, were re-elected as Solteq's auditors. Frans Kärki, APA, acts as the lead partner.

EVENTS AFTER THE REVIEW PERIOD

After the review period no events have occurred that require reporting.

RISKS AND UNCERTAINTIES

The key uncertainties and risks in short term are related to the timing and pricing of the business deals that are the basis for the turnover, changes in the level of costs and the company's ability to manage extensive contract agreements and deliveries.



The key business risks and uncertainties of the company are monitored constantly as a part of the board of directors' and management team's work. The company has not organized a separate internal audit organization or committee.

PROSPECTS

In the stock exchange bulletin that was announced 16.2.2009 the Board of Directors of Solteq Plc has estimated that the turnover for 2009 is estimated to decrease by 0-5 percent and that the estimated operating result is 5-7 percent of the turnover. There are no reasons to make changes to this estimate.

Financial Reporting

This interim report has been prepared in accordance with the recognition and measurement principles of IFRS-standards, but not all of the requirements of IAS 34 have been applied in the preparation. Solteq Group has applied the following new and revised standards starting from 1.1.2009: IFRS 8 - Operating Segments and IAS 1 - Presentation of Financial Statements. The change of IFRS 8 has an effect on the segment information in notes and the change of IAS 1 standard has an effect on the presentation of profit and loss statement. In all other respects the same accounting policies as in the annual financial statements 2008 have been applied.

The financial result is reported through two operating segments. The Trade segment includes both the Trade business unit and the Car Trade business unit. The Industry and Information Management units belong to the Industry and Services segment. The Application Services unit forms a part of both operating segments. The segments have been defined based on the operations of company's customer groups. The most essential product and service types of Solteq group of companies are software services, licenses and hardware sales. Implementation of IFRS 8 has not changed the operating segments reported by Solteq Group because the segment information that was reported already earlier was based on the management's internal reporting and that was prepared in accordance with the same recognition and measurement principles as external reporting.

All forecasts and estimates presented in the interim report are based on the current views of the management on the economic environment and outlook. Results can differ from those implied as a result of, among other factors, changes in economy, markets and competitive conditions, changes in the regulatory environment and other government actions.

The interim report is unaudited.

FINANCIAL INFORMATION

GROUP PROFIT AND LOSS ACCOUNT
(TEUR)



	1.7.- 30.9.2009	1.7.- 30.9.2008	1.1.- 30.9.2009	1.1.- 30.9.2008	1.1.- 31.12.2008
NET TURNOVER	5 620	6 291	20 324	21 730	30 383
Other operating income	2	2	80	41	44
Raw materials and services	-1 584	-1 409	-5 587	-5 424	-7 744
Staff expenses	-2 596	-3 192	-10 607	-11 372	-15 583
Depreciation	-177	-181	-527	-540	-718
Other operating expenses	-812	-1 128	-3 005	-3 632	-4 922
OPERATING RESULT	453	383	678	803	1 460
Financial income and expenses	-28	-83	-96	-241	-324
PROFIT BEFORE TAXES	425	300	582	562	1 136
Income taxes	-119	-89	-181	-170	-269
PROFIT FOR THE PERIOD	306	212	401	393	867
Other comprehensive income	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	306	212	401	393	867
Total profit/loss for the period and comprehensive income attributable to Owners of the parent	306	212	401	393	867
Earnings / share, e(undiluted)	0,02	0,02	0,03	0,03	0,07
Earnings / share, e(diluted)	0,02	0,02	0,03	0,03	0,07

Taxes corresponding to the result have been presented as taxes for the period.

GROUP BALANCE SHEET
(TEUR)

	30.9.2009	30.9.2008	31.12.2008
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Intangible rights	2 890	2 282	2 417
Goodwill	8 286	8 286	8 286
Tangible assets	2 662	2 724	2 707
Investments			
Other shares and similar rights of ownership	93	93	93
Deferred tax assets	88	493	268
Total non-current assets	14 019	13 878	13 771
CURRENT ASSETS			
Short-term debtors	6 644	6 602	7 567
Cash in hand and at banks	195	277	695
Total current assets	6 839	6 879	8 262
TOTAL ASSETS	20 858	20 758	22 033
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY			
Share capital	1 009	1 009	1 009
Company's own shares	-337	-86	-255
Share premium account	75	75	75



