

Etteplan

annual report 2004



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Etteplan Vision

Etteplan will become one of the leading companies in Scandinavia and a significant actor in Central Europe.

.....
Etteplan will grow profitably.

The target is 25 % annual growth in turnover with a 10 % operating profit.

.....
Etteplan's service aims towards a more integrated approach to design project management.

*Etteplan is company of
service minded, enthusiastic
well-conducted professionals.*



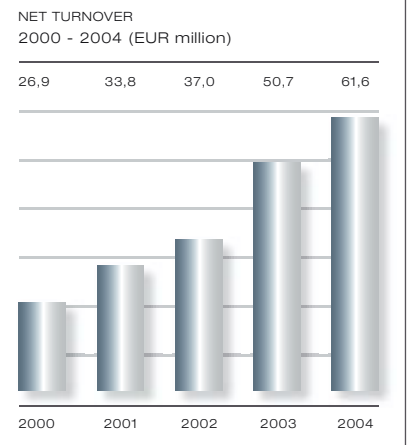
Partnership with customers

The primary objective of operations in the Etteplan Group is to provide customers with engineering design services that improve the quality, profitability and competitiveness of the customer's business activities.

The strength behind Etteplan's business operations are long-term customer relationships based on partnership, skilled personnel, long experience in administering decentralized business operations, working at the local level and the continual development of operations. An important part of our success comes from our partners who are successful in their own fields of business. Our aim is to grow still further and to develop profitably together with our customers.

KEY FIGURES

EUR million	2004	2003	Change %
Turnover	61,6	50,7	21,5
Operating profit	4,7	2,4	98,0
Earnings per share (EUR)	0,60	0,23	160,9
Return on investment, %	31,0	16,1	
Capital expenditures	2,4	2,8	-14,0
Average personnel	965	876	10,2



MAJOR EVENTS IN 2004

JANUARY

The functions of Etteplan Oyj's EMC Laboratory were incorporated and the new company began operations on 1 January 2004 under the name NATLABS Oy.

MARCH

Etteplan Oyj's Annual General Meeting passed a resolution, in accordance with the proposal of the Board of Directors, to pay a dividend of EUR 0.55 per share for the 2003 financial year and authorized the Board of Directors to increase the share capital through a rights issue as well as to purchase the company's own shares and to transfer them.

APRIL

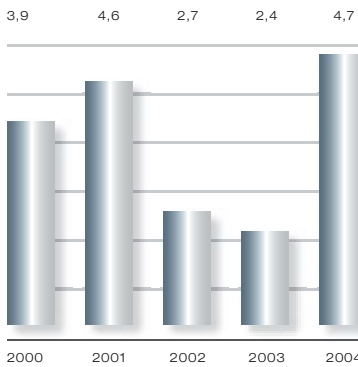
Etteplan and MacGREGOR (FIN) Oy signed a framework agreement on engineering design services for ship lift shafts.

JUNE

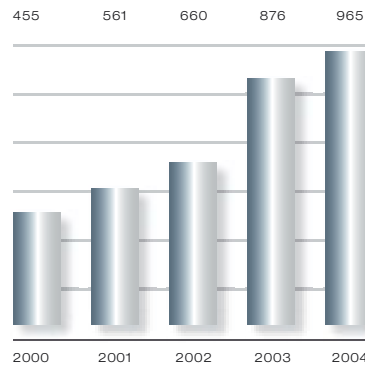
Etteplan acquired a 70 % majority stake in the Swedish Timatec Invest AB. The company, which operates in Karlstad, employs 15 people and provides mechanical and automation design services especially for machinery and device manufacturers in the wood processing industry.

Etteplan increased its share of ownership in Konette Design Center Oy from 60 % to 81 %. The business acquisition is in line with the ownership strategy agreed when Konette Design Center Oy was established in 1999.

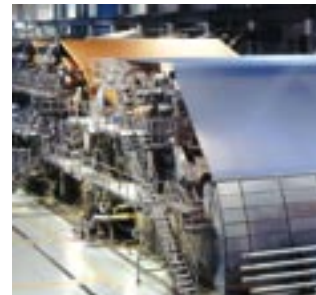
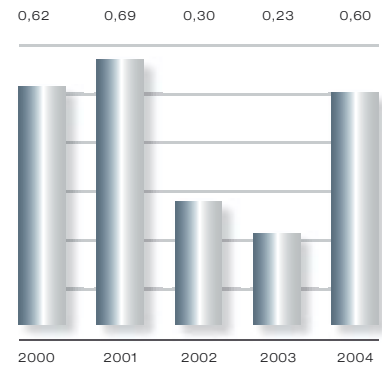
OPERATING PROFIT
2000 - 2004 (EUR million)



AVERAGE PERSONNEL
2000 - 2004



EARNINGS PER SHARE
2000 - 2004 (EUR)



Di&Esse Etteplan Srl in Italy and Metso Paper Como S.p.A, member of the Metso Corporation, signed a cooperation agreement. Eighteen design engineers from Metso Paper Como transferred to the service of Di&Esse Etteplan.

Etteplan Oyj increased its share of ownership in Di&Esse Etteplan to 70 %.

Etteplan Oyj and Shanghai Nextrom Machinery Manufacturing Co., Ltd. agreed on establishing a joint venture in Shanghai, China. The Etteplan Group will have an 87.5 % controlling interest in the company and Shanghai Nextrom Machinery Manufacturing Co., Ltd. 12.5 %.

Etteplan agreed with Nokian Tyres plc and Lemcon Ltd, a subsidiary of Lemminkäinen Group, on providing design services for the tyre plant in Vsevolozhsk, near St. Petersburg.

Etteplan and Sulzer Pumps Finland Oy signed a cooperation agreement. According to the agreement Etteplan provides design services such as agitator related design to Sulzer Pumps Finland Oy.

JULY

Etteplan Oyj raised its share capital in order to acquire the controlling interest in Timatec Invest AB. Share capital after this increase amounted to EUR 434,245.00.

AUGUST

The Etteplan and Nextrom joint venture in Shanghai, China, began operations.

SEPTEMBER

Six design engineers from the Salo unit of Sulzer Pumps Finland Oy transferred to Etteplan.

Etteplan and Oy Sisu Auto Ab signed a cooperation agreement for design and project management services.

OCTOBER

Etteplan established a regional office in Karjaa; eleven design engineers from the product development department at the Sisu Auto Karjaa plant transferred there.

DECEMBER

Etteplan made an agreement with Metso Paper Oy on the transfer to Etteplan of the mechanical head box engineering design business operations at the Metso Paper Karhula unit. Six design engineers from the Karhula unit transferred to Etteplan on 1 January 2005.

Etteplan Oyj increased its holdings in Insinööritoimisto Keskilinja Oy from 60% to 100%. Keskilinja employs 46 people. Based in Vaajakoski and Lappeenranta, the company provides mechanical and automation design services especially for the machinery and device manufacturers in the wood processing industry.

CEO'S REVIEW

PROFITABILITY IMPROVED ESPECIALLY WITHIN OUR INTERNATIONAL OPERATIONS

The Etteplan Group continued its strong and profitable growth in 2004. The company carried out its strategy consistently and grew both organically by taking on customers' design functions as well as by way of acquisitions. The market situation improved somewhat right at the beginning of the financial year and demand reached a normal level in the autumn. It is noteworthy that the demand situation improved nearly simultaneously in different geographical areas and from one industry to the next. Owing to a higher invoicing rate, profitability improved in all our main market areas, but especially within our international operations.

The company landed new partnership customers and deepened its cooperation with old customers. Both new and old customers have transferred their engineering design work to Etteplan. It is gratifying to observe that certain of our significant customers have concluded a number of sales of business operations to us, which is an indication of the added value which our concept delivers.

During the year we made further inputs into improving the pre-conditions for growth. Of particular note is our expanded commitment to international training and information networks, which enable multinational assignments to be carried out. During the report period, Etteplan also prepared for adopting the new IFRS accounting standards. Apart from the method of recording work in progress and the determination of goodwill, the accounting policies that were introduced from the beginning of 2005 will not result in substantial changes to the company's present accounting policy. For greater clarity, our operations have been divided into two segments: Product Development and Delivery Design. The former, as its name suggests, involves the development of our customers' products by improving the characteristics of existing products and by turning out completely new product families. The latter supports our customers who are carrying out product

deliveries and it involves the provision of services mainly for implementing projects that have already been sold. The new division into segments will delineate our operations more clearly by placing functions with the same business logic together.

Etteplan has expanded its international presence energetically during the past financial year. In the autumn, a major groundbreaking step was taken in our international operations when we established an engineering design office in China. Although operations are still only in the initial stage there and the volume is so far small, we have strong growth expectations. In Europe we bolstered our position in all the countries where we operate. In the Swedish market in particular, we have increased our operations steadily and achieved a significant market position. Following the acquisition that was made at the beginning of 2005, about a third of the company's personnel work outside Finland. Internationalisation reduces Etteplan's dependency on Finland's cyclical fluctuations and improves our profitability.

The number of our employees has grown year by year, and in the autumn our total personnel strength already topped one thousand employees. During the year we carried out together with the entire personnel a project aimed at reappraising our corporate culture, on the basis of which we defined new core values for our company.

Our business depends greatly on the trend in our customers' order books. We have devoted resources on a long-term basis to different industries in order to reduce our exposure to business cycles. In line with our objectives, no single sector exceeds a quarter of our turnover. The demand outlook of most industries bodes well for expanding our operations in step with our strategy.

Our customers are continuing to focus more single-mindedly on their core business and are transferring non-core functions to their partners. At the same time, customers are

looking to consolidate their purchases by dealing with a few chosen partners. This is leading to a shakeout in the engineering design field. Etteplan intends to play an active role in this ongoing structural change.

The company's inputs into profitable growth pave the way for an further increase in shareholder value. I wish to thank our customers and shareholders for the confidence they have shown in our company. My best thanks also go to our staff for an energetic contribution to developing our business, for demonstrating high professional skill and for doing an excellent job.

"It is gratifying to observe that certain of our significant customers have concluded a number of sales of business operations to us, which is an indication of the added value which our concept delivers."



OPERATING ENVIRONMENT

CAPITAL EXPENDITURE PICKS UP

Etteplan's industrial design is a strongly growing internationalizing field. The markets for industrial technology design services live according to customer's investment decisions and in line with the demand for engineering design for product development.

The company's key customers come from large enterprises operating internationally and include the wood-processing industry, materials management, energy technology and mobile vehicles.

The positive trend in the world economy in 2004 led to increased investment in both industrial and product development. The upward swing took place right after the turn of the year. Demand grew in the lifting and hoisting industry as well as in the mining, pulp and paper indus-

tries and in the pharmaceutical, defence, telecommunication, mobile vehicles and industrial production industries in particular. The growth in demand levelled out in the summer but continued at a good level through the autumn.

There were also discernable changes in the way key customers operate; large companies in Finland and Sweden in particular focused their product development in their own countries. The trend also resulted in Etteplan receiving new orders.

Due to its long-term customer relations and ever-deepening partnerships, Etteplan further consolidated its position in the changing market.

SUCCESS THROUGH PARTNERSHIP

Etteplan aims to further deepen partnerships with its key customers. The purpose of partnership is to achieve success for both parties and to be the leader in the industry. Working with a successful partner helps to bring about own success.

The customer benefits from Etteplan's profitable growth because as a large and therefore strong actor, Etteplan is able to follow its customers and respond efficiently in developing its operations.





INTERNATIONALIZATION ALONG WITH OUR CUSTOMERS

Operations at Etteplan are based on a deep understanding of the customer's operations and products. In this way, as a supplier of engineering design services, we are in a position to cooperate with our customers to constantly plan and develop our operations and expertise to meet their needs. The internationalization of Etteplan has

gone according to the same principle. We have taken our engineering design services close to our customers, right where they are needed. Design close to the customer also provides the opportunity to take advantage of local expertise in engineering design. Local expertise when combined with Etteplan's efficient project management and product and customer familiarity provides our customers with the best possible and cost-efficient engineering design services.

