Elcoteq SE Stock Exchange Release October 27, 2005 at 9.00 am (EET)

ELCOTEQ SE'S INTERIM REPORT JANUARY-SEPTEMBER 2005 (unaudited)

Elcoteq's third-quarter net sales rose 44% on the same period last year totaling MEUR 1,194.7 (July–September 2004: MEUR 828.7). Operating income improved by approximately 30% to MEUR 25.6 (MEUR 19.7) and cash flow was clearly positive MEUR 13.5 (MEUR -17.6).

July-September

- Third-quarter net sales rose 44% on the same period last year to MEUR 1,194.7 (MEUR 828.7)
- Operating income was MEUR 25.6 (MEUR 19.7) and income before taxes was MEUR 21.0 (MEUR 16.9)
- Earnings per share (EPS) were EUR 0.44 (EUR 0.32)
- Rolling 12-month return on investment (ROCE) was 17.5% (21.1%)
- Cash flow after investing activities was MEUR 13.5 (MEUR -17.6)
- Gearing was 0.3 (0.3)

January-September

- Net sales between January and September rose 45% on the first nine months of last year to MEUR 2,987.0 (MEUR 2,057.2)
- Operating income improved by almost 40% to MEUR 51.0 (MEUR 36.8) and income before taxes was MEUR 39.7 (MEUR 30.3)
- Earnings per share (EPS) were EUR 0.86 (EUR 0.59)
- Cash flow after investing activities was MEUR 18.9 (MEUR -36.4)
- Interest-bearing net debt amounted to MEUR 98.2 (MEUR 68.3)

This interim report has been prepared according to the International Financial Reporting Standards (IFRS). The comparison figures for the income statement and earnings per share in the descriptive section are the figures for continuing operations in the same period of 2004. The other comparison figures include the impact of the discontinued operation.

IFRS 2 (Share-Based Payments) and IFRS 5 (Non-Current Assets Available for Sale and Discontinued Operations) were adopted at the beginning of 2005, which has caused changes to the 2004 comparison figures. The changes necessitated by these standards have been applied retrospectively to the 2004 comparison figures in the manner required by the standards. The impacts of the changes on the 2004 income statement are described in the first interim report for 2005.

July-September

Net sales in the third quarter rose 44% on the same period last year to MEUR 1,194.7 (MEUR 828.7). For the first time in Elcoteq's history, the company's quarterly net sales exceeded one billion euros. The increase in net sales from the second quarter was approximately 22%. The growth came from Europe and Asia-Pacific and was principally due to strong demand for terminal products.

The Group's operating income between July and September improved by roughly 30% on the same period last year to MEUR 25.6 (MEUR 19.7), or 2.1% (2.4%) of net sales. Compared with the second quarter in 2005, operating income increased by more than 60%. The operating margin of the Communications Network Equipment business area reached 5% as manufacturing volumes focused on higher-margin products. The operating margin of the Terminal Products business area improved as well, due to higher capacity utilization. However, the improvement in this business area's profitability was slowed by changes in product mix, capital expenditures, and the costs arising from broadening the service offering.

The Group's income before taxes was MEUR 21.0 (MEUR 16.9) and net income was MEUR 13.7 (MEUR 9.7). Earnings per share were EUR 0.44 (EUR 0.32).

Gross capital expenditures on fixed assets during the July-September period amounted to MEUR 48.8 (MEUR 46.7), or 4.1% of net sales. Additionally, new operating leases were signed totaling MEUR 17.8. Depreciation was MEUR 21.4 (MEUR 15.9). Investments were directed, among other things, to increasing assembly capacity in China and Europe, and to the new manufacturing plant in St. Petersburg, Russia.

Cash flow after investing activities in the third quarter was clearly positive, MEUR 13.5 (MEUR -17.6). Cash flow remained positive despite the strong growth as turnover of working capital continued to improve from the second-quarter level, especially in Terminal Products.

