



STOCK EXCHANGE RELEASE

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EB, ELEKTROBIT CORPORATION, INTERIM REPORT, JANUARY TO MARCH 2008

SUMMARY 1Q 2008

- Net sales amounted to EUR 47.3 million (EUR 31.0 million, 1Q 2007), representing a 52.9 per cent growth year-on-year. The net sales included extraordinary low-margin through-licensing revenues of approximately EUR 3 million.
- Operating loss from business operations amounted to EUR -5.1 million and the non-recurring restructuring costs amounted to EUR -2.9 million as communicated on March 27, 2008, resulting in a total operating loss of EUR -8.0 million (EUR -7.2 million, 1Q 2007).
- EB continued to invest substantially in R&D according to strategy, amounting in 1Q to EUR 11.6 million (24.6 per cent of net sales) of which EUR 1.0 million were capitalised.
- Operating cash flow amounted to EUR -7.4 million. The net cash flow amounted to EUR 13.8 million.
- Equity ratio was 69.5%.

FINANCIAL PERFORMANCE 1Q 2008

(Comparisons are given to the first quarter 2007 results, unless otherwise indicated.)

EB's first quarter 2008 net sales increased 52.9 per cent to EUR 47.3 million, compared with EUR 31.0 million in the first quarter of 2007. The net sales included extraordinary low-margin through-licensing revenues of approximately EUR 3 million.

Operating loss for the first quarter, including the non-recurring restructuring costs of EUR 2.9 million as announced in March 27, 2008, amounted to EUR -8.0 million (EUR -7.2 million).

The restructuring costs of EUR -2.9 million include the rearrangements in the Wireless Business Segment (cost provision of approximately EUR 2.2 million) and the sale of the shares of EB's Swiss subsidiary, Elektrobitt AG (a capital loss and a write-off totalling in aggregate approximately to EUR 0.7 million).

The net sales of the Automotive Business Segment during the first quarter of 2008 amounted to EUR 15.5 million (EUR 10.6 million), representing a year-on-year growth of 45.8 per cent. The operating loss was EUR -1.6 million (EUR -0.6 million), reflecting the significantly increased investments in the R&D of EB's automotive software platform products, in accordance with the strategy, as well as marketing and sales investments to expand the business globally.



During the first quarter of 2008, the net sales of the Wireless Business Segment, including the aforementioned extraordinary low-margin through-licensing revenues of approximately EUR 3 million, amounted to EUR 31.7 million (EUR 20.1 million), representing a year-on-year growth of 58.0 per cent. The operating loss, including the aforementioned non-recurring restructuring costs of EUR -2.9 million, was EUR -6.5 million (EUR -6.4 million) reflecting the significant investments in the R&D of mobile WiMAX base station module products and RFID reader systems and the weaker than expected demand and strong price competition of the radio network solutions R&D services.

Overall, EB continued significant investments in research and product development, in order to develop new businesses in line with the strategy, with the share of investments in the Automotive Business Segment growing.

Regarding the sale of Network Test business in November 2006, based on certain financial performance targets achieved between January 1, and December 31, 2007, an additional purchase price component of EUR 0.4 million will be payable to EB in the second quarter of 2008. Regarding the sales price of the Production Solutions business, there is an additional purchase price component that will depend on the financial performance of 2007 and 2008. No additional payment for 2007 is due.

CONSOLIDATED INCOME STATEMENT (MEUR)	1Q 2008	1Q 2007
	3 months	3 months
NET SALES	47.3	31.0
OPERATING PROFIT (LOSS)	-8.0	-7.2
Financial income and expenses	0.4	0.8
PROFIT BEFORE TAX	-7.7	-6.4
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	-7.7	-6.3
Profit after tax for the year from discontinued operations	0.0	-1.8
PROFIT FOR THE YEAR	-7.7	-8.1
Attributable to		
Equity holders of the parent	-7.7	-8.1
Minority interest	0.0	0.0
Earnings per share EUR continuing operations	-0.06	-0.05
Earnings per share EUR discontinued operations	-0.00	-0.01
Earnings per share EUR continuing and discontinued operations	-0.06	-0.06

- Cash flow from operations amounted to EUR -7.4 million (EUR -5.5 million).
- Equity ratio was 69.5% (68.6%).
- Net gearing was -35.0% (-37.0).



QUARTERLY FIGURES

The quarterly distribution of the Group's overall net sales and profit, MEUR:

	1Q08	4Q07	3Q07	2Q07	1Q07
Net sales	47.3	44.6	35.3	33.5	31.0
Operating profit (loss)	-8.0	-2.4	-4.0	-6.6	-7.2
Result before taxes	-7.7	-3.3	-4.0	-6.3	-6.4
Result for the period	-7.7	-3.3	-4.0	-6.4	-6.3

The distribution of the net sales by Business Segment, MEUR:

	1Q08	4Q07	3Q07	2Q07	1Q07
Automotive	15.5	16.2	14.5	11.2	10.6
Wireless	31.7	28.2	20.4	22.2	20.1
Corporation Total	47.3	44.6	35.3	33.5	31.0

The distribution of the net sales by market area, MEUR (%):