FURTHER STEPS IN STRUCTURAL CHANGE

Structural changes in the field of engineering design have continued in the Nordic Countries. Engineering design is being concentrated ever more in larger units. Etteplan intends to be an important actor in this structural change in the future, too.

INTERNATIONAL DESIGN SERVICES CLOSE TO THE CUSTOMER

Product development services based on long-term partnerships with customers ensure the customer's competitiveness in the future. The year 2004 witnessed a growing number of assignments in product development.

In order to secure their own competitive edge, customers are constantly developing new, better and more efficient products. Product development is a core activity of company and companies in the Nordic countries in particular want to keep their product development in Europe. Our deep and long-term partnerships guarantee that customers are increasingly entrusting Etteplan with their major product development projects.

Etteplan's Product Development segment provides worldwide service for its customer companies. Our most important customers operate in the lifting and hoisting industry, the automotive and transport equipment industry, the pharmaceutical industry and the fields of telecommunications and materials handling.

The most typical assignments from customers include electronics, software, mechanical and equipment design and electrical and automation design as well as testing and product maintenance.

Assignments are becoming increasingly all-inclusive and also include managing an entire design project. Through its international network of offices, Etteplan provides product development for a customer's units globally.

The demand for product development services showed a slight growth in Finland throughout the year and the demand from the pharmaceutical and automotive industries, industrial production and the defence branches exceeded expectations. The markets in Sweden, particularly for software development and electronics, also picked up at the beginning of the year.

Operations remained stable in Germany, where the projects implemented by the company were based on its long experience in mechanical and equipment design.

We ensured the continual development of our expertise through continuous training and by focusing internal operations.

At the end of 2004, the Product Development segment employed 360 people.

PRODUCT DEVELOPMENT

Etteplan's Product Development segment provides design services in product development for its key customers

EMC LABORATORY Approval measurements meeting regulatory requirements

The independent NATLABS Oy, which is part of the Etteplan Group, provides customers with EMC laboratory and approval services. Using the services ensures that products do not disrupt other equipment with electronic components and guarantees that they can tolerate electromagnetic disturbances up to a certain limit.

The services of Etteplan's EMC Laboratory include both individual product development measurements and complete approval measurements. If required, the laboratory acts as a consultant and coordinates the design solutions for the product so that it meets the requirements of the authorities in every respect.

The EMC Laboratory is competent to carry out approval measurements meeting regulatory requirements and to act as an authorized inspection institute (Competent Body).

The quality system at the laboratory complies with the EN ISO/IEC 17025:2000 and ISO 9001 standards.

• **An example of an assignment**
**DESTINATION CONTROL
SYSTEM**

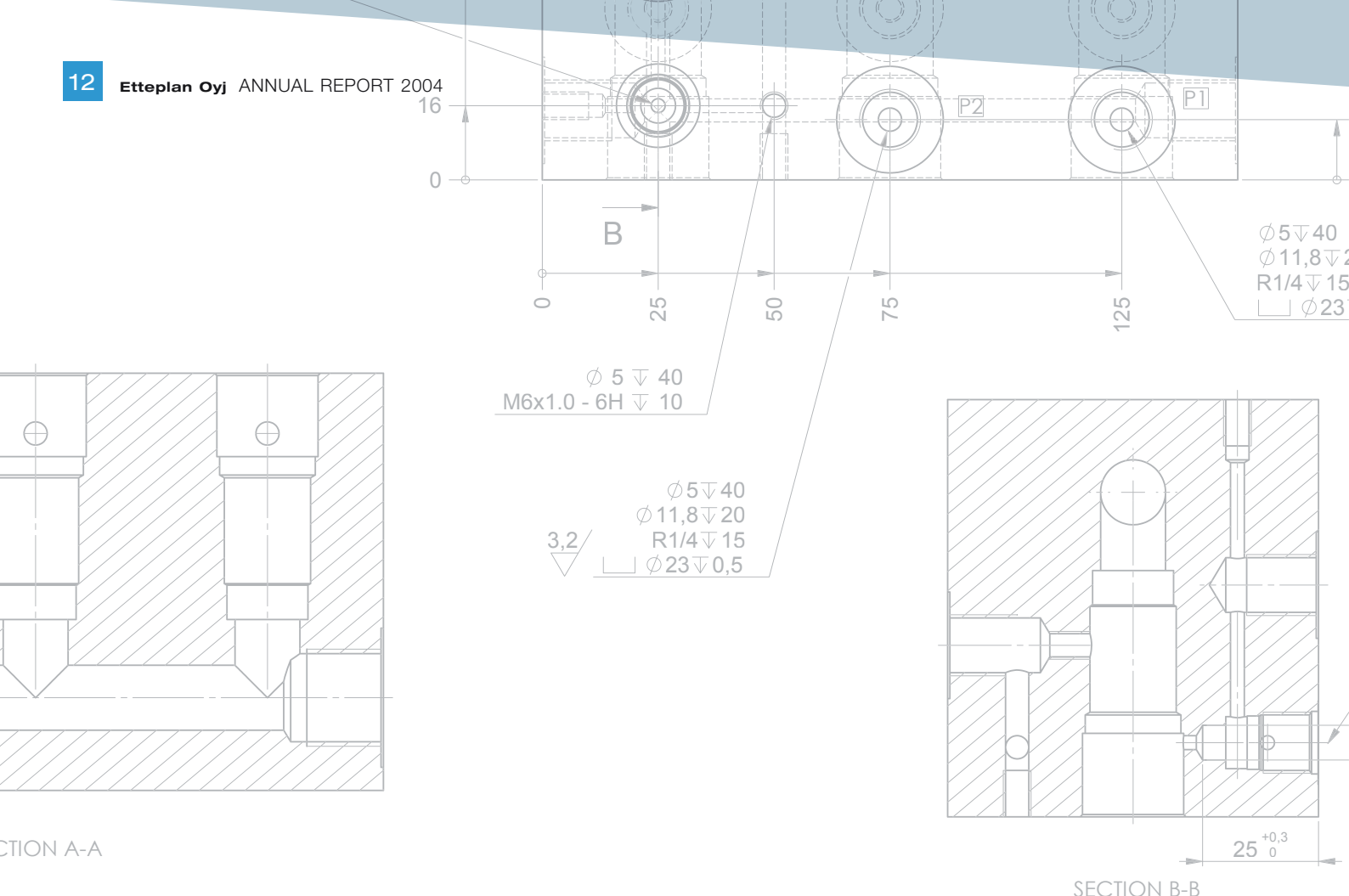
A new era of lift systems

Together with the KONE Corporation, the Etteplan Group has designed a new era office lift system for the 38-floor Gallileo building in Frankfurt (the Dresdner Bank Tower). The building was taken into use in the summer 2003.

The Destination Control System is the hub of the new lift system; its most important features are an intelligent control system, passenger terminals on the different floors of the building and various equipment that provides passengers with information about approaching lifts available for use.

The Gallileo building in Frankfurt is the first place to use the Destination Control System. Product development made full use of the core know-how in Etteplan and moreover, the Group was actively involved in project management, cooperation with subcontractors, technical planning, implementation, testing, training and in the technical expertise of maintenance.





SECTION A-A

SECTION B-B

DELIVERY DESIGN

Etteplan's Delivery Design segment provides services for the design of machines, equipment as well production facilities

COST EFFICIENCY AND DEEPENING PARTNERSHIPS

Etteplan provides services in mechanical, electrical, automation and plant design and commissioning services for project and equipment suppliers as well as for plant owners and operators.

The market situation improved in 2004 and the number of orders increased.

Etteplan's partnership-based way of working ensures that our customers receive a flexible and swift engineering design service for delivery projects that demand a high capacity. Our Delivery Design provides a worldwide service for our customers.

Delivery design customers are involved in the lifting and hoisting industry, materials handling, machine and equipment manufacturing for the wood-processing industry, and the manufacture of mobile vehicles.

The upswing in investments in the wood-processing and mining industries brought new assignments to Etteplan's Delivery Design segment. The projects were located in both Finland and Sweden as well as in Western Europe, Russia and Asia.

Engineering design services are internationalizing and competition is tightening. Etteplan fortified and developed its prepar-

edness in order to implement international projects in the form of joint projects of the different units. Etteplan's ability to supply the design resources of its many international units gives customers a significant competitive edge with regard to the availability and localness of services.

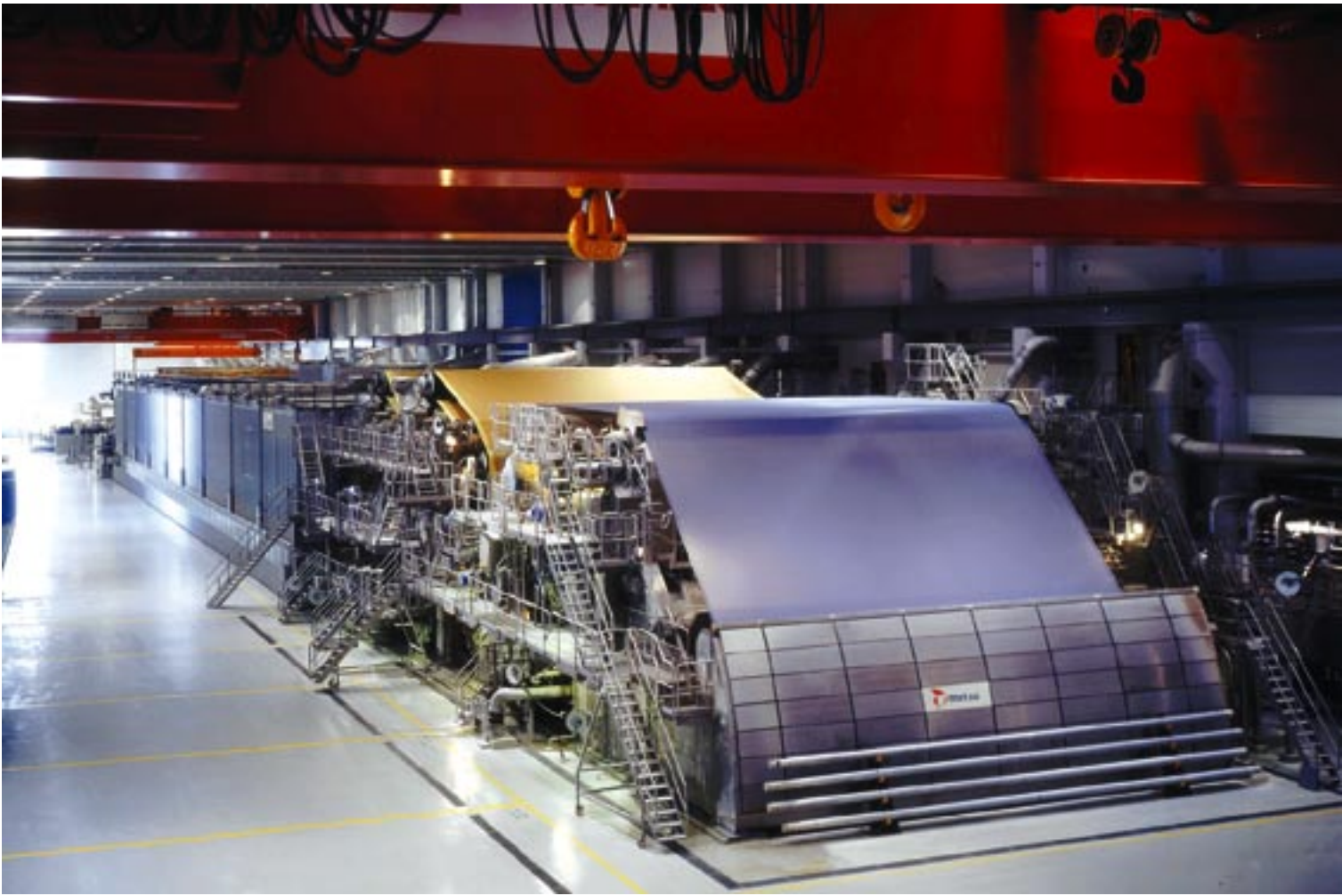
Etteplan is also taking its place in the internationalizing competition by establishing engineering design offices close to the customer. In this way, we are able to combine and utilize our own strong core and project expertise with local design know-how.