January-September

Net sales between January and September grew 45% to MEUR 2,987.0 (MEUR 2,057.2). Operating income amounted to MEUR 51.0 (MEUR 36.8) and income before taxes was MEUR 39.7 (MEUR 30.3). Earnings per share were EUR 0.86 (EUR 0.59).

Gross capital expenditures on fixed assets between January and September totaled MEUR 88.2 (MEUR 83.1), or 3.0% of net sales. Depreciation amounted to MEUR 56.4 (MEUR 44.0).

Cash flow after investing activities was MEUR 18.9 (MEUR -36.4). The solvency ratio was 22.5% (27.3%) and gearing was 0.3 (0.3). Cash flow received by the Group from sold accounts receivable amounted to MEUR 213.9 at the end of September (MEUR 216.1 at the end of June). Unused credit limits totaled MEUR 292.4 (MEUR 291.8 at the end of June).

In September Elcoteq issued subordinated notes in the nominal amount of MEUR 50 with a maturity of five years. This is a private placement issue. An application will be made for listing of the notes on the Helsinki Exchanges. The lead manager in the issue is the OKO Bank. Elcoteq will use the notes to extend the average maturity of its loan portfolio and to strengthen its financial structure.

Personnel

At the end of September, the Elcoteq Group employed altogether 19,641 (16,514) people, 906 (862) of whom worked in Finland and 18,735 (15,652) elsewhere. The geographical distribution of the personnel was as follows: Europe 10,739 (9,776), Asia-Pacific 5,616 (5,109) and Americas 3,286 (1,629). On average Elcoteq employed 18,739 (14,464) people between January and September, and the average number of people on Elcoteq's direct payroll was 14,911 (12,917).

Business areas

Elcoteq has two business areas: Terminal Products and Communications Network Equipment. In the third quarter of 2005 Terminal Products contributed 84% (80%) and Communications Network Equipment 16% (20%) of Elcoteq's net sales.

The companies within the Nokia and Ericsson groups accounted for altogether 72.9% (72.5%) of Elcoteq's third-quarter net sales. The figures do not include business activities with Sony Ericsson.

Terminal Products

July-September net sales of the Terminal Products business area totaled MEUR 999.3 (MEUR 660.0). The segment's operating income was MEUR 26.6 (MEUR 23.8). Net sales increased by 51% on the same period last year and by approximately 26% on the second quarter this year.

Communications Network Equipment

July-September net sales of the Communications Network Equipment business area amounted to MEUR 195.4 (MEUR 168.6), up 16% on the same period last year and approximately 4% on the second quarter this year. The segment's operating income increased almost six-fold compared with last year, amounting to MEUR 9.7 (MEUR 1.7).

Geographical areas

Elcoteq has three geographical areas: Europe, Asia-Pacific and Americas. Net sales in the third quarter were distributed as follows: Europe 57% (62%), Asia-Pacific 27% (25%) and Americas 16% (13%).

Net sales continued to grow well in Europe and Asia-Pacific during the third quarter. In the Americas net sales decreased slightly on the second quarter's level.

In Europe, net sales increased by 34% on the same period last year, reaching MEUR 686.5 (MEUR 513.8), while in Asia-Pacific net sales rose roughly 55% to MEUR 321.0 (MEUR 207.0). In September Elcoteq signed an agreement with Enics AG under which Enics Electronics Beijing Limited will purchase the machinery and equipment at Elcoteq's Beijing plant previously used in the manufacture of industrial electronics, as well as the inventories of this business; these items are listed separately in Elcoteq's balance sheet as assets classified as held for sale.

In the Americas, net sales grew 73% compared with last year to MEUR 187.1 (MEUR 107.9). Part of this growth was organic but part was also attributable to the Thomson acquisition in Mexico at the end of 2004.

Elcoteq's new manufacturing plant in St. Petersburg was completed in September. The plant has a total floor space of around 15,000 square meters and it currently employs some 300 people. This figure will rise to roughly 1,500 people when the plant operates at full capacity. So far this plant has required an investment of about MEUR 25, which includes the land, the plant's construction and utilities, as well as some machinery. The value of the machinery and equipment to be installed in the plant later will depend on the manufactured products, their production volumes and schedules.