	1Q08	4Q07	3Q07	2Q07	1Q07
Asia	2.0 (4.3%)	2.0 (4.5%)	4.4 (12.5%)	0.6 (1.7%)	2.5 (8.0%)
Americas	18.5 (39.2%)	14.5 (32.5%)	7.4 (20.9%)	7.3 (21.7%)	4.1 (13.4%)
Europe	26.8 (56.5%)	28.1 (63.0%)	23.5 (66.5%)	25.7 (76.6%)	24.3 (78.6%)

Net sales (external) and operating profit development by Business Segments and Other businesses were as follows, MEUR:

	1Q08	4Q07	3Q07	2Q07	1Q07
Automotive					
Net sales	15.5	16.2	14.5	11.2	10.6
Operating profit (loss)	-1.6	1.0	0.5	-0.2	-0.6
Wireless					
Net sales	31.7	28.2	20.4	22.2	20.1
Operating profit (loss)	-6.5	-4.1	-5.2	-7.1	-6.4
Other businesses					
Net sales	0.1	0.1	0.3	0.1	0.3
Operating profit (loss)	0.1	0.7	0.7	0.7	-0.2
Total					
Net sales	47.3	44.6	35.3	33.5	31.0
Operating profit (loss)	-8.0	-2.4	-4.0	-6.6	-7.2



BUSINESS SEGMENTS

EB's reporting as from January 1, 2008 is based on the Automotive and Wireless Business Segments. This will be reflected in the further development of the company's organisation and operational mode.

BUSINESS SEGMENTS' MAIN EVENTS DURING THE FIRST QUARTER OF 2008 AND MARKET OUTLOOK

AUTOMOTIVE BUSINESS SEGMENT

The Automotive Business Segment consists of in-car software products, navigation software for after market devices (personal navigation devices) and R&D services for the automotive industry with leading car manufacturers, car electronics (Tier 1) and automotive chipset suppliers as customers.

During the first quarter of 2008, the net sales of the Automotive Business Segment amounted to EUR 15.5 million (EUR 10.6 million in 1Q 2007), which represents a strong year-on-year growth of 45.8 per cent. The operating loss was EUR -1.6 million (EUR -0.6 million) reflecting the increased investments in the R&D of EB's automotive software platform products, in accordance with the strategy, and marketing and sales investments to expand the business globally. EB aims to continue to increase the share of automotive software products and services in the company's net sales.

EB's navigation software won its first commitments from Automotive OEMs to install it as an application SW in their head units as an original line-fit, in-dash software. In the American market, EB's automotive software has made positive inroads to start working in important elements of OEM's infotainment solutions.

The R&D investments were focused on the development of continued success and competitiveness of the navigation solution, HMI (infotainment user interface) tooling and framework environment, as well as for a rich configuration, runtime and validation environment for the in-car Electronic Control Unit (ECU) software.

WIRELESS BUSINESS SEGMENT

The net sales of the Wireless Business Segment from January to March 2008 amounted to EUR 31.7 million (EUR 20.1 million in 1Q 2007) representing a year-on-year growth of 58.0 per cent. The net sales included extraordinary low-margin through-licensing revenues of approximately EUR 3 million.



The operating loss of the Wireless Business Segment in the first quarter of 2008, including a non-recurring restructuring cost of EUR -2.9 million, was EUR -6.5 million (EUR -6.4 million). Compared to the corresponding period in 2007, the profitability without the non-recurring cost was improved mainly due to a good level of resource utilisation of the mobile terminal solutions business. The profitability reflected the significant investments in the R&D of mobile WiMAX base station module products and RFID reader systems and the weaker than expected demand and strong price competition of the radio network solutions R&D services.

During the 1Q 2008, the development of handset technologies and reference designs for TerreStar Networks' upcoming satellite-terrestrial all-IP mobile network continued as planned. EB signed a contract with the Finnish Armed Forces Technical Research Center to develop a Software Defined Radio (SDR) prototype for tactical communications. The prototype will be used in national and European software radio development activities. In February, NextWave Wireless demonstrated successfully VoIP calling over mobile WiMAX in a handset form-factor at the 2008 GSMA Mobile World Congress in Barcelona, Spain. In this development, EB worked as the main platform integrator.

In March, EB started personnel negotiations to adjust the fixed cost level and resources of the radio network solutions business. The negotiations concern approximately 40 employees mainly in Oulu and Kajaani. EB continued to invest in the product development associated with mobile WiMAX base stations technology.

New wireless communications tools product releases included EB Prosim FE version for 3GPP LTE testing and new add-on features to the EB Prosim product portfolio. Spearheading emulator deliveries were made in the aerospace and satellite communications industries in America. The R&D investments were targeted at renewing and extending the current product portfolio in order to maintain technology and product leadership.

In March, EB decided to examine the possibility of renouncing the main part of the production activities of wireless communications tools. Going forward, EB intends to buy non-core production services from its outsourcing partners, aiming at improving the cost efficiency and flexibility of its supply chain. However, the final assembly, configuration, testing and service operations of wireless communications tools will be maintained within EB.