During the year, we made several new partnership agreements with customers and long-time customers shifted more of their engineering design services to Etteplan.

The size of delivery design projects has grown still further and they increasingly include handling larger scaled design assignments.

Etteplan has been successful in enhancing its market share and in creating new partnership agreements by providing increasingly cost-efficient design services.

At the end of 2004, the delivery design segment employed 610 people.



• Examples of assignments

NOKIAN TYRES BUILDING A PLANT IN ST PETERSBURG

Nokian Tyres plc is building a tyre plant in Vsevolozhsk near St Petersburg. Its initial annual capacity will be about 4 million tyres.

The assignment given to Etteplan includes designing the plant and its electrical and heating, water, ventilation and fire prevention systems.

The new plant will be commissioned at the end of 2005. The first stage of constructing the plant will cover an area of about 21,000 square metres. Further investments will be used to extend the plant building in stages, with the aim of achieving a capacity of 8 million tyres in about 10 years.

The assignment is a clear indication of Etteplan's experience as a major engineering designer for industrial projects in Russia.

REBUILD OF THE PM 2 WIRE SECTION AT THE RAUMA PAPER MILL

Four Etteplan offices jointly designed the mechanical equipment for an OptiFormer LB wire section for their customer Metso Paper Oy. The project employed a total of about 25 designers. The wire section is 20 metres long and 8 metres high and it was installed at the UPM-Kymmene mill in Rauma. All the parts in the old paper machine's wire section were replaced except for the rollers. The machine, which

processes approximately 1000 tonnes of coated magazine paper per day, was brought back into use.

Etteplan was responsible for all of the mechanical design including manufacturing drawings, subassemblies, and assembly drawings, as well as driving side space utilization design. The project was a successful demonstration of Etteplan's ability to integrate resources.



Picture: Nokian Renkaat Oy

COMPANY OF SPECIALISTS

In 2004, Etteplan's personnel exceeded the one thousand limit. In terms of number of personnel, Etteplan has become one of the largest engineering design offices in the Nordic Countries. Approximately one-third of our employees work abroad.

Etteplan is a company of specialists, and one of the major factors behind our success is its skilled and committed personnel. Employee motivation and the development of their expertise are core tasks of personnel activities.

We carry out studies systematically and conduct development discussions to monitor employee satisfaction. Training reinforces the professional skill of personnel and especially the skills needed for managing the processes involved in engineering design. The projects conducted by the offices in different localities and countries also require a command of international intercommunication, thus continual effort goes into internationalization training. Teamwork skills are also important because design is carried out as both individual and group work.

Its networked organization puts Etteplan in a position to offer its employees career development and various challenging jobs in several countries and continents.

VISIBLE IDENTITY

In 2004, Etteplan elaborated its identity by implementing valued working, where the whole personnel took part in the definition of Etteplan's target values. The three points that rose far above everything else in the responses from all personnel were customer satisfaction, the well-being of personnel and professional ways of working. This work resulted in the company defining its values, which can be summarized in the statement that Etteplan is a company of service minded, enthusiastic well-conducted professionals.

QUALITY TAKES CUSTOMER PROCESSES INTO ACCOUNT

Etteplan's decentralized organization operating out of many localities is the strength in its customer relations, but this requires a common, clearly laid out operational control and a quality system.

The quality work carried out in 2004 focused on developing customer processes by utilizing customer feedback. Design and operational processes have been further developed in accordance with the ISO 9001:2000 and ISO 14001 environmental management systems.



Heikki Pitkänen, (53) M. Sc. (Eng.)

Currently deploying his 26-plus years of working experience as a project manager in the Oulu office. Has been involved in and led numerous construction and renovation projects for steel industry production plants. Currently heading the planning for Nokian Tyres' St. Petersburg factory. The project manager's duties include coordinating design activities and staying in contact with customers and others involved in the design.



Christian Otto, (41)

Head of Engineering Department

He began working at Konstruktionsbüro Winkelhardt in 1995. In 2001 this office was bought by Konette Oy Design Center, a subsidiary of Etteplan.

"At present my task is to build a unit that is responsible for technical design of escalators here in Shanghai to support the operations of the customer's escalator factory. Our office offers design services to old and new customers in Europe and China, combining high-quality European engineering with the support offered by our China office."

PERSONNEL

Etteplan is company of service minded, enthusiastic well-conducted professionals



Maserati Quattroporte designers

In 2000, the designer group of Di&Esse Etteplan in Italy started up design work on the new Quattroporte model for carmaker Maserati in cooperation with Stola SpA. After a feasibility study, the group designed interiors and exteriors, body structures and electrical systems. After that models were prepared for the final stamping and casting processes. Di&Esse Etteplan worked closely with the customer's technical experts to make

sure that the final technical adjustments to the factory in Modena were finished before the start of production in summer 2004.

Left to right: Domenico Mazzeo, Pietro Sacconi, Loris Dall'Ava, Andrea Porrati, Carlo Testa, Claudio Moscardini, Roberto Gatti. Missing from picture: Diego Grittini, Danilo Bergna.



**Niko Forsström (29),
polytechnic B.Sc. in mechanical
engineering**

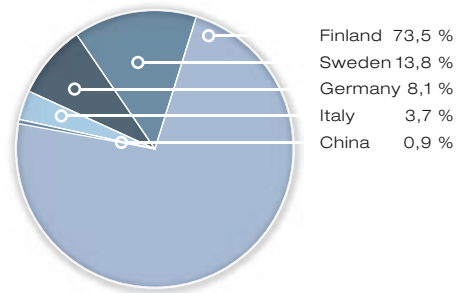
He is now in his fifth year at Etteplan. First he spent three years on working on bridge crane projects in Hyvinkää in addition to acting as a mechanical designer for large quay cranes. After that he worked in Germany on projects for Konette GmbH. Currently he is working as a mechanical designer on a product development project in the escalator unit, as part of a Finnish-German team in close co-operation with the customer.



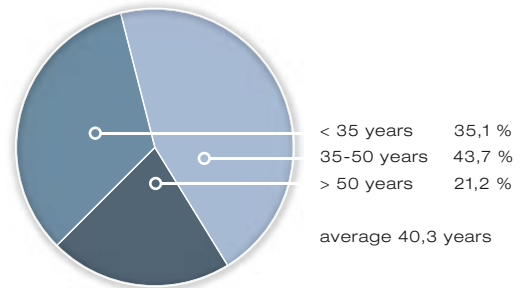
**Ingvar Olsson (32),
electronics engineer**

Works in product development at the Gothenburg office. Olsson began in 1995 as an electronics designer but now also does testing and project manager work. He has worked on more than 30 projects, mostly in product development. Currently he is involved in a telecommunications project for Ericsson, in the area of systems integration and verification. Ingvar Olsson also works as a liaison between Etteplan and Ericsson, improving co-operation in order to serve the customer in the best possible way.

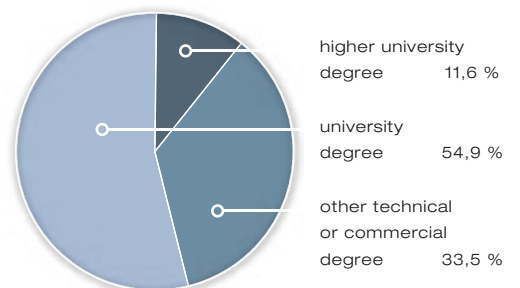
PERSONNEL OF THE GROUP AND ASSOCIATED COMPANIES PER COUNTRY



AGE BREAKDOWN OF EMPLOYEES



EDUCATIONAL BACKGROUND



REVIEW BY THE BOARD OF DIRECTORS

1 JANUARY–
31 DECEMBER 2004

According to company's main object Etteplan continued to grow strongly and profitably in 2004. The turnover grew mainly organically in consequence of the design functions transferred to the Group, but also through acquisitions.

During the year Etteplan carried out four outsourcing projects, in which the customer transferred its' design functions to Etteplan. Three of these outsourcings were carried out in Finland and one in Italy. In addition, the company acquired a 70 % majority stake in Swedish Timatec Invest AB and increased its' holding in its' two Finnish and one Italian subsidiary companies. The number of the Group's personnel abroad grew to 278.

The demand for industrial technology design services in 2004 normalized at the year-end. The demand situation improved in all market areas in both Etteplan's business segments Delivery Design and Product Development. The company made significant openings among others in automotive and processing industry.

During the report period Etteplan invested further strongly in the development of internal functions. The main objectives were effective use of office network, work load balancing and management of international design assignments by training.

TURNOVER AND RESULT

The Etteplan Group's turnover grew significantly compared to the previous year. The turnover grew 21.5 % to EUR 61.6 million (50.7 million in 2003). Delivery Design represented 59 % and Product Development 41 % of Group turnover. The increase in turnover was attributable both to organic growth, mainly the outsourced units taken on, and the acquisitions of majority holdings in Swedish Timatec Invest AB (in 2004) and J.A. Produktutveckling AB (in 2003).

Operating profit was EUR 4.7 million (2.4 million), or 7.7% of turnover (4.7%). Operating profit increased by 98% on the previous year. Profit for the financial period

before extraordinary items and taxes was EUR 4.8 million (2.4 million). The net profit was EUR 2.6 million (EUR 1.0 million). To result improvement effected in addition to the improvement in market situation the successful acquisitions and outsourcing takeovers as well as boosting of business operations.

Earnings per share were EUR 0.60 (0.23). Equity per share was EUR 2.98 (EUR 2.89). The return on investment was 31.0% (16.1%) and the return on equity 22.0% (9.6%).

BUSINESS OPERATIONS

Etteplan operates as a partner of large and medium-sized internationally operating industrial companies, providing industrial engineering design services. The Group's design services are divided in two segments: Delivery Design and Product Development.

The Delivery Design segment provides services for the design of machinery, devices as well as production facilities. Mechanical, electrical, automation and plant design and commissioning services are provided for project and equipment suppliers as well as for plant owners and operators. The Product Development segment provides design services for product development. The services are based on long-term partnerships with customers and are aimed to ensure the customer's competitiveness in the future. In addition the company has an accredited laboratory which is specialized in electromagnetic disturbance measurements. Etteplan's customer base comprises equipment manufacturers and end-users in the wood-processing industry as well as the process, automotive, lifting and hoisting equipment and electronics industries.

The market situation for the Delivery Design segment improved in 2004 and the volume of orders increased. During 2004 also the number of assignments in the Product Development segment has been increasing.

Achieving a good competitive situation has called for strong input into developing engineering design services as well as improving internal efficiency. The strengths of Etteplan's operations are efficient design process, high-quality operations in line with an ISO-9000 system and capable staff.

MAJOR EVENTS IN 2004

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■ In June Etteplan acquired a 70 % majority stake in the Swedish Timatec Invest AB. The company, which operates in Karlstad, employs 15 people and provides mechanical and automation design services especially for machinery and device manufacturers in the wood processing industry.

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Further in June Etteplan Oyj and Shanghai Nextrom Machinery Manufacturing Co., Ltd.

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Further in December Etteplan Oyj increased its holdings in Insinööritoimisto Keskilinja Oy from 60% to 100%. Keskilinja employs 46 people. Based in Vaajakoski and Lappeenranta, the company provides mechanical and automation design services especially for the machinery and device manufacturers in the wood processing industry.

PERSONNEL

The operations and number of personnel of the Etteplan Group have grown steadily. During the financial year the Group employed an average of 965 people (876), an increase of 10%. At the end of the period (31 December 2004) the payroll numbered 1 049 employees (936). The increases in staff were mainly due to outsourcing-driven organic growth as well as acquisitions.

CAPITAL EXPENDITURES

The Group's total capital expenditures amounted to EUR 2.4 million (2.8 million). The main part of capital expenditures were directed to increase of shareholding in subsidiary companies as well as for the expansion of business operations.