Shares and shareholders

The company's share capital rose by 3,646 euros on August 10 when the 9,115 new Series A shares subscribed under the 2001 stock option scheme were registered in the Trade Register. The share subscription price was EUR 7.19 per share as stipulated in the conditions of the option scheme. Owing to these share subscriptions the company's share capital on September 30, 2005 totaled 12,309,190.80 euros.

Elcoteq had 12,468 registered shareholders on September 30, 2005. The company has two share series, A and K. The share capital at the end of September comprised altogether 30,772,977 shares divided into 20,195,977 A shares and 10,577,000 K shares. Nominee- and foreign-registered A shares amounted to 7,564,978 or 24.6% of the company's total number of shares and 6.0% of the votes.

Extraordinary General Meeting on September 27: Conversion of Elcoteq into a European Company (SE)

Elcoteq’s Extraordinary General Meeting held on September 27, 2005, decided to convert Elcoteq Network Corporation into a European Company (SE, Societas Europaea). The meeting also decided to amend the company’s articles of association to correspond with the new corporate form. The company’s new name since October 1, 2005 has been Elcoteq SE.

The conversion is part of Elcoteq's globalization strategy, the main aim of which is to increase the company's global competitiveness. The conversion will have no impact on the company's domicile, the location of its head office, the employment contracts of its personnel, or its tax status. Nor will it affect the position of the company's shareholders.

The company’s Board of Directors and CEO continue to implement the task assigned to them by the Annual General Meeting in 2003 to assess if the company could gain any advantage if its place of listing, the location of its head office or the company’s domicile were to be somewhere else than at present.

Prospects to the year end

Elcoteq estimates that its fourth-quarter net sales and operating income will be at the same level as in the third quarter.

Zug , Switzerland
October 26, 2005

Board of Directors

Further information:

Jouni Hartikainen, President and CEO, +358 10 413 11
Teo Ottola, CFO, +358 10 413 1240
Reeta Kaukiainen, Director, Communications and IR, +358 10 413 1742, GSM +358 50 522 0924

Press conference

Elcoteq will hold a conference for media representatives and analysts in the Bulsa-Freda Cabinet of the Scandic Hotel Simonkenttä (1st floor), Simonkatu 9, Helsinki, starting at 12.30 pm (EET) on Thursday, October 27, 2005.

Web conference and conference call for analysts and investors

A web conference and conference call in English will be held on Thursday, October 27, 2005 starting at 2.30 pm EET (12.30 pm UK time). To participate by phone, please link in via www.elcoteq.com to http://events.genesysrichmedia.com/elcoteq/2005/10/27) and by calling +44 20 7162 0186, code Elcoteq.

A recording of the web conference can be heard until Tuesday, November 1, 2005 on +44 20 7031 4064, code 641 218.

The information presented during the press conference (pdf file) will be available from approximately 11.00 am (EET) on October 27 on the company's website, www.elcoteq.com.

Elcoteq publishes its financial statements for 2005 at 9.00 am (EET) on February 9, 2006.

The following EUR/USD conversion rate is used in this interim report:
1 EUR = 1.2042 USD

Enclosures:

1 Income statement
2 Balance sheet
3 Cash flow statement
4 Calculation of changes in shareholders' equity
5 Key figures
6 Business areas
7 Assets pledged and contingent liabilities
8 Quarterly figures

APPENDIX 1

INCOME STATEMENT, MEUR	1-9/2005	1-9/2004	Change, %	1-12/2004
NET SALES	**2,987.0**	**2,057.2**	**45.2**	**2,921.8**
Change in work in progress and finished goods	-13.3	34.2		10.6
Other operating income	4.6	3.8	20.3	5.9
Operating expenses	-2,870.9	-2,014.4	42.5	-2,820.6
Depreciation and writedowns	-56.4	-44.0	28.4	-60.4
OPERATING INCOME	**51.0**	**36.8**	**38.4**	**57.3**
% of net sales	1.7	1.8		2.0
Financial income and expenses	-10.4	-5.6	86.0	-11.3
Share of profits and losses of associates	-1.0	-1.0	-0.4	-1.0
INCOME BEFORE TAXES	**39.7**	**30.3**	**30.9**	**44.9**