EB progressed in the product development programs of RFID reader systems. In March, the sale of Elektrobit AG in Switzerland and consolidation of EB's RFID development to Graz, Austria was announced. The sale was concluded on March 31, 2008. The Swiss subsidiary, Elektrobit AG, was sold to the acting management of the said company. Under the new ownership the company will concentrate on developing products related to wireless industrial solutions and providing R&D services while acting also as EB's subcontractor. The arrangements will not change EB's strategy to deliver RFID reader system solutions.



Market Outlook

The share of electronics and software in cars has grown and it is expected that the trend for increased use of software continues to prevail in the market. Additionally, the use of standard software solutions is expected to increase. The automotive embedded software market is expected to enjoy a 15 per cent Compound Annual Growth Rate (CAGR) during 2005–2009 in North America and Europe (Frost & Sullivan).

The volume share of smartphones is expected to continue to grow due to the rapid increase in demand for new features and services (Canalys). New multi-radio combinations and software platforms are creating new business opportunities.

The value chain and hence the horizontal technology and product market for mobile WiMAX is still in a forming phase, and as a result, the commercial market start has delayed. In early April, the main mobile WiMAX operator services market in America was announced to start "later in the year" 2008.

The wireless communications tools market is predicted to expand moderately, as the development of new cellular technologies, enhancements to existing technologies (HSDPA, HSUPA, 3GPP LTE, MIMO) and new non-cellular technologies (mobile WiMAX, WiBRO) are generating demand for test system replacements and for new test systems. Wireless applications for aerospace and defence industries, especially in America, are becoming an important opportunity for the air-interface emulator providers.

The UHF (Ultra High Frequency) RFID reader system market volume growth has been delayed from the earlier expected. The RFID market is expected to start moving gradually from trials and pilots to commercial deployments. The global RFID reader market is estimated to grow with a CAGR of over 20 per cent for the period of 2006 to 2011 (VDC).

RESEARCH AND DEVELOPMENT DURING THE FIRST QUARTER OF 2008

EB continued to invest, according to the strategy, in the following development areas:

- Development of automotive software platform based products
- Development of mobile WiMAX radio base station module products
- Development of the radio channel emulation product portfolio
- Development of RFID reader systems product portfolio
- Technical core competence areas as defined in the strategy.



The total R&D expenses during the 1Q 2008 were EUR 11.6 million (EUR 7.3 million in the corresponding period in 2007), equalling 24.6 per cent of the net sales (23.4% in 2007). EUR 1.0 million of them were capitalised.

OUTLOOK FOR THE FIRST HALF OF 2008

EB expects the net sales during the first half of 2008 to grow clearly compared to the second half of 2007 (EUR 79.9 million) with the net sales of the latter part of the half being roughly at the level of the beginning of the year.

The company's R&D investments during the first half of 2008 will remain roughly at the level of the second half of 2007, with the share of the investments in the Automotive Business Segment growing further. The company will continue to invest in:

- Automotive software platform based products
- Developing of mobile WiMAX radio base station module products
- Developing the radio channel emulation product portfolio.
- Developing the RFID reader systems product portfolio
- The technical core competence areas defined in the strategy
- Expanding the geographical market presence of the company
- Further developing efficient and unified structures and platforms to enable global business operations in accordance with the strategy.

EB expects the operating loss from business operations, without non-recurring items, in the first half of 2008 to be roughly at the same level as the operating loss from business operations without non-recurring items in the second half of 2007 (MEUR -7.9). The non-recurring items improved the operating loss in the second half of 2007 by MEUR +1.5 and will affect negatively the operating loss in the first half of 2008 by MEUR -2.9.

RISKS AND UNCERTAINTIES

EB follows a risk management policy with the objective of covering risks related to business operations, properties, agreements, competences, currencies, financing and strategy. The company has identified risks and uncertainties related to such issues as strategy, business operations, personnel, product development, product liability, property and financing.

Among others, the following risks are related to the company's business operations in the ongoing financial period:



In R&D services businesses the risks are mainly related to uncertainties of customers' product program decisions, their make or buy decisions and, on the other hand, their decisions to continue, downsize or terminate current product programs, ramping up of project resources, timing of the most important technology components and, competitive situation in the market, which all may affect the R&D service demand and price levels. Further, there are typical industry warranty and liability risks involved in selling R&D services. Additional risks emanate from ongoing restructuring of the telecommunications infrastructure industry.

In the technology product businesses the risks are related to potential market delays (in particular in the areas of Mobile WiMAX and RFID reader systems), to size, timing and short visibility of the customers' product purchases and orders, timely closing of customer contracts, delays in R&D projects, activations based on customer contracts, obsolescence of inventories and technology risks in product development causing higher than planned R&D costs. Revenues expected to come from new products for existing and new customers include normal timing risks.

More information on the risks and uncertainties affecting EB can be found on the company website at www.elektrobit.com/aboutelektrobit.

BALANCE SHEET AND FINANCING

The figures presented in the balance sheet of March 31, 2008, have been compared with the balance sheet of December 31, 2007 (EUR 1,000).

