



# Proha Plc General Meeting 2007

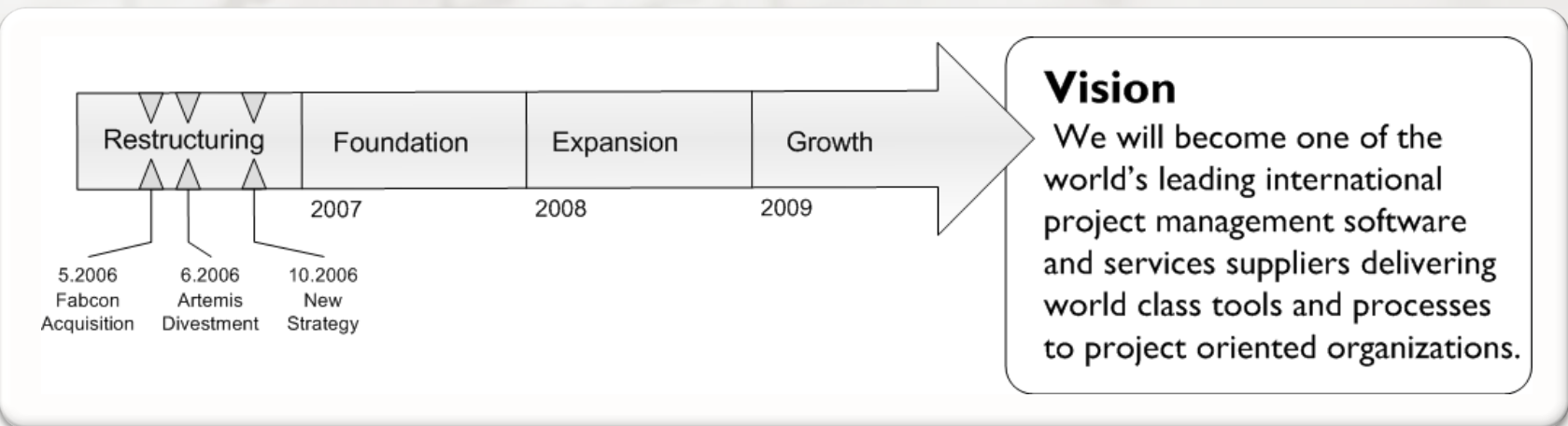
HELSINKI

APRIL 18, 2007

# Mission

- We support customers executing projects and managing project business by providing comprehensive set of tools and services integrating the best project management practises.