Income taxes	-13.9	-10.2	35.4	-12.3
INCOME FROM CONTINUING OPERATIONS	**25.8**	**20.1**	**28.5**	**32.7**
Income from discontinued operations	-	7.9		7.9
INCOME FOR THE PERIOD	**25.8**	**28.0**	**-7.8**	**40.6**
ATTRIBUTABLE TO:				
Equity holders of the parent *)	26.4	25.9	2.0	38.6
Minority interests	-0.6	2.1		1.9
	25.8	**28.0**		**40.6**

Income tax is the amount corresponding to the result for the period based on the estimated tax rate for the full year.
*) The Group´s reported net income for the period.

APPENDIX 2

BALANCE SHEET, MEUR	Sept. 30, 2005	Sept. 30, 2004	Change, %	Dec. 31, 2004
ASSETS				
Non-current assets				
Intangible assets	47.5	39.5	20.1	43.9
Tangible assets	245.4	183.6	33.6	205.8
Investments	14.1	14.5	-2.4	14.4
Long-term receivables	9.8	15.4	-36.6	14.0
Non-current assets, total	316.8	253.0	25.2	278.1
Current assets				
Inventories	363.4	357.3	1.7	305.3
Current receivables	487.5	320.7	52.0	285.0
Cash and equivalents	106.7	37.4	185.6	39.2
Assets classified as held for sale	1.7	-		-
Current assets, total	959.3	715.4	34.1	629.5
ASSETS, TOTAL	**1,276.0**	**968.4**	**31.8**	**907.6**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital	12.3	12.2	1.0	12.3
Other shareholders' equity	267.1	244.1	9.4	258.0
Equity attributable to equity holders of the parent, total	279.4	256.3	9.0	270.3
Minority interests	7.3	7.9	-6.9	6.6
Total equity	286.7	264.2	8.5	276.8
Long-term liabilities				
Long-term loans	150.4	34.1	340.3	72.2

Other long-term debt	4.0	14.8	-73.2	4.4
Long-term liabilities, total	154.3	49.0	215.2	76.6
Current liabilities				
Current loans	53.4	57.6	-7.3	64.1
Other current liabilities	778.9	595.4	30.8	488.6
Provisions	2.7	2.3	17.4	1.5
Current liabilities, total	835.0	655.3	27.4	554.2
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL	**1,276.0**	**968.4**	**31.8**	**907.6**

APPENDIX 3

CONSOLIDATED CASH FLOW STATEMENT, MEUR

	1-9/2005	1-9/2004	Change, %	1-12/2004
Cash flow before change in working capital	125.2	80.5	55.5	102.5
Change in working capital *)	-5.5	-46.9	-88.3	-22.3
Financial items and taxes	-17.1	-6.8	151.5	-20.3
Cash flow from operating activities	102.6	26.8	282.8	59.9
Cash flow from investing activities	-83.7	-63.2	32.4	-140.3
Cash flow before financing activities **)	18.9	-36.4		-80.4
Proceeds from the issuance of shares	1.0	1.2	-16.7	2.0
Change of current debt	-13.1	41.6		39.6
Issuance of long-term debt	79.6	0.0		49.7
Repayment of long-term debt	-3.3	-5.6	-41.1	-7.7
Dividends paid and other distributions of earnings	-20.0	-27.3	-26.7	-27.3
Cash flow from financing activities	44.2	9.9		56.3
Change in cash and cash equivalents	63.2	-26.4		-24.0
Cash and equivalents on January 1	39.2	63.7	-38.5	63.7
Effect of exchange rate changes on cash held	4.3	0.0		-0.4
Cash and equivalents at the end of period	106.7	37.3	186.1	39.2

*) The change in working capital includes the change in sold accounts receivable. The impact of this change is to improve cash flow by MEUR 49.8 during the reporting period 1-9/2005 and to weaken cash flow by MEUR 19.6 during 1-9/2004.
**) The cash flow before financing activities from discontinued operations (Industrial Electronics) is to improve cash flow by MEUR 26.5 during the reporting periods 1-9/2004 and 1-12/2004.