	3/2008	12/2007
Non-current assets	66,374	77,196
Current assets	159,594	158,918
Total assets	225,968	236,114
Share capital	12,941	12,941
Other equity	142,342	152,710
Minority interest	0	0
Total shareholders' equity	155,283	165,651
Non-current liabilities	28,728	28,937
Current liabilities	41,957	41,526
Total shareholders' equity and liabilities	225,968	236,114



Net cash flow from operations during the period under review:

<i>+ net profit +/- adjustment of accrual basis items</i>	<i>EUR -2.2 million</i>
<i>- increase in net working capital</i>	<i>EUR -4.4 million</i>
<i>+ interest, taxes and dividends</i>	<i>EUR -0.8 million</i>
<i>= cash generated from operations</i>	<i>EUR -7.4 million</i>
<i>- net cash used in investment activities</i>	<i>EUR +25.7 million</i>
<i>- net cash used in financing</i>	<i>EUR -4.5 million</i>
<i>= net change in cash and cash equivalents</i>	<i>EUR +13.8 million</i>

The amount of accounts and other receivables, booked in current receivables, was EUR 64.9 million (EUR 78.8 million on December 31, 2007). Accounts and other payables, booked in interest-free current liabilities, were at EUR 34.5 million (EUR 33.2 million on December 31, 2007).

The amount of non-depreciated consolidation goodwill at the end of the period under review was EUR 19.6 million (EUR 19.6 million on December 31, 2007).

The amount of investments, excluding the termination of a long-term investment portfolio, in the period under review was EUR 2.9 million, consisting of replacement investments, and items created by the sales of Elektrobot AG. Net investments for the reporting period totalled to EUR -7.9 million. The total amount of depreciation during the period under review was EUR 3.2 million, including EUR 0.7 million of depreciation owing to business acquisitions.

The amount of interest-bearing debt at the end of the reporting period was EUR 31.4 million. The distribution of net financing expenses on the income statement was as follows:

interest, dividend and other financial income	EUR 1.2 million
interest expenses and other financial expenses	EUR -2.2 million
foreign exchange gains and losses	EUR 1.4 million

EB's equity ratio at the end of the period was 69.5 per cent (compared with 70.9 per cent at the end of 2007).

The figures from the period under review do not include any of the statutory reserves.

EB follows a currency strategy, the objective of which is to ensure the margins of business operations in changing market circumstances by minimising the influence of exchange rates. In accordance with the principles of the currency strategy, the upcoming 12-month net cash flow of the currency in question is hedged. The net cash flow is determined on the basis of sales receivables, payables, the order book and the budgeted net currency cash flow. The hedged foreign currency exposure at the end of the review period was equivalent to EUR 43.2 million.



PERSONNEL

EB employed an average of 1771 people between January and March 2008. At the end of March, EB had 1762 employees (1725 at the end of 2007). A significant part of EB's personnel are product development engineers.

OPTION RIGHTS

The Annual General Meeting held on March 14, 2008, approved a proposal by the Board of Directors to issue stock options to key personnel of the Elektrobit Group as follows.

There is a weighty financial reason for the company to issue stock options since the stock options are intended for use as part of the incentive and commitment program for key personnel.

The maximum total number of stock options shall be 4,200,000, of which 1,400,000 shall be marked with the symbol 2008A, 1,400,000 shall be marked with the symbol 2008B and 1,400,000 shall be marked with the symbol 2008C. The stock options entitle to subscription of a maximum total of 4,200,000 new shares of the company or treasury shares. The proportion of the shares that can be subscribed using the stock options to be issued will be a maximum total of 3.1 per cent of the company's shares and associated voting rights after a possible share subscription, should new shares be issued in the subscription.

The subscription price for the shares to be subscribed based on the stock options shall be based on the prevailing market value of the Elektrobit Corporation share at OMX Nordic Exchange Helsinki Ltd in January 2009, January 2010 and January 2011. The subscription price will be recorded in the fund for invested unrestricted equity.

The share subscription period for stock options 2008A shall be 1 April 2012-31 March 2014, for stock options 2008B 1 April 2013-31 March 2015, and for stock options 2008C 1 April 2014-31 March 2016.

THE AUTHORISATIONS OF THE BOARD OF DIRECTORS AT THE END OF THE REPORTING PERIOD

The Annual General Meeting held on March 14, 2008, resolved to authorize the Board of Directors to repurchase shares of the company as follows. The number of repurchased shares shall not exceed 12,500,000 shares, which represents approximately 9.66 per cent of all the shares of the company. Only unrestricted equity of the company can be used to repurchase shares on the basis



of the authorization. Shares can be repurchased at a price formed in public trading on the date of repurchase or otherwise at a price formed on the market. The Board of Directors shall resolve how the repurchase of shares is carried out. The repurchase can be carried out by using, among others, derivatives. Shares may be repurchased in deviation from the shareholder's pre-emptive rights (directed repurchase of shares). The authorization is effective until 30 June 2009.

The Annual General Meeting held on March 14, 2008, authorized the Board of Directors to resolve on the issuance of shares and of stock options and other special rights entitling to shares referred to in chapter 10, section 1 of the Companies Act as follows. The aggregate number of shares issued on the basis of the authorization may not exceed 25,000,000 shares, which represents approximately 19.32 per cent of all the current shares of the company. The Board of Directors is authorized to resolve on all the terms and conditions concerning the issuance of shares and of special rights entitling to shares. The authorization concerns both the issuance of new shares and the transfer of treasury shares. Issuance of shares and of special rights entitling to shares can be carried out in deviation from the shareholder's pre-emptive rights (directed issue). The authorization is effective until 30 June 2009.