# Vision



# Proha Structure





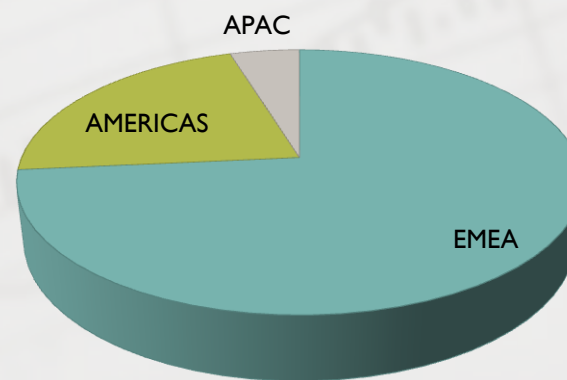
# Financials 2007

# Income Statement 2006, IFRS

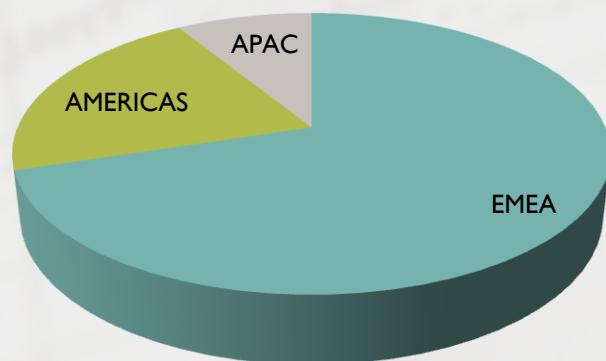
	Continuing Operation		Discontinued Operations		Group Total	
	2006	2005	2006	2005	2006	2005
<b>NET SALES</b>	<b>41 021</b>	26 421	<b>17 195</b>	38 106	<b>58 215</b>	64 527
Other operating income	<b>392</b>	160	<b>116</b>	1 396	<b>508</b>	1 555
Gain on disposal of discontinued operations	<b>-472</b>	0	<b>15 006</b>	0	<b>14 534</b>	0
Material and services	<b>-85</b>	-97	<b>-1 744</b>	-3 349	<b>-1 829</b>	-3 447
Employee benefits expense	<b>-37 887</b>	-24 997	<b>-12 210</b>	-27 117	<b>-50 097</b>	-52 113
Depreciation and amortisation	<b>-374</b>	-346	<b>0</b>	-325	<b>-374</b>	-670
Other operating expenses	<b>-2 920</b>	-2 529	<b>-6 402</b>	-10 883	<b>-9 322</b>	-13 412
<b>OPERATING RESULT</b>	<b>-326</b>	-1 388	<b>11 961</b>	-2 172	<b>11 635</b>	-3 560
Financing income	<b>222</b>	253	<b>1 004</b>	1 146	<b>1 227</b>	1 399
Financing expenses	<b>-539</b>	-539	<b>-369</b>	-2 303	<b>-908</b>	-2 841
Share of profit/loss in associates	<b>-2</b>	0	<b>0</b>	0	<b>-2</b>	0
<b>PROFIT/LOSS BEFORE TAX</b>	<b>-645</b>	-1 674	<b>12 596</b>	-3 329	<b>11 951</b>	-5 003
Tax on income from operations	<b>-455</b>	-263	<b>-489</b>	-759	<b>-944</b>	-1 022
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-1 100</b>	-1 937	<b>12 106</b>	-4 088	<b>11 007</b>	-6 025