FINANCIAL POSITION

Etteplan's financial position remained strong. Total assets at 31 December 2004 stood at EUR 28.1 million (EUR 26.1 million), of which cash and cash equivalents as well as securities held as financial fixed assets totalled EUR 6.6 million (EUR 6.6 million). The Group's interest-bearing liabilities at the end of the period totalled EUR 1.3 million (1.2 million). The equity ratio was 52.1% (57.2%). Liquidity was good throughout the report period.

SHARES, PRICE TREND AND SHARE BUY-BACK

The Group's share capital at 31 December 2004 was EUR 434,245 and the number of shares outstanding was 4,342,450.

The number of Etteplan Oyj's shares traded during the financial year was 1,311,822, to a total value of EUR 8.9 million. The share price registered a low of EUR 5.50, a high of EUR 8.25 and the average price was EUR 6.31. The Group's market capitalization at 31 December 2004 was EUR 35.8 million and it had 1,363 shareholders.

During the financial year the company has not bought back its own shares nor transferred them. At the end of the financial year the company held 100 of its own shares (treasury shares) to a total value of EUR 481.00.

STOCK OPTIONS AND SHARE ISSUE AUTHORIZATIONS

The Annual General Meeting, held on 30 March 2004, authorized the Board of Directors to decide within one year from the Annual General Meeting on the floating of one or more issues of convertible bonds and/or the granting of stock options and/or to decide on increasing the share capital by offering in one or more instalments a maximum of 854,921 shares with an accounting counter value of EUR 0.10 at a price determined by the Board of Directors and otherwise on the terms and conditions decided by the Board of Directors.

The Annual General Meeting further authorized the Board of Directors to decide on buying back the company's own shares in one or more instalments such that the company can buy back a maximum of 213,730 of the company's shares, having an accounting counter value of EUR 0.10, with distributable funds in a proportion other than shareholders' existing holdings and to decide, on the basis of the authorization according to the resolution, on transferring the company's own shares thus bought back in one or several instalments. The authorization granted to the Board of Directors comprises the right to transfer a maximum of 213,730 shares with an accounting counter value of EUR 0.10 such that the aggregate accounting counter value of the shares to be transferred and the votes conferred by them is a maximum of five (5) per cent of the company's share capital and the total voting rights conferred by the shares.

Etteplan Oyj increased its' share capital as a consequence of the agreement made on 10 June 2004 to acquire a majority stake in the Timatec Invest AB. The new shares were entered into Trade Register on 20 July 2004. The amount of share capital increase is 6.784,20 euros and the total amount of the new share capital after the increase is 434.245,00 euros. In the direct share issue the total number 67.842 of new shares were tradable from 21 July 2004 onwards.

All the company's permanently employed staff were covered by Etteplan's stock option programme until 31 January 2005.

BOARD OF DIRECTORS, CEO AND AUDITORS

The members of Etteplan Oyj's Board of Directors during the report period were Tapani Mönkkönen, Chairman, the other members being Tapio Hakakari, Heikki Hornborg, Tapani Tuori and Matti Virtaala.

The company's CEO has been Heikki Hornborg, M. Sc. (Eng.).

The company's auditor was the firm of independent public accountants PricewaterhouseCoopers Oy, with Mika Kaarisalo, Authorized Public Accountant, acting as chief auditor.

BOARD OF DIRECTORS PROPOSAL FOR THE DISPOSAL OF PROFITS

The Group's distributable shareholders' equity according to the balance sheet at 31 December 2004 is EUR 6,6 million and the parent company's distributable shareholders' equity is EUR 5,9 million.

The Board of Directors is proposing to the Annual General Meeting on 23 March 2005 that on the dividend payout date a dividend of EUR 0.30 per share be paid on the company's externally owned shares

and that the remainder be transferred to retained earnings. In accordance with the Board of Directors' proposal, the record date for the dividend payout is 30 March 2005 and the dividend will be paid on 6 April 2005.

ADOPTION OF THE IFRS STANDARDS

Preparations to adopt the International Financial Reporting Standards (IFRS) have proceeded according to plan. Etteplan has adopted the IFRS Standards from the beginning of 2005. The company published the opening balance on 1 January 2004 with a separate bulletin on 23 February 2005. The IFRS profit and loss account and balance sheet for 2004 are published in April 2005. Adoption of the IFRS Standards has minor effect on shareholders' equity.

MAJOR EVENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

Etteplan Oyj's stock option programme came to an end on 31 January 2005. 24,130 option rights were subscribed in the framework of the stock option programme.

During January 2005 three of Etteplan's subsidiary companies carried out a name change to facilitate marketing efforts. In Finland Konette Design Center Oy changed name to Etteplan Design Center Oy and in Sweden J.A. Produktutveckling AB was changed to Etteplan Technical Systems AB and Timatec AB to Etteplan Industriteknik AB.

In February Etteplan Oyj acquired a majority stake in Swedish ProTang AB. In 1995 established Protang provides mechanical and equipment design services and plant design especially for the mechanical engineering industry as well as maintenance

and rationalization design for nuclear power plants. The annual net sales of the company amount to more than EUR 12 million and it currently employs 165 persons in Västerås, Malmö, Örebro and Uppsala in Sweden.

The Board of Directors will within the authorization given by the Annual General Meeting decide to increase Etteplan's share capital as a consequence of the agreement made on 7 February 2005 to acquire a majority stake in the ProTang AB. The amount of share capital increase is 18.144,30 euros. In the direct share issue the total number 181.443 of new shares will be available for trading together with the former shares. The total amount of the new share capital after both these increases is 454.802,30 euros.

OUTLOOK FOR THE FUTURE

Etteplan's management believes that company's primary object, profitable growth continues. The principal means of accomplishing this are increasing of market share in present operations and on the other hand expansion to new markets through acquisitions.

Market outlook for Etteplan's clientele is expected to remain positive especially in the Nordic Countries. The work load situation for individual customers may, however, fluctuate shortly.

The company has started the actions to transfer the company's share trading to the main list of Helsinki Exchanges. The transfer is estimated to take place in the second quarter of 2005.



PROFIT AND LOSS ACCOUNT

(EUR 1000)	GROUP		PARENT COMPANY	
	1.1.-31.12.2004	1.1.-31.12.2003	1.1.-31.12.2004	1.1.-31.12.2003
TURNOVER	61 550	50 662	27 038	24 635
Variation in work in progress	222	110	252	70
Other operating income	121	134	856	760
Materials and services	-1 857	-1 087	-10 478	-9 611
Staff expenses	-44 157	-38 312	-10 424	-10 189
Depreciation and amortisation according to plan	-2 066	-1 791	-735	-773
Other operating expenses	-9 072	-7 193	-4 266	-3 964
Share of losses from participating interests	0	-128		
OPERATING PROFIT	4 742	2 395	2 243	929
Operating profit, %	7,7	4,7	8,3	3,8
Financial income and expenses	43	49	1 500	356
PROFIT BEFORE APPROPRIATIONS AND TAXES	4 784	2 444	3 743	1 286
Appropriations			31	-2
Income taxes	-1 662	-1 054	-1 109	-415
Change in deferred tax liability	39	-11		
Minority interest	-588	-416		
NET PROFIT FOR THE FINANCIAL YEAR	2 574	964	2 665	868
Net profit for the financial year, %	4,2	1,9	9,9	3,5

BALANCE SHEET

(EUR 1000)	GROUP		PARENT COMPANY	
	1.1.-31.12.2004	1.1.-31.12.2003	1.1.-31.12.2004	1.1.-31.12.2003
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	4 859	4 308	677	819
Tangible assets	3 230	3 361	1 568	1 721
Own shares	0	0	0	0
Other investments	464	443	8 040	5 887
NON-CURRENT ASSETS, TOTAL	8 553	8 112	10 285	8 428
CURRENT ASSETS				
Stocks	1 134	843	503	251
Current receivables	11 784	10 518	5 676	5 111
Marketable securities	0	796	0	796
Cash and cash equivalent	6 601	5 810	1 960	1 765
CURRENT ASSETS, TOTAL	19 520	17 968	8 139	7 923
ASSETS, TOTAL	28 073	26 080	18 423	16 351
SHAREHOLDERS' EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	434	427	434	427
Share premium account	5 434	5 058	5 434	5 058
Reserve for own shares	0	0	0	0
Retained earnings	4 514	5 923	3 210	4 693
Net profit for the financial year	2 574	964	2 665	868
SHAREHOLDERS' EQUITY, TOTAL	12 957	12 372	11 744	11 047
MINORITY INTEREST	1 208	2 194		
APPROPRIATIONS			374	405
LIABILITIES				
Deferred tax liabilities	159	198		
Long-term liabilities	1 295	1 065	367	371
Current liabilities	12 454	10 249	5 938	4 527
LIABILITIES, TOTAL	13 909	11 513	6 305	4 899
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL	28 073	26 080	18 423	16 351

CASH-FLOW STATEMENT

(EUR 1000)	GROUP		PARENT COMPANY	
	1.1.-31.12.2004	1.1.-31.12.2003	1.1.-31.12.2004	1.1.-31.12.2003
OPERATING CASH FLOW				
Cash receipts from customers	60 675	48 063	27 279	23 576
Other operating income	121	109	856	735
Operating expenses paid	54 944	44 117	24 724	22 743
OPERATING CASH FLOW BEFORE FINANCIAL ITEMS AND TAXES				
	5 852	4 055	3 411	1 568
Interest and payment paid for financial expenses	53	59	28	35
Interest received	90	98	45	61
Dividend received	6	11	1 483	330
Income taxes paid	1 662	1 054	1 109	415
OPERATING CASH FLOW (A)	4 234	3 051	3 802	1 509
INVESTMENT CASH FLOW				
Investment in tangible and intangible assets	2 363	2 759	439	801
Sales of tangible and intangible assets	371	203	179	72
Investments to other investments	21	13	1 666	591
INVESTMENT CASH FLOW (B)	-2 013	-2 569	-1 926	-1 319
FINANCING CASH FLOW				
Purchase of own shares	0	0	0	0
Short-term loans, decrease	105	78	127	19
Long-term loans, increase	230	269	0	0
Dividends paid and other profit distribution	2 351	1 227	2 351	1 063
FINANCING CASH FLOW (C)	-2 225	-1 036	-2 478	-1 082
VARIATION IN WORKING CAPITAL (A + B + C)				
INCREASE (+)/ DECREASE (-)	-5	-554	-602	-892
ASSETS IN THE BEGINNING OF THE FINANCIAL YEAR	6 606	7 160	2 561	3 453
ASSETS AT THE END OF THE FINANCIAL YEAR	6 601	6 606	1 960	2 561

NOTES TO THE FINANCIAL STATEMENTS

ACCOUNTING POLICY

Group structure

The parent company of the Group is Etteplan Oyj, which is domiciled in Hollola.

The subsidiaries are:

Name	Domicile	Group's holding	Parent company's holding
Ette-Consulting Oy	Hollola	100%	100%
Ette-Engineering Oy	Pori	100%	100%
Ette-Ins Oy	Pori	100%	100%
Insinööritoimisto N. Liukkonen Oy	Hollola	100%	100%
Insinööritoimisto Raskon Oy	Hollola	100%	100%
Konette Design Center Oy	Hyvinkää	81%	81%
Insinööritoimisto Keskinlinja Oy	Jyväskylä rural municipality	100%	100%
EPE Design Oy	Hyvinkää	50%	50%
Etteplan Sverige AB	Upplands Väsby	100%	100%
Itoma Konsulterande Ingenjörer AB	Karlstad	73%	73%
Konette GmbH	Hattingen	81%	-
Di&Esse Etteplan S.r.l.	Bernate Ticino	70%	70%
J.A. Produktutveckling AB	Alingsås	75%	75%
Etteplan Metals Processing Oy	Hollola	100%	100%
Etteplan Production Lines Oy	Hollola	81%	81%
NATLABS Oy	Hyvinkää	100%	100%
Timatec Invest AB	Karlstad	70%	70%
Etteplan Consulting (Shanghai) Co., Ltd. Shanghai		80,4%	-

All the Group companies are included in the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared by combining the financial statements of the Group companies, eliminating all intra-Group transactions, internal receivables and debts as well as the internal distribution of profits. The consolidation has been carried out using the acquisition cost method. Subsidiaries acquired during the financial year have been included in the consolidated financial statements from the time of acquisition. The difference between the acquisition cost of a subsidiary and its shareholders' equity at the time of acquisition is stated as goodwill on consolidation.