FLAGGING NOTIFICATIONS

There were no changes in ownership during the period under review that would have caused flagging notifications which are obligations for disclosure in accordance with Chapter 2, section 9 of the Securities Market Act.

BOARD OF DIRECTORS AND AUDITOR

The Annual General Meeting held on March 14, 2008, fixed the number of Board members to six (6). Mr. J.T. Bergqvist, Mr. Jukka Harju, Mr. Juha Hulkko, Mr. Seppo Laine, Mr. Staffan Simberg and Mr. Erkki Veikkolainen were elected Board members. The term of office of the Board members expires at the end of the next Annual General Meeting.

The Annual General Meeting elected Ernst & Young Oy, an auditing entity authorized by the Central Chamber of Commerce, as the auditor of the company.

DIVIDEND FROM 2007

The Annual General Meeting held on March 14, 2008, approved a proposal by the Board of Directors to pay a dividend of EUR 0.02 per share, i.e. a total of EUR 2,588,253.80. The dividend was paid on 28 March 2008.



AMENDMENT OF THE ARTICLES OF ASSOCIATION

Section 1 is amended so that the company's domicile is Oulu. Section 2 concerning the company's field of activities is updated as follows: The company's field of activities is the development, production and selling of software, equipment and other products for the automotive and electronics industry, the production of R&D services and other services as well as other industrial operations. The company may administer product and other rights and conduct research- and development operations, hold and trade securities and real-estate and conduct other investment activities.

Oulunsalo, May 7, 2008

EB, Elektrobit Corporation
The Board of Directors

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INVITATION TO PRESS CONFERENCE ON EB'S Q1 RESULT

EB, Elektrobit Corporation, will hold a press conference for media, analysts and institutional investors concerning the Interim Report Q1 2008 on

May 7, 2008 at 12.00 – 13.00 hours (EET)

in Helsinki

Restaurant Savoy

Eteläesplanadi 14

Cabinet Banquet, 7th floor

The conference will be audio webcast and published live on the Internet on <http://194.100.179.139:80/wip/directlink.do?newbrowser=1&pid=2216074>. There will be a possibility to present questions in place as well as by calling to the following conference call numbers:

Participants - Finland and other Europe: +358 (0)9 2313 9202

Participants - UK: +44 (0)20 7162 0125

Participants - US: +1 334 323 6203

An on-demand version of the audio webcast will be available after the conference on EB's website www.elektrobit.com/investors. The presentation material will be available after the publication of the Interim Report on the same address.

CONSENSUS ESTIMATE

The EB consensus estimate made by the analysts who observe the company is updated approximately a week before the release of the financial report. The latest estimate is available on the company website www.elektrobit.com/investors.

April 30, 2008

EB, Elektrobit Corporation

Corporate Communications


ELEKTROBIT CORPORATION, INTERIM REPORT JANUARY – MARCH 2008

(unaudited)

The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting.

CONSOLIDATED INCOME STATEMENT (MEUR)	1-3/2008	1-3/2007	1-12/2007
	3 months	3 months	12 months
NET SALES	47.3	31.0	144.3
Other operating income	1.4	0.6	14.4
Change in work in progress and finished goods	-0.6	1.9	1.5
Work performed by the undertaking for its own purpose and capitalized	0.1	0.0	0.5
Raw materials	-5.6	-2.0	-10.1
Personnel expenses	-27.2	-23.4	-96.5
Depreciation	-3.2	-2.3	-15.9
Other operating expenses	-20.2	-12.9	-58.5
OPERATING PROFIT (LOSS)	-8.0	-7.2	-20.3
Financial income and expenses	0.4	0.8	0.3
RESULT BEFORE TAXES	-7.7	-6.4	-20.0
Income taxes	-0.0	0.1	0.0
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-7.7	-6.3	-20.0
Result after taxes for the period from discontinued Operations	0.0	-1.8	13.1
RESULT FOR THE PERIOD	-7.7	-8.1	-6.9
Attributable to			
Equity holders of the parent	-7.7	-8.1	-6.9
Minority interest	0.0	-0.0	0.0
Earnings per share EUR continuing operations			
Basic earnings per share	-0.06	-0.05	-0.15
Diluted earnings per share	-0.06	-0.05	-0.15
Earnings per share EUR discontinued operations			
Basic earnings per share	0.0	-0.01	0.10
Diluted earnings per share	0.0	-0.01	0.10
Earnings per share EUR continuing and discontinued Operations			
Basic earnings per share	-0.06	-0.06	-0.05
Diluted earnings per share	-0.06	-0.06	-0.05