# Geographical Segments

## Net Sales by Area - Continuing Operations



## Net Sales by Area - Group



# Quarterly Income Statements

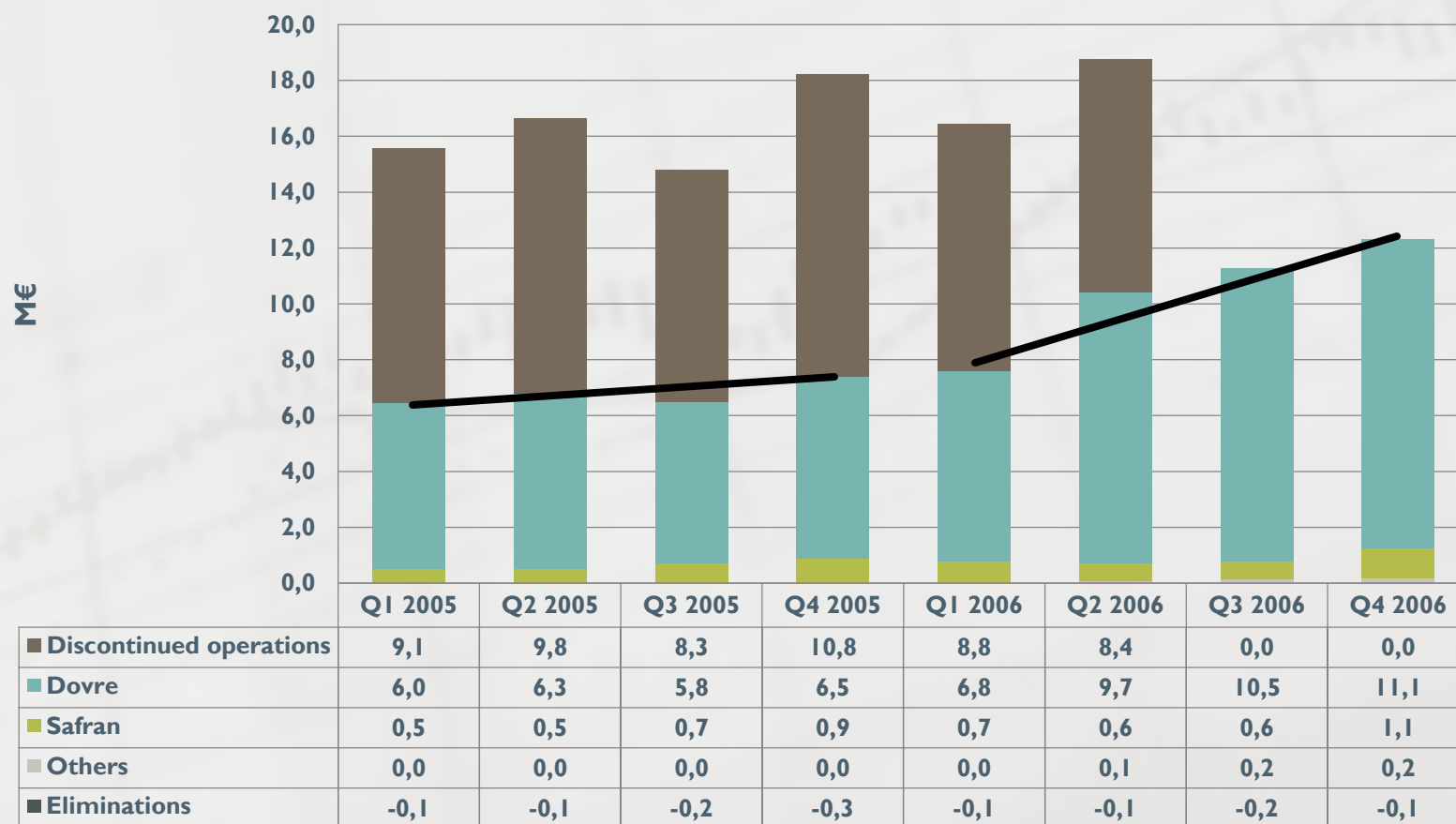
## – Continuing Operations

	Q4/2006	Q3/2006	Q2/2006	Q1/2006	Q4/2005	Q3/2005	Q2/2005	Q1/2005
<b>Net Sales</b>	<b>12 183</b>	<b>11 058</b>	<b>10 316</b>	<b>7 464</b>	<b>7 085</b>	<b>6 279</b>	<b>6 727</b>	<b>6 330</b>
Other operating income	169	46	34	143	35	-83	201	8
Gain on disposal of discontinued operations			-472					
Material and services	-35	76	-123	-3	-34	-50	-8	-5
Employee benefits expense	-11 204	-10 159	-9 825	-6 699	-6 968	-5 500	-6 348	-6 180
Depreciation and amortisation	-94	-101	-92	-86	-91	-85	-82	-87
Other operating expenses	-797	-621	-753	-748	-618	-838	-694	-379
<b>Operating Result</b>	<b>222</b>	<b>299</b>	<b>-915</b>	<b>70</b>	<b>-592</b>	<b>-278</b>	<b>-204</b>	<b>-315</b>
%	1,8 %	2,7 %	-8,9 %	0,9 %	-8,3 %	-4,4 %	-3,0 %	-5,0 %
Financing income	151	56	7	7	156	4	26	67
Financing expenses	-345	-69	-62	-63	-405	-48	-31	-56
Share of result in associates	-2							
<b>Result Before Tax</b>	<b>26</b>	<b>286</b>	<b>-970</b>	<b>15</b>	<b>-840</b>	<b>-322</b>	<b>-209</b>	<b>-303</b>
%	0,2 %	2,6 %	-9,4 %	0,2 %	-11,9 %	-5,1 %	-3,1 %	-4,8 %
Tax on income from operations	-23	-173	-103	-156	-39	-68	-95	-60
<b>Result for the Period</b>	<b>2</b>	<b>113</b>	<b>-1 073</b>	<b>-141</b>	<b>-879</b>	<b>-390</b>	<b>-305</b>	<b>-363</b>
%	0,0 %	1,0 %	-10,4 %	-1,9 %	-12,4 %	-6,2 %	-4,5 %	-5,7 %