In the consolidated financial statements, the minority interest in subsidiaries has been stated as a separate item. The minority interest in the profit and loss account has been calculated from the result for the financial period, and the minority interest in the balance sheet is stated as a total amount consisting of shareholders' equity and the accumulated appropriations less the deferred tax liability.

ITEMS IN FOREIGN CURRENCY

The transactions of Finnish companies in foreign currency have been booked at the exchange rate on the date of the transaction. Foreign currency-denominated receivables and liabilities in the balance sheet on the closing date have been translated into euros at the exchange rate on the balance sheet date.

The balance sheet items of subsidiaries outside the eurozone have been translated into euros at the exchange rate on the balance sheet date and profit and loss account items at the average exchange rate during the financial year. The average exchange rate for the period has been calculated as the average of the rates on the last day of the month of the previous financial period and

the last days of each month of the financial year. The average exchange rate difference resulting from currency translation and the translation difference arising from the elimination of shareholders' equity have been booked to shareholders' equity.

RESEARCH AND DEVELOPMENT EXPENDITURE

Research and development expenditure has been recorded as annual expenses in the year in which they were incurred.

VALUATION OF NON-CURRENT ASSETS

Fixed assets have been capitalized in the balance sheet at the direct acquisition cost less depreciation according to plan. The depreciation schedule is the same as in the previous year.

The depreciation principles are:

Goodwill on consolidation

- Finnish subsidiaries straight-line amortization, 5 years

Goodwill on consolidation

- foreign subsidiaries straight-line amortization, 10 years

Goodwill straight-line amortization, 10 years

Other long-term expenditure straight-line depreciation, 5/7 years

Machinery and equipment 25% depreciation on the carrying value

The depreciation schedule of goodwill on consolidation of foreign subsidiaries is 10 years, which corresponds the expected life-time of the contractual acquisition terms.

VALUATION OF STOCKS

Revenue from the sale of services is recognized as income when the work has been handed over. Contract work has been recognized as income after the work has been approved in accordance with the terms of the agreement. Stocks comprise design work in progress and they are valued on the basis of direct salary costs plus employee social expenses.

DEFERRED TAXES

Income taxes based on taxable earnings are periodized in the separate financial statements. The deferred tax liability is calculated from the temporary differences between taxation and the financial statements, applying the tax base for the following years, as confirmed at the balance sheet date. The balance sheet includes the deferred tax liability in its entirety.

ACCUMULATED APPROPRIATIONS

Accumulated appropriations for the parent company comprise the depreciation difference. The accumulated depreciation difference between depreciation according to plan and book depreciation totals EUR 272,518 for machinery and equipment and EUR 101,835 for long-term expenditure. The associated tax liability is EUR 97,331, which is not recorded in the parent company's balance sheet.

Of the accumulated appropriations of Group companies (EUR 604,738) EUR 445,350 has been booked to shareholders' equity in the consolidated financial statements and EUR 159,388 to the deferred tax liability.

PENSION ARRANGEMENTS

Pension security for the employees of the parent company and its Finnish subsidiaries has been arranged with external pension insurance companies. Pension expenses are recorded as expenses in the year in which they are incurred. The pension arrangements of foreign companies have been handled in accordance with local practice.

NOTES TO THE FINANCIAL STATEMENTS

GROUP

PARENT COMPANY

(EUR 1000)	2004	2003	2004	2003
TURNOVER BY AREA				
Finland	42 798	35 831	27 038	24 635
Italy	2 325	892	0	0
China	39	0	0	0
Germany	6 904	6 092	0	0
Sweden	9 485	7 847	0	0
Turnover, total	61 550	50 662	27 038	24 635
Turnover consists of design business.				
OTHER OPERATING INCOME				
From Group companies			811	674
From others	121	134	45	86
Other operating income, total	121	134	856	760
MATERIALS AND SERVICES				
Materials	65	47	15	0
Services				
From Group companies			9 779	8 992
From others	1 792	1 040	683	618
Materials and services, total	1 857	1 087	10 462	9 611
NUMBER OF PERSONNEL AND STAFF EXPENSES				
Personnel				
Personnel, average	965	876	237	252
At year-end	1 049	936	252	236
of which				
Design personnel	999	891	236	221
Administration personnel	50	45	16	15
Personnel, total	1 049	936	252	236
Staff expenses				
Wages and salaries	35 159	30 954	8 413	8 262
Pension expenses	4 630	4 398	1 432	1 351
Other indirect employee costs	4 368	2 960	579	576
Staff expenses, total	44 157	38 312	10 424	10 189
Management salaries and emoluments				
CEO, Managing Directors and Board of Directors	726	432	208	196
Pension commitments for Board of Directors and CEO				
The possible retirement age for the CEO and two members of the Board of Directors is 60 years.				
DEPRECIATION AND AMORTISATION ACCORDING TO PLAN				
Goodwill	18	16	2	0
Other long-term expenditure	473	450	274	297
Machinery and equipment	1 121	1 089	459	476
Consolidated goodwill	454	236	0	0
Depreciation and amortisation according to plan, total	2 066	1 791	735	773
FINANCIAL INCOME AND EXPENSES				
Dividend income				
From Group companies			1 479	328
From others	6	11	5	3
Dividend income, total	6	11	1 483	330
Interest and financial income				
From Group companies			8	2
Other financial income	90	98	37	59
Interest and financial income, total	90	98	45	61

NOTES TO THE FINANCIAL STATEMENTS

GROUP

PARENT COMPANY

(EUR 1000)	2004	2003	2004	2003
Interest and financial expenses				
Interest expenses	53	59	28	35
Interest and financial expenses, total	53	59	28	35
Financial income and expenses, total	43	49	1 500	356
APPROPRIATIONS				
Difference between planned depreciation and depreciation in taxation, increase (-) decrease (+)			31	-2
INCOME TAXES				
From actual business during financial year	1 656	1 030	1 100	391
From previous year	4	9	9	9
Change in deferred tax liability	-39	11	0	0
Community interest	2	15	0	15
Income taxes, total	1 623	1 064	1 109	415
INTANGIBLE ASSETS				
Intangible rights				
Acquisition cost 1.1.	16	7	14	5
Increases 1.1.-31.12.	0	9	0	9
Decreases 1.1.-31.12.	9	0	9	0
Acquisition cost 31.12.	7	16	5	14
Goodwill				
Acquisition cost 1.1.	156	156	0	0
Increases 1.1.-31.12.	10	0	10	0
Acquisition cost 31.12.	166	156	10	0
Accumulated depreciation 1.1.	16	0	0	0
Depreciation for the financial year	18	16	2	0
Accumulated depreciation 31.12.	33	16	2	0
Book value 31.12.	133	141	8	0
Other long-term expenditure				
Acquisition cost 1.1.	3 701	3 221	2 406	2 187
Increases 1.1.-31.12.	846	480	170	220
Decreases 1.1.-31.12.	484	0	38	0
Acquisition cost 31.12.	4 064	3 701	2 539	2 406
Accumulated depreciation 1.1.	2 179	1 729	1 601	1 304
Depreciation for the financial year	473	450	274	297
Accumulated depreciation 31.12.	2 652	2 179	1 875	1 601
Book value 31.12.	1 412	1 523	664	805
Goodwill on consolidation				
Acquisition cost 1.1.	3 532	1 354		
Increases 1.1.-31.12.	1 133	2 178		
Acquisition cost 31.12.	4 665	3 532		
Accumulated depreciation 1.1.	903	667		
Depreciation for the financial year	454	236		
Accumulated depreciation 31.12.	1 357	903		
Book value 31.12.	3 307	2 629		
Intangible assets, total	4 859	4 308	677	819

NOTES TO THE FINANCIAL STATEMENTS

GROUP

PARENT COMPANY

(EUR 1000)	2004	2003	2004	2003
TANGIBLE ASSETS				
Land and water areas				
Acquisition cost 1.1.	19	19		
Book value 31.12.	19	19		
Machinery and equipment				
Acquisition cost 1.1.	8 012	6 612	4 726	4 280
Increases 1.1.-31.12.	1 377	1 540	447	511
Decreases 1.1.-31.12.	420	140	141	65
Acquisition cost 31.12.	8 968	8 012	5 031	4 726
Accumulated depreciation 1.1.	4 707	3 618	3 005	2 529
Depreciation for the financial year	1 121	1 089	459	476
Accumulated depreciation 31.12.	5 828	4 707	3 463	3 005
Book value 31.12.	3 140	3 305	1 568	1 721
Other tangible assets				
Acquisition cost 1.1.	37	40		
Increases 1.1.-31.12.	46	0		
Decreases 1.1.-31.12.	13	3		
Acquisition cost 31.12.	71	37		
Tangible assets, total	3 230	3 361	1 568	1 721
INVESTMENTS				
Shares in group companies				
Acquisition cost 1.1.			5 860	3 099
Increases 1.1.-31.12.			2 761	2 761
Book value 31.12.			8 621	5 860
Own shares				
Acquisition cost 1.1.	0	139	0	139
Increases 1.1.-31.12.	0	420	0	420
Decreases 1.1.-31.12.	0	559	0	559
Book value 31.12.	0	0	0	0
Other shares				
Acquisition cost 1.1.	443	430	27	27
Increases 1.1.-31.12.	42	13	0	0
Decreases 1.1.-31.12.	20	0	0	0
Book value 31.12.	464	443	27	27
Investments, total	465	443	8 040	5 887
Revaluation				
Opening balance 1.1.	20	20		
Decreases 1.1.-31.12.	20	0		
Book value 31.12.	0	20		
Revaluation is included in other investments in the balance sheet.				
STOCKS				
Work in progress	1 134	843	503	251
Stocks, total	1 134	843	503	251

NOTES TO THE FINANCIAL STATEMENTS

GROUP

PARENT COMPANY

(EUR 1000)	2004	2003	2004	2003
CURRENT RECEIVABLES				
Accounts receivable	10 123	8 983	4 199	4 278
From Group companies				
Accounts receivable			493	414
Other receivables			840	385
Total			1 333	799
Other receivables	512	456	101	14
Accrued income	1 149	1 079	43	20
Total	1 661	1 535	144	34
Current receivables, total	11 784	10 518	5 676	5 111
Main items included in accrued income				
Prepaid leasing rents	37	22		
Deferred tax claim	108	290		
Prepaid rents of premises	58	40		
Other	945	727	43	20
Main items included in accrued income, total	1 149	1079	43	20
CHANGES IN SHAREHOLDERS' EQUITY				
Share capital 1.1.	427	427	427	427
Share issue registered 20.7.2004	7	0	7	0
Share capital 31.12.	434	427	434	427
Share premium account	5 058	5 058	5 058	5 058
Share issue registered 20.7.2004	377	0	377	0
Share capital 31.12.	5 434	5 058	5 434	5 058
Reserve for own shares 1.1.	0	139	0	139
Increase (+) / Decrease (-)	0	-139	0	-139
Reserve for own shares 31.12.	0	0	0	0
Retained earnings 1.1.	6 887	6 835	5 561	5 617
Dividends payed	-20	0	0	0
Translation differences and other	-2	11	0	0
Transferred from reserve for own shares	0	139	0	139
Dividends paid	-2 351	-1 063	-2 351	-1 063
Retained earnings 31.12.	4 514	5 923	3 210	4 693
Profit for the financial year	2 574	964	2 665	868
Shareholders' equity, total	12 957	12 372	11 744	11 047
Distributable funds 31.12.				
Retained earnings	4 514	5 923	3 210	4 693
Profit for the financial year	2 574	964	2 665	868
Portion of accumulated depreciation difference transferred to shareholders' equity	-445	-491		
Distributable funds 31.12.	6 642	6 396	5 875	5 561