APPENDIX 4

STATEMENT OF CHANGES IN EQUITY, MEUR

	Attributable to equity holders of the parent								
								Minority interests	Total equity
	Share capital	Additional paid-in capital	Other reserves	Share issue	Translation differences	Retained earnings	Total		
Balance at January 1, 2005	12.3	212.2	8.4	0.0	-2.7	40.1	270.3	6.6	276.8
Issue of share capital	0.1	0.9					1.0		1.0
Translation differences					0.5		0.5	0.8	1.3
Share based payments						1.2	1.2		1.2
Ownership change of group companies							0.0	0.6	0.6
Dividends						-20.0	-20.0		-20.0
Net income						26.4	26.4	-0.6	25.8
Balance at September 30, 2005	12.3	213.2	8.4	0.0	-2.2	47.7	279.4	7.3	286.7
Balance at January 1, 2004	12.1	209.0	8.3	1.4	-2.9	27.6	255.5	5.8	261.3
Issue of share capital	0.1	2.4		-1.4			1.1		1.1
Translation differences					0.2		0.2		0.2
Share based payments						0.9	0.9		0.9
Dividends						-27.3	-27.3		-27.3
Net income						25.9	25.9	2.1	28.0
Balance at September 30, 2004	12.2	211.4	8.3	0.0	-2.7	27.0	256.3	7.9	264.2

APPENDIX 5

KEY FIGURES	1-9/2005	1-9/2004	Change, %	1-12/2004
Personnel on average during the period	14,911	12,917	15.4	13,065
Gross capital expenditures, MEUR	88.2	83.1	6.1	128.3
Return on equity (ROE), % *)	9.1	10.6		15.1
Return on investment (ROI/ROCE), % *)	12.0	14.8		19.5
From 12 preceding months:				
Return on equity (ROE), % *)	13.9	16.1		15.1
Return on investment (ROI/ROCE), % *)	17.5	21.1		19.5

Earnings per share (EPS), EUR	0.86	0.85	1.2	1.27
Continuing operations	0.86	0.59	45.8	1.01
Discontinued operations	-	0.26		0.26
Diluted earnings per share (EPS), EUR	0.82	0.81	1.2	1.21
Continuing operations	0.82	0.56	46.4	0.96
Discontinued operations	-	0.25		0.25
Current ratio	1.1	1.1		1.1
Solvency ratio, %	22.5	27.3		30.5
Gearing	0.3	0.3		0.4
Equity **) per share, EUR	9.08	8.41	8.0	8.82
Interest-bearing liabilities, MEUR	204.9	105.7	93.9	137.4
Interest-bearing net debt, MEUR	98.2	68.3	43.8	98.2
Non-interest-bearing liabilities, MEUR	784.4	598.6	31.0	493.4

*) Includes discontinued operation.
**) Attributable to equity holders of the parent.

APPENDIX 6

BUSINESS AREAS	1-9/2005	1-9/2004	1-12/2004
Net Sales, MEUR			
Terminal Products	2,439.5	1,611.2	2,300.0
Communications Network Equipment	547.5	446.0	621.8
Continuing operations, total	2,987.0	2,057.2	2,921.8
Industrial Electronics (discontinued operation)	-	31.9	31.9
Total	2,987.0	2,089.1	2,953.7
Segment´s operating income, MEUR			
Terminal Products	62.8	49.4	77.7
Communications Network Equipment	20.3	13.7	16.2
Group´s non-allocated expenses/income	-32.1	-26.4	-36.8
Continuing operations, total	51.0	36.8	57.3
Industrial Electronics (discontinued operation)	-	13.0	13.0
Total	51.0	49.9	70.2