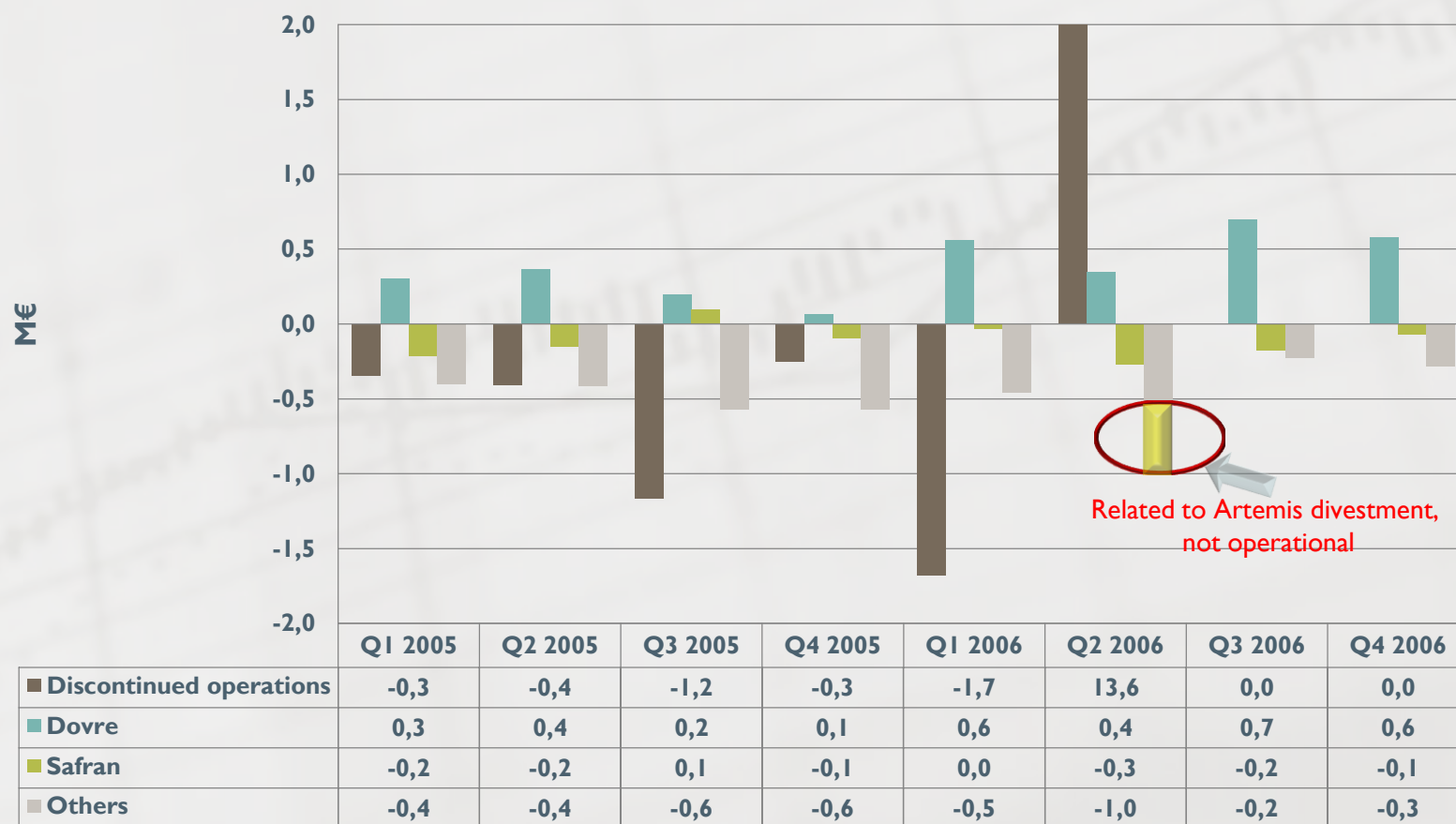
Related to Artemis divestment, not operational