NOTES TO THE FINANCIAL STATEMENTS

GROUP

PARENT COMPANY

(EUR 1000)	2004	2003	2004	2003
SHARES				
	Kpl	Kpl	Kpl	Kpl
Shares 1.1.	4 274 608	4 274 608	4 274 608	4 274 608
Share issue registered 20.7.2004	67 842	0	67 842	0
Shares, total 31.12.	4 342 450	4 274 608	4 342 450	4 274 608
Deferred tax liabilities				
From appropriations	159	198		
Deferred tax liabilities, total	159	198		
LONG-TERM LIABILITIES				
Pension loans	734	489	367	371
Loans from financial institutions	562	577	0	0
Long-term liabilities, total	1 295	1 065	367	371
which maturing beyond than five years	256	284	256	284
CURRENT LIABILITIES				
Loans from financial institutions	0	25	0	25
Pension loans	28	124	28	124
Advances received	904	630	484	242
Accounts payable	1 116	726	375	305
Payables to group companies				
Accounts payable			2 052	1 610
Other liabilities			14	1
Total			2 066	1 611
Other liabilities	3 599	3 177	925	822
Accrued expenses	6 808	5 567	2 061	1 397
Current liabilities, total	12 454	10 249	5 938	4 527
Main items included in accrued expenses				
Holiday pay debt	3 777	3 012	1 050	1 098
Income tax liability	699	335	387	45
Accrued social security costs	1 212	526	295	41
Other	1 120	1 694	328	212
Main items included in accrued expenses, total	6 808	5 567	2 061	1 397
PLEDGES, MORTGAGES AND GUARANTEES				
For own debts				
Pension loans	762	562	394	496
Loans from financial institutions	562	586	0	25
Other debts	6	6	0	0
Business mortgage	1430	1426	908	908
Pension loans				
Loans from financial institutions	16	15	0	10
Other contingencies				
Leasing liabilities				
For payment in next financial year	239	135	126	
For payment later	331	55	208	
Other contingencies, total	570	190	335	

SHARES AND SHAREHOLDERS

Etteplan Oyj's fully paid-in share capital at 31 December 2004, as entered in the Trade Register, was EUR 434,245 and the company had 4,342,450 shares. The company has one series of shares. Each share entitles its holder to cast one vote at General Meetings of shareholders and it confers an equal right to dividends.

According to the Articles of Association, the company's minimum share capital is EUR 350,000 and the maximum share capital is EUR 1,400,000, within which limits the share capital can be raised or lowered without amending the Articles of Association.

AUTHORIZATIONS

The Annual General Meeting held on 30 March 2004 cancelled the resolution passed by the previous Annual General Meeting on 26 March 2003 by which the Board of Directors had been authorized to decide on increasing the share capital and transferring company shares.

The Annual General Meeting granted the Board of Directors an authorization to decide, within one year from the close of the Annual General Meeting and in disapplication of shareholders' pre-emptive right to subscribe for shares, on floating one or more issues of convertible bonds and/or granting stock options, and/or to decide on increasing the share capital in one or more instalments through a rights issue by a total maximum of EUR 85,492.10 by offering a maximum of 854,921 new shares for subscription.

The Annual General Meeting authorized the Board of Directors to decide on buying back the company's own shares in one or more instalments such that the company can buy back a maximum of 213,730 of the company's shares (treasury shares). Shares

can be obtained for use as consideration in possible acquisitions or for use in carrying out other structural arrangements.

The Annual General Meeting granted the Board of Directors an authorization to decide on transferring the company's own shares in one or more instalments to a maximum amount of 213,730 shares.

STOCK OPTION PROGRAMME

On 13 April 2000 a General Meeting of Shareholders passed a resolution on granting stock options to persons belonging to the management and personnel of Etteplan Oyj and its subsidiaries. On the basis of the warrants, a maximum of 200,000 shares can be subscribed for, corresponding to 4.7 per cent of the company's share capital and voting rights. The share capital can be raised by a maximum of 20,000 euros. Each warrant entitles its holder to subscribe for one share. The subscription price is 7.80 euros. The subscription period for shares commenced for 100,000 warrants on 15 April 2002 and will commence for 100,000 warrants on 15 April 2004. The share subscription period will end for all the warrants on 31 January 2005. Group companies held 48,700 stock options.

Shares entitle their holder to a dividend for the financial period during which the shares have been subscribed for. Other rights in the company commence when the share subscription has been entered in the Trade Register.

QUOTATION OF THE SHARES

Etteplan Oyj's shares (ETT1V) have been quoted on the NM List of Helsinki Stock Exchange since 28 April 2000.

SHARE PRICE TREND AND TURNOVER

The number of Etteplan Oyj shares traded during 2004 was 1,311,822, to a total value of EUR 8.9 million. The share price low was EUR 5.50, the average EUR 6.31 and the closing price was EUR 8.25. The company's market capitalization at 31 December 2004 was EUR 35.8 million.

DIVIDEND PAYOUT

The Board of Directors is proposing to the Annual General Meeting, which will convene on 23 March 2005, that from the disposable funds available to the Annual General Meeting, a dividend of EUR 0.30 per share be paid for the 2004 financial year on externally owned shares, this representing 50.2 % of the Group's earnings per share. In accordance with the Board of Directors' proposal, the record date for the dividend payout is 30 March 2005 and the dividend will be paid on 6 April 2005.

SHAREHOLDERS

At the end of 2004 the company had 1,363 registered shareholders. Entered in the nominee register were a total of 147,740 shares, or 3.4 per cent of the shares. At 31 December 2004 the members of the company's Board of Directors and the President owned a total of 2,308,225 shares, or 53.2% of the entire shares outstanding, as well as 4.0% of the stock options, which represents 0.2% of the share capital after conversion of the option warrants into shares.

MAJOR SHAREHOLDERS, 31 December 2004

	Number of shares	Holding of shares and votes, %
MÖNKKÖNEN TAPANI	1 586 050	36,52
TUORI TAPANI	337 620	7,77
HORNBORG HEIKKI	334 555	7,70
MANDATUM FINNISH SMALL CAP FUND	209 500	4,82
MUTUAL INSURANCE COMPANY PENSION FENNIA	200 000	4,61
ULKOMARKKINAT	130 000	2,99
INGMAN FINANCE OY AB	95 000	2,19
ALFRED BERG SMALL CAP UNIT TRUST	80 500	1,85
AIFF ULF	77 080	1,78
POHJOLA FINLAND SMALL CAP FUND	70 200	1,62
VARMA MUTUAL PENSION INSURANCE COMPANY	64 582	1,49
PLACERINGSFONDEN AKTIA CAPITAL	55 900	1,29
OTHER SHAREHOLDERS	1 101 463	25,37
TOTAL	4 342 450	100
NOMINEE-REGISTRATED SHARES	147 740	3,40

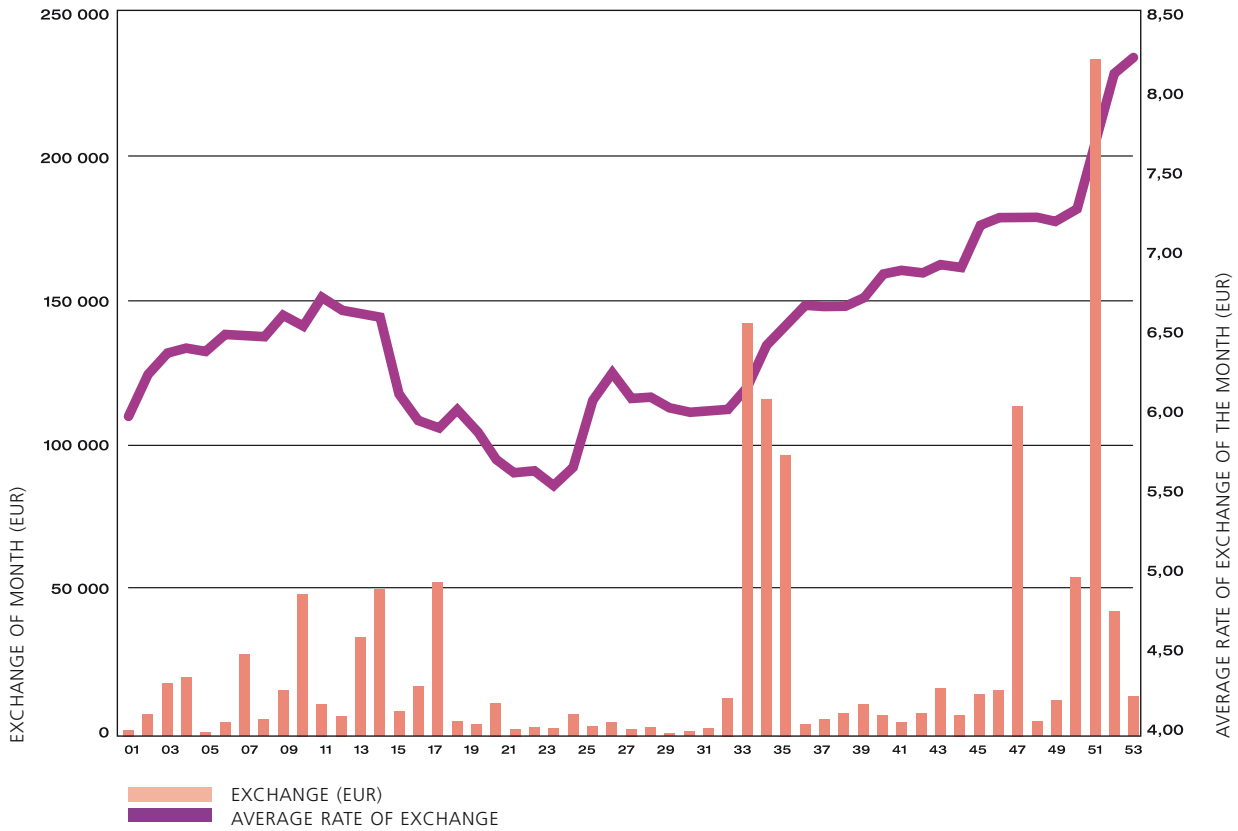
BREAKDOWN OF SHAREHOLDINGS BY SIZE CLASS, 31 December 2004

Number of shares	Shareholders	Proportion of shareholders, %	Number of shares	Proportion of shares, %
1 - 10	6	0,440	38	0,00
11 - 50	33	2,421	1 401	0,03
51 - 100	645	47,982	65 316	1,51
101 - 500	379	27,806	112 525	2,59
501 - 1 000	138	10,125	114 000	2,63
1 001 - 5 000	114	8,364	253 683	5,84
5 001 - 10 000	11	0,807	81 063	1,87
10 001 - 50 000	15	1,101	405 877	9,35
50 001 - 100 000	7	0,514	510 822	11,76
100 001 - 500 000	5	0,367	1 211 675	27,90
500 001 - 1 000 000	0	0	0	0,00
1 000 001 -	1	0,073	586 050	36,52
Total	1 363	100	4 342 450	100