Elcoteq´s share of associated company results in the first three quarters of 2005 totaled MEUR -1.0. This comprised MEUR -0.3 from Communications Network Equipment and MEUR -0.7 from non-allocated expenses/income. Associated company results in the first three quarters of 2004 totaled MEUR -1.0, which comprised MEUR -0.3 from Communications Network Equipment and MEUR -0.7 from non-allocated expenses/income. Associated company results for the full year 2004 totaled MEUR -1.0 which comprised of MEUR -0.3 from Communications Network Equipment and MEUR -0.7 from non-allocated expenses/income.

APPENDIX 7

ASSETS PLEDGED AND CONTINGENT LIABILITIES, MEUR

	Sept. 30, 2005	Sept. 30, 2004	Change, %	Dec. 31, 2004
ON BEHALF OF OTHERS				
Guarantees	0.0	0.1		0.0
LEASING COMMITMENTS				
Operating lease, machinery and equipment (excl. VAT)	50.6	31.3	61.7	37.4
Rental commitments, real estates (excl. VAT)	26.2	14.4	81.9	24.2

	Sept. 30, 2005	Sept. 30, 2004	Change, %	Dec. 31, 2004
DERIVATIVE CONTRACTS				
Foreign currency derivative instruments				
Forward contracts, transaction risk				
Nominal value	284.6	187.1	52.1	227.6
Book value	-0.0	-2.9		-4.3
Market value	-0.0	-2.9		-4.3
Forward contracts, translation risk				
Nominal value	24.8	22.2	11.7	21.0
Book value	-0.0	0.1		0.3
Market value	-0.0	0.1		0.3
Forward contracts, financial risk				
Nominal value	83.7	56.9	47.1	72.1
Book value	-0.2	0.3		0.1
Market value	-0.2	0.3		0.1
Foreign currency option contracts				
Nominal value, bought	-	3.7		9.0
Nominal value, sold	-	3.7		12.0
Book value, bought	-	0.0		0.0
Book value, sold	-	0.0		-0.1
Market value, bought	-	0.0		0.0
Market value, sold	-	0.0		-0.1

The forwards have been valued using the market prices and the exchange reference rates of the European Central Bank on the balance sheet date. The fair value of options is the amount at which options could be exchanged if closed on the balance sheet date. The figures also include the closed positions.

APPENDIX 8

QUARTERLY FIGURES

INCOME STATEMENT, MEUR	Q3/ 2005	Q2/ 2005	Q1/ 2005	Q4/ 2004	Q3/ 2004	Q2 2004	Q1/ 2004

NET SALES	**1,194.7**	**982.1**	**810.3**	**864.6**	**828.7**	**641.9**	**586.6**
Change in work in progress and finished goods	1.7	-9.8	-5.2	-23.6	16.7	-3.2	20.6
Other operating income	1.1	1.8	1.7	2.0	1.0	1.9	1.0
Operating expenses	-1,150.5	-940.1	-780.3	-806.2	-810.9	-617.1	-586.3
Depreciation and writedowns	-21.4	-18.0	-17.0	-16.4	-15.9	-14.4	-13.7
OPERATING INCOME	**25.6**	**15.9**	**9.5**	**20.4**	**19.7**	**9.1**	**8.1**
% of net sales	2.1	1.6	1.2	2.4	2.4	1.4	1.4
Financial income and expenses	-4.4	-3.2	-2.8	-5.8	-2.5	-2.2	-0.9
Share of profits and losses of associates	-0.2	-0.6	-0.2	-0.1	-0.3	-0.3	-0.4
INCOME BEFORE TAXES	**21.0**	**12.1**	**6.5**	**14.6**	**16.9**	**6.5**	**6.8**
Income taxes	-7.4	-3.8	-2.7	-2.0	-5.1	-1.5	-3.7
INCOME FROM CONTINUING OPERATIONS	**13.7**	**8.3**	**3.8**	**12.6**	**11.8**	**5.1**	**3.2**
Income from discontinued operations	-	-	-	-	-	5.7	2.2
INCOME FOR THE PERIOD	**13.7**	**8.3**	**3.8**	**12.6**	**11.8**	**10.8**	**5.4**
ATTRIBUTABLE TO:							
Equity holders of the parent	13.7	8.3	4.4	12.8	9.7	10.9	5.3
Minority interests	0.0	-0.0	-0.6	-0.2	2.2	-0.1	0.1
	13.7	**8.3**	**3.8**	**12.6**	**11.8**	**10.8**	**5.4**