Operational number would be -601

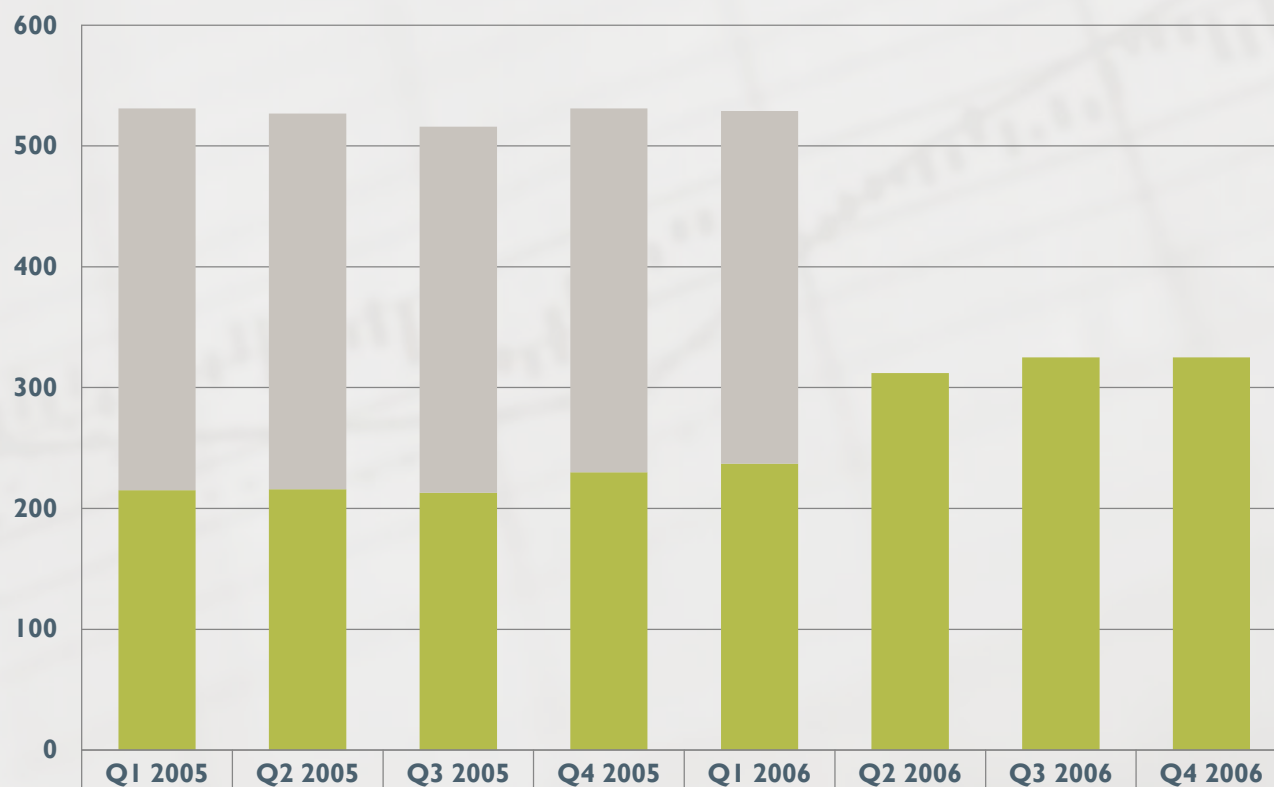
# Net Sales by Segment



# Operating Result by Segment



# Personnel at the End of the Period



■ Discontinued operations	316	311	303	301	292			
■ Continuing operations	215	216	213	230	237	312	325	325