Average number of shares, 1000 pcs	129 413	129 413	129 413
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CONSOLIDATED BALANCE SHEET (MEUR)	March 31, 2008	March 31, 2007	Dec. 31, 2007
ASSETS			
Non-current assets			
Property, plant and equipment	24.5	34.6	25.1
Goodwill	19.6	16.2	19.6
Intangible assets	18.2	10.6	18.0
Financial assets at fair value through profit or loss	0.0	10.8	10.8
Other financial assets	0.4	0.1	0.3
Receivables	0.7	0.2	0.7
Deferred tax assets	3.0	3.5	2.8
Non-current assets total	66.4	76.0	77.2
Current assets			
Inventories	7.4	16.3	7.6
Trade and other receivables	64.9	52.7	78.8
Financial assets at fair value through profit or loss	1.6	72.3	50.9
Cash and short term deposits	85.7	24.4	21.6
Current assets total	159.6	165.6	158.9
TOTAL ASSETS	226.0	241.6	236.1

EQUITY AND LIABILITIES

Equity attributable to equity holders of the parent			
Share capital	12.9	12.9	12.9
Share premium	64.6	64.6	64.6
Translation difference	-0.8	-0.2	-0.4
Retained earnings	78.6	87.0	88.5
Minority interest	0.0	0.0	0.0
Total equity	155.3	164.3	165.7
Non-current liabilities			
Deferred tax liabilities	4.2	6.3	4.4
Interest-bearing liabilities	23.9	22.3	23.9
Other liabilities	0.6	0.3	0.6
Non-current liabilities total	28.7	28.9	28.9
Current liabilities			
Trade and other payables	33.4	34.1	31.1
Pension obligations	1.1	0.8	0.9
Current tax liabilities	0.0	0.0	1.2
Interest-bearing loans and borrowings	7.5	13.6	8.3
Current liabilities total	42.0	48.5	41.5



Total liabilities	70.7	77.3	70.5
TOTAL EQUITY AND LIABILITIES	226.0	241.6	236.1

CONSOLIDATED CASH FLOW STATEMENT (MEUR)	1-3/2008	1-3/2007	1-12/2007
	3 months	3 months	12 months
CASH FLOW FROM OPERATING ACTIVITIES			
Result for the period	-7.7	-8.1	-6.9
Adjustment of accrual basis items	5.5	1.8	-6.4
Change in net working capital	-4.4	0.1	-11.6
Interest paid on operating activities	-1.5	-0.5	-1.8
Interest received from operating activities	1.5	1.2	1.5
Other financial income and expenses, net received	0.0	0.0	0.0
Income taxes paid	-0.9	0.0	-1.9
NET CASH FROM OPERATING ACTIVITIES	-7.4	-5.5	-27.1
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of business unit, net of cash acquired			-4.7
Acquisition of minority interest		-10.2	-10.2
Disposal of business unit, net of cash acquired	17.5	0.7	16.9
Purchase of property, plant and equipment	-0.3	-1.6	-3.9
Purchase of intangible assets	-1.5	-1.0	-6.3
Purchase of other investments	-0.5	-1.2	-3.9
Sale of property, plant and equipment	0.0	0.1	0.5
Sale of intangible assets		0.4	1.1
Proceeds from sale of investments	10.4	1.1	3.7
NET CASH FROM INVESTING ACTIVITIES	25.7	-11.7	-6.8
CASH FLOW FROM FINANCING ACTIVITIES			
Loans granted			-0.5
Proceeds from borrowing	0.1	3.0	8.2
Repayment of borrowing	-0.8	-1.1	-7.6
Payment of finance liabilities	-1.5	-1.1	-5.1
Dividends paid	-2.2	-12.1	-14.2
NET CASH FROM FINANCING ACTIVITIES	-4.5	-11.3	-19.3
NET CHANGE IN CASH AND CASH EQUIVALENTS	13.8	-28.5	-53.2
Cash and cash equivalents at beginning of period	71.9	125.1	125.1
Cash and cash equivalents at end of period	85.7	96.6	71.9



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (MEUR)

A = Share capital
B = Share premium
C = Retained earnings
D = Net profit for the period
E = Minority interest
F = Total equity

	A	B	C	D	E	F
Equity on January 1, 2007	12.9	64.6	108.9		2.1	188.6
Result for the period				-8.1		-8.1
Dividend distribution			-14.2			-14.2
Share-related compensation			0.3			0.3
Translation difference			-0.0		-2.1	-2.1
Others			-0.1			-0.1
Equity on March 31, 2007	12.9	64.6	94.9	-8.1	0.0	164.3
Equity on January 1, 2008	12.9	64.6	88.1			165.7
Result for the period				-7.7		-7.7
Dividend distribution			-2.6			-2.6
Share-related compensation			0.3			0.3
Translation difference			-0.4			-0.4
Others			0.0			0.0
Equity on March 31, 2008	12.9	64.6	85.4	-7.7		155.3

NOTES TO THE INTERIM REPORT

Accounting principles for the Interim Report:

The same accounting policies and methods of computation are followed in the financial statement bulletin as compared with annual financial statements.

Explanatory comments about the seasonality or cyclicity of reporting period operations:

The company operates in business areas which are subject to seasonal fluctuations.