BALANCE SHEET, MEUR	**Q3/ 2005**	**Q2/ 2005**	**Q1/ 2005**	**Q4/ 2004**	**Q3/ 2004**	**Q2/ 2004**	**Q1/ 2004**
ASSETS							
Non-current assets							
Intangible assets	47.5	46.6	43.9	43.9	39.5	38.1	37.5
Tangible assets	245.4	215.1	206.7	205.8	183.6	153.7	152.3
Investments	14.1	14.1	14.4	14.4	14.5	14.7	14.8
Long-term receivables	9.8	16.2	16.5	14.0	15.4	15.1	9.1
Non-current assets, total	316.8	292.0	281.4	278.1	253.0	221.7	213.7
Current assets							
Inventories	363.4	323.2	331.5	305.3	357.3	268.6	255.7
Current receivables	487.5	462.8	388.6	285.0	320.7	324.9	289.8
Cash and equivalents	106.7	60.5	70.2	39.2	37.4	40.7	18.4
Assets classified as held for sale	1.7	-	-	-	-	-	43.7
Current assets, total	959.3	846.5	790.3	629.5	715.4	634.1	607.5

ASSETS, TOTAL	**1,276.0**	**1,138.5**	**1,071.7**	**907.6**	**968.4**	**855.8**	**821.3**
SHAREHOLDERS' EQUITY AND LIABILITIES							
Equity attributable to equity holders of the parent							
Share capital	12.3	12.3	12.3	12.3	12.2	12.2	12.2
Other shareholders' equity	267.1	252.8	243.3	258.0	244.1	234.3	222.8
Equity attributable to equity holders of the parent, total	279.4	265.1	255.6	270.3	256.3	246.5	235.0
Minority interests	7.3	6.9	6.7	6.6	7.9	5.9	5.9
Total equity	286.7	272.0	262.3	276.8	264.2	252.4	241.0
Long-term liabilities							
Long-term loans	150.4	101.1	72.3	72.2	34.1	35.3	31.0
Other long-term debt	4.0	4.2	4.9	4.4	14.8	13.3	14.4
Long-term liabilities, total	154.3	105.3	77.1	76.6	49.0	48.6	45.4
Current liabilities							
Current loans	53.4	69.8	135.9	64.1	57.6	43.0	90.9
Other current liabilities	778.9	686.6	594.3	488.6	595.4	509.3	419.8
Provisions	2.7	4.8	2.1	1.5	2.3	2.6	1.7
Liabilities classified as held for sale	-	-	-	-	-	-	22.5
Current liabilities, total	835.0	761.2	732.2	554.2	655.3	554.9	534.9
SHAREHOLDERS' EQUITY AND LIABILITIES, TOTAL	**1,276.0**	**1,138.5**	**1,071.7**	**907.6**	**968.4**	**855.8**	**821.3**
Personnel on average during the period	15,162	15,030	14,560	13,481	12,865	12,638	13,222
Gross capital expenditures, MEUR	48.8	17.8	21.6	45.2	46.7	16.5	19.9
ROI/ROCE from 12 preceding months, %	17.5	17.7	16.8	19.5	21.1	17.1	11.1
Earnings per share (EPS), EUR	0.44	0.27	0.14	0.42	0.32	0.36*)	0.18*)
Solvency ratio, %	22.5	23.9	24.5	30.5	27.3	29.6	29.5

*) Includes discontinued operation.