# Assets December 31, 2006

	31.12.2006	31.12.2005
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Intangible assets	1 999	1 708
Goodwill	4 758	3 474
Tangible assets	216	278
Investments in associates	982	962
Available-for-sale investments	36	27
Non-current trade and other receivables	130	0
Deferred tax asset	208	97
<b>NON-CURRENT ASSETS</b>	<b>8 328</b>	<b>6 545</b>
<b>CURRENT ASSETS</b>		
Trade receivables and other recivables	12 339	6 172
Cash and bank	12 022	3 829
<b>CURRENT ASSETS</b>	<b>24 361</b>	<b>10 001</b>
<b>ASSETS OF DISCONTINUED OPERATIONS</b>	<b>0</b>	<b>26 206</b>
<b>ASSETS</b>	<b>32 689</b>	<b>42 752</b>

# Equity and Liabilities December 31, 2006

	31.12.2006	31.12.2005
<b>EQUITY AND LIABILITIES</b>		
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	15 917	15 917
Share premium account	4 379	4 808
Fair value reserve and other reserves	368	430
Translation differences	38	463
Retained earnings	-5 497	-17 219
<b>Equity attributable to equity holders of the parent</b>	<b>15 205</b>	<b>4 400</b>
<b>Minority interest</b>	<b>112</b>	<b>73</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>15 316</b>	<b>4 473</b>
<b>LONG-TERM LIABILITIES</b>		
Deferred tax liability	491	418
Long-term liabilities, interest-bearing	1 958	3 428
Liabilities from defined benefit plan	379	147
<b>NON-CURRENT LIABILITIES</b>	<b>2 828</b>	<b>3 992</b>
<b>CURRENT LIABILITIES</b>		
Short-term interest-bearing liabilities	4 205	1 477
Trade Payables and Other Liabilities	9 783	5 400
Tax liability, income tax	556	285
Current provisions	0	21
<b>CURRENT LIABILITIES</b>	<b>14 545</b>	<b>7 183</b>
<b>LIABILITIES OF DISCONTINUED OPERATIONS</b>	<b>0</b>	<b>27 104</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>32 689</b>	<b>42 752</b>

# Cash Flow Statement 2006, IFRS I/3

	2006	2005
<b>Cash flow from operating activities</b>		
Operating result	11 635	-3 560
Adjustments		
Divestment of Artemis	-11 292	
Other operating income	-71	-1 369
Depreciation and amortization	374	670
Share based payments	319	995
Other operating expenses	0	253
Other adjustments	-99	3
Adjustments, total	-10 769	553
Change in net working capital		
Increase (-) / decrease (+) in short term receivables	-3 883	16
Increase (+) / decrease (-) in short term interest-free liabilities	3 040	3 626
Other changes	0	21
Change in net working capital, total	-815	3 663
Interest paid	-555	-171
Interest received	267	434
Other financial expenses paid	-355	-2 501
Other financial income received	373	2 188
Income taxes paid	-353	-442
<b>Cash flow from operating activities</b>	<b>-572</b>	<b>163</b>

# Cash Flow Statement 2006, IFRS 2/3

	2006	2005
<b>Cash flow from investing activities</b>		
Acquisition of subsidiaries net cash acquired	-1 949	0
Investments in tangible and intangible assets	-36	-279
Investments in associates	-23	0
Proceeds from disposal of subsidiaries net cash disposed of	6 579	0
Partial disposals of subsidiaries	0	629
Disposal of associates	0	619
Gain on disposal of other investments	0	0
Proceeds (-) and repayments (+) of loan receivables	-118	186
Dividends received	2	20
<b>Cash flow from investing activities</b>	<b>4 455</b>	<b>1 173</b>
<b>Cash flow from financing activities</b>		
Share issue	0	1
Proceeds from short-term loans	579	3 563
Repayments of short-term loans	-742	-3 740
Proceeds from long-term loans	1 619	1 705
Repayments of long-term loans	-463	-782
Proceeds and repayments of long term receivables	0	0
Dividends paid	-15	-9
<b>Cash flow from financing activities</b>	<b>978</b>	<b>738</b>
<b>Change in cash and cash equivalents</b>	<b>4 861</b>	<b>2 075</b>