The nature and amount of items affecting assets, liabilities, equity, net income, or cash flows which are unusual because of their nature, size or incidence:



The investment portfolio in the non-current assets worth of EUR 10.6 million was dissolved and the amount was transferred into assets during the reporting period. The cash flow from investments during the reporting period includes the sale price payment of EUR 13.1 million from the property sales transaction done in December.

Dividends paid:

According to the decision of the company's Annual Shareholders' Meeting held on March 14, 2008, dividend of EUR 0.02 per share, a total of EUR 2,588,253.80 was paid on March 28, 2008

SEGMENT INFORMATION (MEUR)	1-3/2008	1-3/2007	1-12/2007
	3 months	3 months	12 months
Automotive			
Net sales to external customers	15.5	10.6	52.6
Net sales to other segments	0.0	0.0	0.0
Net sales total	15.5	10.6	52.7
Operating profit (loss)	-1.6	-0.6	0.7
Wireless			
Net sales to external customers	31.7	20.1	90.9
Net sales to other segments	0.0	0.3	0.8
Net sales total	31.7	20.4	91.7
Operating profit (loss)	-6.5	-6.4	-22.8
Other businesses			
Net sales to external customers	0.1	0.3	0.8
Net sales to other segments	0.0	0.0	0.0
Net sales total	0.1	0.3	0.8
Operating profit (loss)	0.1	-0.2	1.8
Eliminations			
Net sales to external customers	0.0	0.0	0.0
Net sales to other segments	-0.0	-0.3	-0.8
Net sales total	-0.0	-0.3	-0.8



Operating profit (loss)	0.0	0.0	0.0
Group total			
Net sales to external customers	47.3	31.0	144.3
Operating profit (loss)	-8.0	-7.2	-20.3
Net sales of geographical segments (MEUR)	1-3/2008	1-3/2007	1-12/2007
	3 months	3 months	12 months
Net sales			
Europe	26.8	24.3	101.6
Americas	18.5	4.1	33.3
Asia	2.0	2.5	9.5
Net sales total	47.3	31.0	144.3

Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period:

There were no material events subsequent to the end of the interim period.

The effect of changes in the composition of the group structure during the interim period:

During the reporting period, EB sold 100 per cent of the share capital of Elektrobot AG.

Related party transactions:	1-3/2008	1-3/2007	1-12/2007
Employee benefits for key management and stock option expenses total	0.6	0.7	2.5
Loans and guarantees to related party			
There have not been other transactions between the related parties			

INCOME STATEMENT BY QUARTER (MEUR)	1-3/2008	10-12/2007	7-9/2007	4-6/2007	1-3/2007
	3 months	3 months	3 months	3 months	3 months
NET SALES	47.3	44.6	35.3	33.5	31.0
Other operating income	1.4	10.7	0.9	2.2	0.6
Change in work in progress and finished goods	-0.6	-1.1	0.1	0.6	1.9
Work performed by the undertaking for its own purpose and capitalized	0.1	0.1	0.2	0.2	0.0
Raw materials	-5.6	-3.1	-2.5	-2.4	-2.0



Personnel expenses	-27.2	-26.6	-22.6	-23.9	-23.4
Depreciation	-3.2	-7.6	-3.5	-2.5	-2.3
Other operating expenses	-20.2	-19.5	-11.8	-14.3	-12.9
OPERATING PROFIT (LOSS)	-8.0	-2.4	-4.0	-6.6	-7.2
Financial income and expenses	0.4	-0.9	0.0	0.3	0.8
RESULT BEFORE TAXES	-7.7	-3.3	-4.0	-6.3	-6.4
Income taxes	-0.0	0.0	0.0	-0.1	0.1
RESULT FOR THE PERIOD FROM CONTINUING OPERATIONS	-7.7	-3.3	-4.0	-6.4	-6.3
Result after taxes for the period from discontinued operations	0.0	0.4	-0.0	14.5	-1.8
RESULT FOR THE PERIOD	-7.7	-2.9	-4.0	8.1	-8.1
Attributable to					
Equity holders of the parent	-7.7	-2.9	-4.0	8.1	-8.1
Minority interest	0.0	0.0	0.0	0.0	-0.0

BALANCE SHEET BY QUARTER (MEUR)

	March 31, 2008	Dec. 31, 2007	Sept. 30, 2007	June 30, 2007	March 31, 2007
ASSETS					
Non-current assets					
Property, plant and equipment	24.5	25.1	35.3	35.0	34.6
Goodwill	19.6	19.6	21.7	21.1	16.2
Intangible assets	18.2	18.0	17.5	16.8	10.6
Financial assets at fair value through profit or loss	0.0	10.8	10.9	10.9	10.8
Other financial assets	0.4	0.3	0.3	0.4	0.1
Receivables	0.7	0.7	0.2	0.1	0.2
Deferred tax assets	3.0	2.8	4.2	3.5	3.5
Non-current assets total	66.4	77.2	90.1	87.7	76.0
Current assets					
Inventories	7.4	7.6	8.7	8.8	16.3
Trade and other receivables	64.9	78.8	53.7	53.7	52.7
Financial assets at fair value through profit or loss	1.6	50.9	70.8	81.0	72.3
Cash and short term deposits	85.7	21.6	12.0	17.8	24.4
Current assets total	159.6	158.9	145.2	161.3	165.6
TOTAL ASSETS	226.0	236.1	235.3	249.1	241.6