CONSOLIDATED CASH FLOW STATEMENT, MEUR	Q3/ 2005	Q2/ 2005	Q1/ 2005	Q4/ 2004	Q3/ 2004	Q2/ 2004	Q1/ 2004
Cash flow before change in working capital	47.1	48.4	29.7	22.0	33.5	24.6	22.4
Change in working capital	21.6	26.6	-53.7	24.5	-12.0	52.2	-87.1
Financial items and taxes	-8.1	-5.7	-3.3	-13.4	-2.9	-2.7	-1.2
Cash flow from operating activities	60.6	69.3	-27.3	33.1	18.6	74.1	-65.9
Cash flow from investing activities	-47.1	-22.3	-14.3	-77.1	-36.2	-2.8	-24.2
Cash flow before financing activities	13.5	47.0	-41.6	-44.0	-17.6	71.3	-90.1
Proceeds from the issuance of shares	0.1	0.1	0.8	0.8	0.2	0.0	1.0

Change of current debt	-16.8	-67.3	71.0	-2.0	18.2	-47.9	71.3
Issuance of long-term debt	49.4	30.2	0.0	49.7	0.0	0.0	0.0
Repayment of long-term debt	-0.5	-2.1	-0.7	-2.1	-4.1	-0.3	-1.2
Dividends paid and other distributions of earnings	0.0	-20.0	0.0	0.0	0.0	-0.9	-26.4
Cash flow from financing activities	32.1	-58.9	71.0	46.4	14.3	-49.1	44.7
Change in cash and cash equivalents	45.7	-11.9	29.4	2.4	-3.2	22.3	-45.5
Cash and equivalents on January 1	60.5	70.2	39.2	37.3	40.7	18.4	63.7
Effect of exchange rate changes on cash held	0.5	2.3	1.5	-0.4	-0.2	0.0	0.2
Cash and equivalents at the end of period	106.7	60.5	70.2	39.2	37.3	40.7	18.4

BUSINESS AREAS	**Q3/ 2005**	**Q2/ 2005**	**Q1/ 2005**	**Q4/ 2004**	**Q3/ 2004**	**Q2/ 2004**	**Q1/ 2004**
Net sales, MEUR							
Terminal Products	999.3	795.0	645.2	688.8	660.0	489.8	461.4
Communications Network Equipment	195.4	187.1	165.1	175.9	168.6	152.2	125.1
Continuing operations, total	1,194.7	982.1	810.3	864.6	828.7	641.9	586.6
Industrial Electronics (discontinued operation)	-	-	-	-	-	-	31.9
Total	1,194.7	982.1	810.3	864.6	828.7	641.9	618.5
Segment´s operating income, MEUR							
Terminal Products	26.6	19.4	16.9	28.3	23.8	10.3	15.4
Communications Network Equipment	9.7	8.0	2.6	2.5	1.7	7.4	4.7
Group´s non-allocated expenses/income	-10.7	-11.5	-10.0	-10.3	-5.8	-8.6	-12.0
Continuing operations, total	25.6	15.9	9.5	20.4	19.7	9.1	8.1
Industrial Electronics (discontinued operation)	-	-	-	-	-	10.0	3.0
Total	25.6	15.9	9.5	20.4	19.7	19.0	11.1

GEOGRAPHICAL AREAS	**Q3/ 2005**	**Q2/ 2005**	**Q1/ 2005**	**Q4/ 2004**	**Q3/ 2004**	**Q2/ 2004**	**Q1/ 2004**
Net sales, MEUR							
Europe	686.5	550.9	466.0	569.4	513.8	393.2	366.6
Asia-Pacific	321.0	226.6	177.1	210.2	207.0	137.2	159.7
Americas	187.1	204.5	167.2	85.0	107.9	111.5	60.2
Industrial Electronics (discontinued operation)	-	-	-	-	-	-	31.9
Total	1,194.7	982.1	810.3	864.6	828.7	641.9	618,5