# Cash Flow Statement 2006, IFRS 3/3

	2006	2005
<b>Cash and cash equivalents at beginning of the period</b>	<b>7 293</b>	<b>5 069</b>
Foreign exchange rate adjustment	-132	150
Cash and cash equivalents of subsidiaries acquired	213	
Cash and cash equivalents of subsidiaries divested	-3 464	0
Change in cash and cash equivalents, continuing operations	8112	0
Change in cash and cash equivalents	0	2 075
<b>Change in cash and cash equivalents</b>	<b>4 861</b>	<b>2 075</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>12 022</b>	<b>7 293</b>

# Auditors' Statement



**AUDITORS' REPORT**

## Translation

**To the shareholders of Proha Plc**

We have audited the accounting records, the report of the Board of Directors, the financial statements and the administration of Proha Plc for the financial year 2006. The Board of Directors and the Managing Director have prepared the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, as well as the report of the Board of Directors and the parent company's financial statements, prepared in accordance with prevailing regulations in Finland, containing the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements. Based on our audit, we express an opinion on the consolidated financial statements, as well as on the report of the Board of Directors, the parent company's financial statements and the administration.

We conducted our audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the report of the Board of Directors and the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the report and 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 the administration is to examine whether the members of the Board of Directors and the Managing Director of the parent company have complied with the rules of the Companies Act.

***Consolidated financial statements***

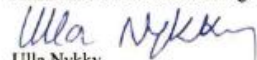
In our opinion the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view, as defined in those standards and in the Finnish Accounting Act, of the consolidated results of operations as well as of the financial position. The consolidated financial statements can be adopted.

***Parent company's financial statements, report of the Board of Directors and administration***

In our opinion the parent company's financial statements and the report of the Board of Directors have been prepared in accordance with the Finnish Accounting Act and other applicable Finnish rules and regulations. The parent company's financial statements and the report of the Board of Directors give a true and fair view of the parent company's result of operations and of the financial position. The report of the Board of Directors is consistent with the consolidated financial statements.

The parent company's financial statements can be adopted and the members of the Board of Directors and the Managing Directors 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 result from the period is in compliance with the Companies Act.

Espoo, February 14, 2007

ERNST & YOUNG OY  
Authorised Public Accounting FirmUlla Nykky  
Authorised Public Accountant



# Board of Directors

# Board of Directors

## Current Board

- Olof Ödman, chairman
- Birger Flaa
- Ernst Jilderda
- Pekka Mäkelä
- Pekka Pere