EQUITY AND LIABILITIES



Equity attributable to equity holders of the parent					
Share capital	12.9	12.9	12.9	12.9	12.9
Share premium	64.6	64.6	64.6	64.6	64.6
Translation difference	-0.8	-0.4	-0.3	-0.1	-0.2
Retained earnings	78.6	88.5	91.1	94.9	87.0
Minority interest	0.0	0.0	0.0	0.0	0.0
Total equity	155.3	165.7	168.4	172.3	164.3
Non-current liabilities					
Deferred tax liabilities	4.2	4.4	5.2	5.6	6.3
Interest-bearing liabilities	23.9	23.9	23.8	28.0	22.3
Other liabilities	0.6	0.6	0.7	0.7	0.3
Non-current liabilities total	28.7	28.9	29.7	34.3	28.9
Current liabilities					
Trade and other payables	33.4	32.3	27.2	30.8	34.1
Pension obligations	1.1	0.9	1.1	0.9	0.8
Interest-bearing loans and borrowings (non-current)	7.5	8.3	8.9	10.7	13.6
Current liabilities total	42.0	41.5	37.2	42.4	48.5
Total liabilities	70.7	70.5	66.9	76.8	77.3
TOTAL EQUITY AND LIABILITIES	226.0	236.1	235.3	249.1	241.6

CONSOLIDATED CASH FLOW STATEMENT BY QUARTER	1-3/2008	10-12/2007	7-9/2007	4-6/2007	1-3/2007
	3 months	3 months	3 months	3 months	3 months

Net cash from operating activities	-7.4	-8.6	-6.7	-6.2	-5.5
Net cash from investing activities	25.7	-0.7	-5.6	11.2	-11.7
Net cash from financing activities	-4.5	-1.4	-3.8	-2.9	-11.3
Net change in cash and cash equivalents	13.8	-10.8	-16.1	2.1	-28.5

FINANCIAL PERFORMANCE RELATED RATIOS	1-3/2008	1-3/2007	1-12/2007
	3 months	3 months	12 months

INCOME STATEMENT (MEUR)				
Net sales		47.3	31.0	144.3
Operating profit (loss)		-8.0	-7.2	-20.3
Operating profit (loss), % of net sales		-16.9	-23.3	-14.1
Result before taxes		-7.7	-6.4	-20.0
Result before taxes, % of net sales		-16.2	-20.8	-13.9
Result for the period		-7.7	-6.3	-20.0


PROFITABILITY AND OTHER KEY FIGURES

Interest-bearing net liabilities, (MEUR)	-54.3	-60.8	-39.7
Net gearing, -%	-35.0	-37.0	-24.0
Equity ratio, %	69.5	68.6	70.9
Gross investments, (MEUR)	3.7	15.2	44.1
Average personnel during the period	1771	1597	1695
Personnel at the period end	1762	1602	1725

**AMOUNT OF SHARE ISSUE ADJUSTMENT
(1,000 pcs)**

	March 31, 2008	March 31, 2007	Dec. 31, 2007
At the end of period	129 413	129 413	129 413
Average for the period	129 413	129 413	129 413
Average for the period diluted with stock options	129 413	129 413	129 413

STOCK-RELATED FINANCIAL RATIOS (EUR)

	1-3/2008 3 months	1-3/2007 3 months	1-12/2007 12 months
Basic earnings per share	-0.06	-0.05	-0.15
Diluted earnings per share	-0.06	-0.05	-0.15
Equity *) per share	1.20	1.27	1.28

*) Equity attributable to equity holders of the parent

MARKET VALUES OF SHARES (EUR)

	1-3/2008	1-3/2007	1-12/2007
Highest	1.79	2.48	2.48
Lowest	1.42	1.61	1.51
Average	1.67	2.09	1.93
At the end of period	1.43	1.62	1.64
Market value of the stock, (MEUR)	185.1	209.6	212.2
Trading value of shares, (MEUR)	3.9	30.5	53.4
Number of shares traded, (1,000 pcs)	2 351	14 616	27 656
Related to average number of shares %	1.82	11.3	21.4



SECURITIES AND CONTINGENT LIABILITIES (MEUR) *)	March 31, 2008	March 31, 2007	Dec. 31, 2007
AGAINST OWN LIABILITIES			
Floating charges	3.1	3.0	3.1
Mortgages	7.0	18.0	7.0
Pledges	9.5	7.4	9.8
Guarantees	2.1		2.1
Mortgages are pledged for liabilities totalled	16.8	13.0	17.3
OTHER DIRECT AND CONTINGENT LIABILITIES			
Rental liabilities			
Falling due in the next year	4.4	2.9	4.0
Falling due after one year	6.4	3.4	4.9
*) The comparison data does not include contingent liabilities relating to discontinued operations			
NOMINAL VALUE OF CURRENCY DERIVATIVES (MEUR)	March 31, 2008	March 31, 2007	Dec. 31, 2007
Foreign exchange forward contracts			
Market value	1.6	0.0	0.7
Nominal value	43.2	13.5	26.4