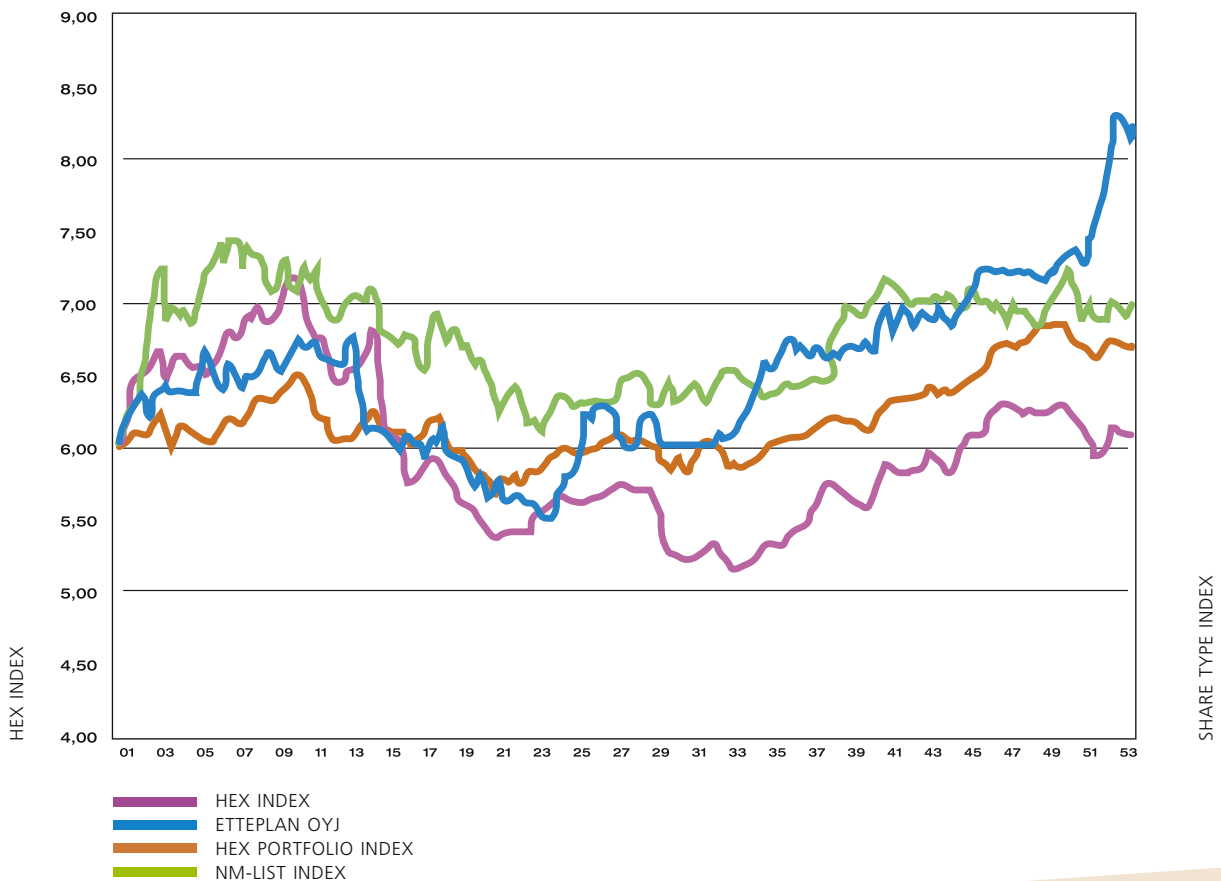
BREAKDOWN OF SHAREHOLDINGS BY OWNER GROUP, 31 December 2004

	Shareholders	Number of shares	Proportion of shares, %
Private companies	92	438 639	10,10
Financial and insurance institutions	16	593 332	13,66
Public sector entities	2	264 582	6,09
Non-profit institutions	5	3 800	0,09
Households	1 236	2 904 147	66,88
Foreigners	12	137 950	3,18
Total	1 363	4 342 450	100

SHARE PRICE TREND AND TURNOVER 2004



SHARE PRICE TREND IN 2004



KEY FIGURES FOR FINANCIAL TRENDS

(EUR 1000, financial year 1.1. - 31.12.)	Group 2004	Group 2003	Group 2002	Group 2001	Group 2000
Turnover	61 550	50 662	37 011	33 821	26 924
Increase in turnover, %	21,5	36,9	9,4	25,6	30,1
Operating profit	4 742	2 395	2 724	4 597	3 921
% of turnover	7,7	4,7	7,4	13,6	14,6
Profit before extraordinary items	4 784	2 444	2 753	4 809	3 963
% of turnover	7,8	4,8	7,4	14,2	14,7
Profit before appropriations and taxes	4 784	2 444	2 753	4 809	3 963
% liikevaihdosta	7,8	4,8	7,4	14,2	14,7
Return on equity, %	22,0	9,6	12,6	28,0	37,7
Return on investment, %	31,0	19,7	37,8	47,5	
Equity ratio, %	52,1	57,2	63,4	65,0	63,9
Gross investments	2 384	2 772	4 497	2 677	2 117
% of turnover	3,9	5,5	12,2	7,9	7,9
Dept-equity ratio, %	-37,3	-37,1	-43,4	-48,9	-52,6
Personnel, average	965	876	660	561	455
Personnel at end of period	1 049	936	723	583	513

KEY FIGURES FOR SHARES

(EUR 1000, financial year 1.1. - 31.12.)	Group 2004	Group 2003	Group 2002	Group 2001	Group 2000
Earnings per share ¹⁾	0,60	0,23	0,30	0,69	0,62
Earnings per share ²⁾	0,59	0,23	0,30	0,69	0,59
Equity per share	2,98	2,89	2,90	2,89	2,51
Dividend per share	0,30 *)	0,55	0,25	0,30	0,29
Dividend per profit, %	50,2	241,9	82,2	43,5	47,1
Effective dividend return, %	3,6	9,4	6,2	5,0	5,2
P/E ratio	13,81	25,77	13,30	8,62	9,07
Share price lowest	5,50	2,99	3,90	4,45	4,56
highest	8,50	6,48	6,44	7,00	8,95
average for year	6,31	4,41	5,32	5,97	7,57
Market capitalisation	35 825 213	25 049 203	17 312 162	24 397 380	22 988 875
Number of shares traded	1 311 822	745 775	390 375	335 475	1 009 820
Percentage of shares traded	30,4	17,6	9,3	8,2	25,5
Adjusted average number of shares during the financial year	4 308 479	4 240 329	4 175 154	4 110 179	3 959 375
Adjusted number of shares at year-end	4 342 450	4 274 508	4 250 508	4 100 400	4 112 500

¹⁾ adjusted number of shares

²⁾ adjusted number of shares at year end

*) proposal by the Board of Directors

OWN SHARES

The company's own shares have been booked at the purchase price and are stated in non-current assets. In key ratio calculations, own shares have been eliminated from shareholders' equity and the number of shares. At 31 December 2004 the Group's parent

company held a total of 100 own shares with an accounting counter-value of EUR 481 and representing 0,002 % of the company's shares outstanding.

FORMULAS FOR THE KEY FIGURES

Return on equity (ROE)

$$\frac{(\text{Profit before extraordinary items, appropriations and taxes} - \text{taxes}) \times 100}{(\text{Shareholders' equity} + \text{minority interest}) \text{ average}}$$

Return on investment (ROI)

$$\frac{(\text{Profit before extraordinary items, appropriations and taxes} + \text{interest and other financial expenses}) \times 100}{(\text{Balance sheet total} - \text{non-interest bearing debts}) \text{ average}}$$

Debt-equity ratio, %

$$\frac{(\text{Interest-bearing debts} - \text{cash and cash equivalent and marketable securities}) \times 100}{\text{Shareholders' equity} + \text{minority interest}}$$

Equity ratio, %

$$\frac{(\text{Shareholders' equity} + \text{minority interest}) \times 100}{\text{Balance sheet total} - \text{advances received}}$$

Earnings per share

$$\frac{(\text{Profit before extraordinary items, appropriations and taxes} - \text{taxes} - \text{minority interest})}{\text{Average number of shares during the financial year}}$$

Equity per share

$$\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares at the end of the financial year}}$$

Dividend per share

$$\frac{\text{Dividend for year}}{\text{Adjusted number of shares}}$$

Dividend as percentage of earnings

$$\frac{\text{Dividend per share} \times 100}{\text{Earnings per share}}$$

Effective dividend yield, %

$$\frac{\text{Dividend per share} \times 100}{\text{Adjusted last traded share price}}$$

Price/earnings ratio (P/E)

$$\frac{\text{Adjusted last traded share price}}{\text{Earnings per share}}$$

Share price trend

For each financial year, the adjusted low and high actual traded prices are given as well as the average price for the financial year adjusted for share issues.

$$\text{Average price} = \frac{\text{Total turnover of shares in euros}}{\text{Number of shares traded during the financial year}}$$

Market capitalisation

Number of shares at year-end x last traded price of year

Trend in share turnover, in volume and percentage figures

The trend in turnover of shares is given as the number of shares traded during the year and as the percentage of traded shares relative to issued stock during the year.

PROPOSAL BY THE BOARD OF DIRECTORS

On 31 December 2004, the Group's distributable equity amounted to EUR 6.6 million and the parent company's distributable equity EUR 5.9 million of which the net profit for the financial year EUR 2,7 million.

The Board of Directors will propose that a dividend of EUR 0.30 be paid from the distributable funds available to the Annual General Meeting for each share held by parties outside the company, with the remainder being left in retained earnings.

It will be proposed that the dividend be paid on 6 April 2005.

Helsinki 17 February, 2004.

Tapani Mönkkönen Heikki Hornborg

Tapani Tuori Matti Virtaala Tapio Hakakari

AUDITORS' REPORT

To the shareholders of Etteplan Oyj

We have audited the accounting, the financial statements and the corporate governance of Etteplan Oyj for the period 1.1.-31.12.2004. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the Managing Director have legally complied with the rules of the Companies' Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distribution of retained earnings is in compliance with the Companies' Act.

Turku, March 1st, 2005

PricewaterhouseCoopers Oy
Authorised Public Accountants

Mika Kaarisalo
Authorised Public Accountant



Tapio Hakakari, Heikki Hornborg, Matti Virtaala, Tapani Mönkkönen ja Tapani Tuori

MEMBERS OF THE BOARD OF DIRECTORS

Tapani Mönkkönen

b. 1946, M.Sc. (Eng.)
 Chairman of Etteplan Oyj's Board of Directors from 1997
 Member of the Board from 1983
 Chairman of Logister Ltd, Länsihydro Ltd and Satanosto Oy
 Managing Director of Laitesuunnittelu Oy 1972-1988, Chief Executive Officer of Etteplan Oy 1991-1997
 Numbers of Etteplan shares, 31 December 2004: 1 586 050

Heikki Hornborg

b. 1949, M.Sc. (Tech.)
 Member of the Board 1985-1991 and from 1997
 Chief Executive Officer of Etteplan Oyj 1985-1989 and from 1997
 Technical Director and Plant Manager of Lohja Caravans Oy 1991-1997,
 Technical Director of Wärtsilä Sanitec Oy 1989-1991, Production Manager at Kone Oy 1982-1985 and prior to that Quality Manager and Production Manager at Wärtsilä Oy and Valmet Oy 1975-1982
 Numbers of Etteplan shares, 31 December 2004: 334 555 and 8 000 option warrants

Tapio Hakakari

b. 1953, LL.M.
 Member of the Board from 2004
 Director of Kone Corporation, secretary to the Board of Directors of Kone Corporation
 Managing Director and member of the Board of Directors of Security Trading Oy
 Managing Director and member of the Board of Directors of Holding Manutas Oy
 Member of the Board of Directors of the Consolis Group
 Member of the Board of Directors of Martela Oy
 Numbers of Etteplan shares, 31 December 2004: 50 000

Tapani Tuori

b. 1941, M.Sc. (Tech.)
 Member of the Board from 1986
 Chairman of the Board 1987-1997
 Managing Director of Esko Poltto Oy 1986-1992, Managing Director of Viatek-yhtiöt Oy 1992-1993, Chairman of the Board of Directors of EP-Logistics Oy 1994-2000 and has served on the Boards of several design and IT companies incl. Viatek, Tekninen laskenta, Finconsult and Siltateknikka
 Numbers of Etteplan shares, 31 December 2004: 337 620

Matti Virtaala

b. 1951, M.Sc. (Eng.), Industrial Counsellor
 Member of the Board from 2002
 President of Abloy Oy, Chairman of the Board of Tulikivi Corporation

CEO

Heikki Hornborg

born 1949, M.Sc. (Eng.)
 CEO 1985-1989, 1997-

AUDITORS

PricewaterhouseCoopers Oy,

Authorized Public Accountants,
 with **Mika Kaarisalo** (APA), as the auditor in charge.

CORPORATE GOVERNANCE

GENERAL

The company's administration is organized in accordance with the Finnish Companies Act, Etteplan's Articles of Association and other relevant legislation and regulations. Pursuant to the Helsinki Stock Exchange's Recommendation on Corporate Governance, Etteplan Oyj complies in all respects with the guidelines issued by the Central Chamber of Commerce and the Confederation of Finnish Industries EK concerning the governance of publicly traded companies, with the exception of a Supervisory Board and Committees to the Board of Directors because the company does not have such administrative bodies. The company's Board of Directors handles all matters pertaining to it in a full assembly.