## Proposed New Board

- Olof Ödman, chairman
- Birger Flaa
- Ernst Jilderda
- Gjalt de Vries

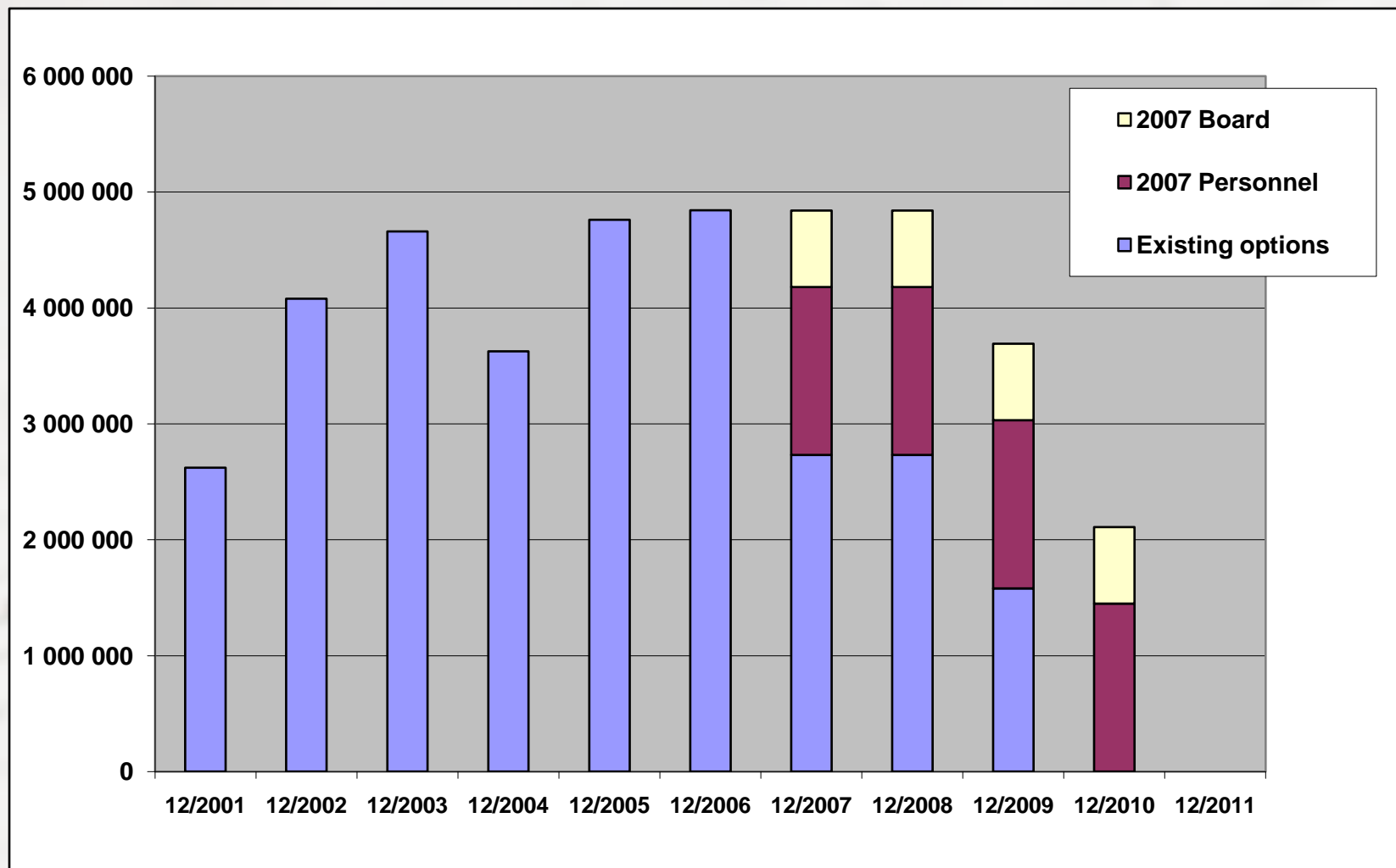
# Gjalt de Vries

- Dutch citizen, born in 1945
- Education: State University Groningen, business economics & strategy and post-graduate education accountancy
- Professional experience:
  - Philips Electrológica, marketing development & systems design.
  - Manager Information Systems “Dijker Doornbos” Accountancy
  - KPMG:
    - Senior Manager Management Consultancy Group
    - Senior Partner KPMG Management Consultancy
    - Member International Steering Committee KPMG Financial Services group
    - International lead partner & account responsible Financial Services for large international accounts, i.e. ABN-AMRO, Rabobank International, Dutch Central Bank.
- Professional Scope:
  - Corporate strategy & performance improvement
  - Cost reduction & profitability enhancement
  - Management information systems & risk management
  - Program & project management in financial services projects (chipcard project in the Netherlands)
  - International account management
- Gjalt speaks fluently Dutch, German, English, Italian and French

A faded, grayscale background image of a line graph on a grid. The graph shows a line that starts at the bottom left and trends upwards towards the top right, with some minor fluctuations. The grid lines are faint and the overall image is out of focus.

# Option Proposal

# Options as Percentage of Shares



# Option Plan 2007

- Detailed Board Proposal is included in the material
- Part of Proha's Commitment and Incentive Program which has continued from year 1999
- Will replace Option Plans 2002 and 2003
- The number of Option Rights will remain at the current level
- Maximum of 2.110.000 option rights, which represent 3,33% of Proha shares after exercise
- Maximum 660.000 option rights will be given to the Board and CEO
- Exercise price is the volume weighted average price of Proha share for 30 days prior the AGM (EUR 0,37)

# Total Number of Options