Unrestricted equity fund	7 214	7 213	7 213
Retained earnings	1 084	693	693
Profit for the financial period	401	393	867
Total equity	9 446	9 297	9 602
LIABILITIES			
Non-current liabilities	3 163	3 663	3 663
Current liabilities	8 249	7 798	8 768
Total liabilities	11 412	11 461	12 431
TOTAL EQUITY AND LIABILITIES	20 858	20 758	22 033
FINANCIAL PERFORMANCE INDICATORS (IFRS)			
	1-9/2009	1-9/2008	1-12/2008
Net turnover MEUR	20,3	21,7	30,4
Change in net turnover	-6,5 %	12,1 %	8,8 %
Operating result MEUR	0,7	0,8	1,5
% of turnover	3,3 %	3,7 %	4,8 %
Result before taxes MEUR	0,6	0,6	1,1
% of turnover	2,9 %	2,6 %	3,7 %
Equity ratio, %	45,3	44,8	43,6
Gearing, %	73,0 %	67,9 %	58,5 %
Gross investments in non-current assets MEUR	0,7	0,7	0,9
Return on equity, %	5,7 %	5,7 %	9,0 %
Return on investment, %	5,7 %	6,7 %	9,0 %
Personnel at end of period	235	264	268
Personnel average for period	248	264	266
KEY INDICATORS PER SHARE			
Earnings / share, e	0,03	0,03	0,07
Earnings / share, e(diluted)	0,03	0,03	0,07



Equity / share, e	0,79	0,77	0,80
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QUARTERLY KEY INDICATORS (MEUR)

	4Q/07	1Q/08	2Q/08	3Q/08
Net turnover	8,55	6,89	8,55	6,29
Operating result	0,54	0,05	0,37	0,38
Result before taxes	0,45	-0,02	0,28	0,30

	4Q/08	1Q/09	2Q/09	3Q/09
Net turnover	8,65	7,21	7,49	5,62
Operating result	0,66	-0,19	0,41	0,46
Result before taxes	0,58	-0,24	0,40	0,42

CASH FLOW STATEMENT (MEUR)

	1-9/2009	1-9/2008	1-12/2008
Cash flow from business operations	-0,02	1,87	2,94
Cash flow from capital expenditure	-0,70	-0,66	-0,88
Cash flow from financing activities			
Dividend distribution	-0,48	-0,73	-0,73
Own shares	-0,08	-0,09	-0,26
Loan agreement	0,78	-0,46	-0,72
Cash flow from financing activities	0,22	-1,28	-1,71



Change in cash and cash equivalents	-0,50	-0,06	0,35
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TOTAL INVESTMENTS (TEUR)

	1-9/2009	1-9/2008	1-12/2008
Continuing operations, group total	704	704	920

LIABILITIES (MEUR)

	30.9.2009	30.9.2008	31.12.2008
Company guarantee for credit limits	1,18	1,18	1,18
Performance bonds	0,02	0,05	0,05
Lease contracts, machinery & equipment	0,62	0,68	0,59
Lease liability, premises	2,31	2,60	2,48

The Group has no liabilities from derivative instruments.

MAJOR SHAREHOLDERS 30.9.2009

	Shares and votes	
	Number	%
1. Saadetdin Ali	3 481 383	28,7
2. Aalto Seppo	1 662 206	13,7
3. Profiz Business Solution Oyj	1 337 625	11,0
4. TP-Yhtiöt Oy	513 380	4,2
5. Roininen Matti	340 000	2,8
6. Solteq Oyj	258 436	2,1
7. Hakamäki Jorma	228 430	1,9
8. Saadetdin Katiye	156 600	1,3
9. Kiiveri Jouko	118 280	1,0
10. Halmet Jarmo	106 000	0,9
10 largest shareholders total	8 202 340	67,5 %
Total of nominee-registered	84 026	0,7 %
Others	3 861 063	31,8 %
Total	12 147 429	100,0 %

STATEMENT OF CHANGES IN GROUP EQUITY (TEUR)

A=Share capital

B=Share issue

C=Company's own shares

D=Share premium account

E=Unrestricted equity fund

F=Retained earnings

G=Total

	A	B	C	D	E	F	G
EQUITY 1.1.2008	1 002	64	0	18	7 213	1 422	9 719
Total comprehensive income						393	393
Subscription issue	7	-64		57			0
Acquiring of own shares			-86				-86
dividend distribution						-728	-728
EQUITY 30.9.2008	1 009	0	-86	75	7 213	1 086	9 297
EQUITY 1.1.2009	1 009	0	-255	75	7 213	1 560	9 602
Total comprehensive income						401	401
Acquiring of own shares			-82				-82
dividend distribution						-475	-475
EQUITY 30.9.2009	1 009	0	-337	75	7 213	1 486	9 446

CALCULATION OF FINANCIAL RATIOS

Solvency ratio, in percentage		
	equity	X 100

	balance sheet total - advances received	
Gearing		
	interest bearing liabilities - cash, bank balances and securities	X 100

	equity	
Return on Equity (ROE) in percentage		
	profit or loss before taxation - taxes	X 100

	equity	
Profit from invested equity in percentage		
	profit or loss before taxation + interest expenses and other financing expenses	X 100

	balance sheet total - non-interest bearing liabilities	
Earnings per share		
	pre-tax result - taxes +/- minority interest	

	diluted average share issue corrected number of shares	
Diluted earnings per share		
	diluted profit before taxation - taxes +/- minority interest	

	diluted average share issue corrected number of shares	
Equity per share		
	equity	

	number of shares	

Financial Reporting

Solteq Plc will publish the financial statements bulletin from the financial year 2009 January 27, 2010.

More investor information on Solteq's website at www.solteq.com

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