Supervision and management of the company is divided among the General Meeting of shareholders, the Board of Directors and the CEO.

GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting is held each year at latest in June. The General Meeting of shareholders is the company's highest decision-making body. In accordance with the Finnish Companies Act and Etteplan's Articles of Association, the General Meeting of shareholders passes resolutions on the following:

- amendments to the Articles of Association
- approval of the financial statements
- distribution of profit
- the acquisition and conveyance of treasury shares
- stock option programmes
- the election of the members of the Board of Directors and their emoluments
- the election of the auditors and the fees for the audit

BOARD OF DIRECTORS

The tasks of the Board of Directors

The Board of Directors is responsible for the company's management and for the due organization of the company's operations in accordance with the relevant legislation and Etteplan's Articles of Association. The Board of Directors determines the principles of the company's strategy, its organization, accounting and financial administration and approves such important company matters

as the Group's strategy, budget, acquisitions, disposals of assets, external financial arrangements, major capital expenditure projects and the emolument and bonus systems covering the company's management. The Board of Directors annually appraises its activities and working practices. A written working order, which includes the above-mentioned matters, has been drawn up for the Board of Directors.

The Board of Directors draws up a list of the proposed Chairman and members of the Board of Directors for the General Meeting of shareholders.

The composition of the Board of Directors

According to the Articles of Association, the Board of Directors shall have a minimum of three and a maximum of seven members. The Chairman and the Board of Directors are elected for a term of one year at the Annual General Meeting. The Annual General Meeting elected Tapani Mönkkönen as Chairman of the Board and Heikki Hornborg, Tapio Hakakari, Tapani Tuori and Matti Virtaala as the members of the Board. Tapio Hakakari, Tapani Tuori and Matti Virtaala were non-executive members in 2004.

The Board of Directors met nine times during 2004. The average rate of attendance at Board meetings amounted to 96 per cent.

CEO

The Board of Directors appoints a CEO for the company in accordance with the Finnish Companies Act. The parent company's CEO furthermore acts as the Group's Chief Executive Officer. The CEO is responsible for managing the Group's daily operations in accordance with the regulations and instructions issued by the Board of Directors. Heikki Hornborg has been the CEO since 1997.

A written CEO agreement has been drawn up for the Chief Executive Officer.

MANAGEMENT GROUP

The CEO appoints an appropriate Management Group from the standpoint of line operations. The Management Group assists the CEO as well as develops and monitors all matters entrusted to the company's management, including those connected with the Group and business unit strategies, acquisitions, divestments and mergers and major capital expenditures, disinvestments, the company's im-

age, monthly reporting, interim reports, investor relations and the main principles of human resources policy. The Board of Directors approves the appointment of members to the Management Group. The members of the Management Group are Heikki Hornborg, Ulf Aiff, Pia Björk, Timo Juvonen, Jari Kivelä, Risto Koivunen, Jukka Rausti and Seppo Ruoho.

Compensation of members of the Board of Directors

According to the resolution passed by the Annual General Meeting 2004, the annual emolument for an executive member of the Board of Directors comes to EUR 8,500 and the emolument for each non-executive member of the Board comes to EUR 11,000 a year.

Compensation for the CEO

CEO Heikki Hornborg's monthly salary amounts to EUR 7,534.85. In addition, he has car and phone benefits. Furthermore, according to the bonus system regulations that were approved by the Board of Directors, the CEO is paid a profit-related bonus the amount of which depends on the Group's operating profit. The company has taken out supplementary pension insurance for the CEO, which makes it possible for him or her to retire at the age of 60. In instances of dismissal, the Chief Executive Officer is entitled to receive compensation amounting to twenty-four months' salary. The period of notice for a Chief Executive Officer is 6 months.

The Annual General Meeting in 2000 approved a stock option programme that applies to all management and personnel in the company, the sphere of which includes the Chief Executive Officer. The programme entitles the CEO to redeem 8,000 option warrants.

INSIDER REGULATIONS

As of 27 April 2000 the company has complied with the insider guidelines issued by the Helsinki Stock Exchange, the Central Chamber of Commerce and the Confederation of Finnish Industries EK.

Etteplan's statutory insiders include the members of the Board of Directors, the CEO, the Executive Vice President and the auditor. The other permanent insiders are the members of the Management Group and other people who in the course of their duties or owing to their position have access to information received by

INSIDER REGISTER

Insiders and their shareholdings, 31 December 2004

		Number of shares
Björk, Pia	Other	-
Hakakari, Tapio	Member of the Board	50 000
Hornborg, Heikki	Chief Executive Officer	334 555
Juvonen, Timo	Other	500
Kaarisalo, Mika	Auditor	-
Kivelä, Jari	Other	1 000
Koivunen, Risto	Other	-
Lehtonen, Kauko	Auditor	-
Levänen, Kari	Other	-
Lippojoiki, Mia	Other	50
Martikainen, Katariina	Other	-
Mönkkönen, Ritva	Other	500
Mönkkönen, Tapani	Chairman of the Board	1 586 050
Rausti, Jukka	Executive Vice President	2 450
Ruoho, Seppo	Other	28 875
Tuori, Tapani	Member of the Board	337 620
Virtaala, Matti	Member of the Board	-

the Management Group or to classified insider information. Project-specific insider registers are created as necessary.

The company's insider guidelines direct insiders to restrict their trading in company shares until such time when the markets have as precise information as possible of the factors influencing the value of the company's share. Consequently, Etteplan's permanent insiders may not trade in company securities for a period of twenty-one (21) days prior to announcements of financial results.

AUDITORS

The Annual General Meeting elects one regular auditor to audit corporate governance and accounts. The auditor must be a firm of independent public accountants authorized by the Central Chamber of Commerce. In 2004 the Annual General Meeting elected PricewaterhouseCoopers Oy,

a firm of authorized public accountants, with Mika Kaarisalo APA acting as chief auditor. In 2004 fees in payment for the audit came to a total of EUR 69 002. This amount is divided between fees paid in Finland, which came to EUR 32 170 and fees paid abroad, EUR 36 832. Furthermore, fees paid for services other than the audit amounted in Finland EUR 22 025 and abroad EUR 12 286. The term of the auditor ends at the close of the first Annual General Meeting following his election.

A summary of the Group's audit report is compiled for the Board of Directors. In addition, the auditors of the Group companies report separately to the management of each company within the Group. The auditors attend at least one meeting of the Board of Directors during the financial year.

INTERNAL CONTROL, RISK MANAGEMENT AND INTERNAL AUDIT

The company's Board of Directors is responsible for internal control. The Management Group controls the development of risks and risk concentrations. The Group's internal control is organized according to a system of monthly reporting that compares actual performance to the budgeted plan and the actual performance in the preceding year. The operative Profit and Loss Account is reconciled with regular bookkeeping.

The Group's financial administration oversees risk management in accordance with the guidelines approved by the company's Board of Directors. The Group's financial administration identifies and assesses financial risks and takes hedging measures in close cooperation with the management for corporate planning. Currency risk is not pertinent because business transactions are principally in euros. With respect to interest risk, variations in interest rates are of no particular consequence to company results. The Group has no credit risk concentrations. Business operations focus mainly on large financially solid companies that operate internationally. The Group has guidelines to ensure that services are sold only to customers who have a proper credit rating. Property and liability risks are duly covered with appropriate insurances.

Due to the size of the company internal auditing is an administrative function subordinate to the CEO and it is organized as part of the Group's financial administration. Internal auditing may be augmented as necessary by purchasing external services.

INFORMATION FOR SHAREHOLDERS

Annual General Meeting

Etteplan Oyj's Annual General Meeting will be held on 23 March 2005 beginning at 1.00 p.m. at the Sibelius Hall in Lahti.

All shareholders who have been entered no later than on 11 March 2005 as shareholders in the Shareholder Register kept by Finnish Central Securities Depository

Ltd are entitled to participate in the Annual General Meeting. A shareholder who wishes to participate in the Annual General Meeting must register with the company by 16 March 2005, 4.00 p.m., either in writing to Etteplan Oyj, Yhtiökokous (Annual General Meeting), Terveystie 18, 15860 Hollola, Finland, or by telephone on +358 (0)3 872 9069 or by email to info@ette.com. When registering by mail, the letter must reach the company before the close of the registration period. Proxies authorizing a representative to vote at the

meeting on behalf of a shareholder should be delivered to the company before the close of the registration period.

Dividend payout

The Board of Directors is proposing to the Annual General Meeting that a dividend of EUR 0.30 per share be paid for the 2004 financial year. If the Annual General Meeting approves the Board of Directors' proposal on the dividend payout, the dividends will be paid to shareholders who are registered



Risto Koivunen, Pia Björk, Jari Kivelä, Jukka Rausti, Ulf Aiff, Heikki Hornborg, Timo Juvonen ja Seppo Ruoho

MANAGEMENT GROUP

Heikki Hornborg

born 1949, M.Sc. (Tech.)
 Chairman of the Management Group 1985-1991 and from 1997
 Chief Executive Officer of Etteplan Oyj 1985-1989 and from 1997
 Numbers of Etteplan shares, 31 December 2004: 334 555 and 8 000 option warrants

Ulf Aiff

born 1955, M. Sc. (Electrical Engineering)
 Member of the Management Group from 2003
 J.A. Produktutveckling AB's Managing Director and founder from 1987
 Numbers of Etteplan shares, 31 December 2004: 77 080

Pia Björk

born 1957, M. Sc. (Economics)
 Member of the Management Group from 2002
 Vice President Corporate Planning from 2002
 Numbers of Etteplan option warrants, 31 December 2004: 4 000

Timo Juvonen

born 1953, B. Sc. (Eng.)
 Member of the Management Group from 1999
 Etteplan Design Center Oy's Managing Director from 1999
 Numbers of Etteplan shares, 31 December 2004: 500 and 6 000 option warrants

Jari Kivelä

born 1960, B. Sc. (Eng.)
 Member of the Management Group from 2002
 Vice President of Etteplan Oyj from 2002
 Numbers of Etteplan shares, 31 December 2004: 1 000 and 4 000 option warrants

Risto Koivunen

born 1954, M.Sc. (Eng.)
 Member of the Management Group from 2002
 Vice President of Etteplan Oyj from 2002
 Numbers of Etteplan option warrants, 31 December 2004: 6 000

Jukka Rausti

born 1947, M.Sc. (Eng.), B. Sc. (Business Admin.)
 Member of the Management Group from 2000
 Executive Vice President from 2000
 Numbers of Etteplan shares, 31 December 2004: 2 450 and 6 000 option warrants

Seppo Ruoho

born 1947, B. Sc. (Eng.)
 Member of the Management Group from 2003
 Vice President of Etteplan Oyj from 1997
 Numbers of Etteplan shares, 31 December 2004: 28 875 and 6 000 option warrants

on the record date, 30 March 2005, in the Shareholder Register that is kept by Finnish Central Securities Depository Ltd. The dividend payout date proposed by the Board of Directors is 6 April 2005.

Financial information

Etteplan Oyj will publish three Interim Reports in 2005 as follows:

First quarter (3 months) 3 May 2005
 Second quarter (6 months) 9 August 2005
 Third quarter (9 months) 2 November 2005
 Immediately following publication, the

Interim Reports will be available on, and can be printed out from, the company's Internet site at www.etteplan.com. The Interim Reports are published in Finnish and English.

Ordering Annual Reports

The Annual Report will be mailed to all shareholders. Finnish and English versions of the Annual Report and Interim Reports can be ordered from:

Etteplan Oyj,
 Terveystie 18,
 15860 Hollola, Finland,
 tel. +358 (0)3 872 900,
 fax +358 (0)3 872 9010,
 or email: info@ette.com.

The Annual Report, Interim Reports, stock exchange bulletins and other information on Etteplan Oyj are available at: www.etteplan.com.

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