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05.11.2009
AS HARJU ELEKTER
FINANCIAL RESULTS

FINANCIAL RESULTS, 1-9/2009

Management assessed the economic results of Harju Elekter Group in Q3 and the first nine months to be good. Due to a decline in demand, production and sales volumes, the Group has actively engaged in optimising and reducing both operating and fixed expenses, achieving equivalent savings and ensuring the profitability of the Group. The Q3 EBITDA was 9.1% (7.7%), and the first 9 months figure remained at the same level as the year before.

Key figures	million EEK		million EUR	
	1-9/2009	1-9/2008	1-9/2009	1-9/2008
Sales revenue	474.3	667.0	30.3	42.6
EBITDA	37.1	52.4	2.4	3.4
EBIT	22.2	38.4	1.4	2.5
Net profit for the period	17.2	39.5	1.1	2.5
incl equity holders of the Parent	15.4	37.4	1.0	2.4
EPS	0.92 EEK	2.23 EEK	0.06 EUR	0.14 EUR
At the end of the period				
Total assets	591.4	658.7	37.8	42.1
Owners' equity	464.1	504.4	29.7	32.2
Average number of employees on the current period			454	501
Number of employees at the end of the period			471	521

The consolidated sales revenue of the Group in the third quarter was 120.6 million kroons (7.7 million euros), which was 46.9% less than the result of the comparable quarter. The consolidated sales revenue of the 9m 2009 was 474.3 million kroons (30.3 million euros), which was 28.9% less than the result of the comparable period. The core business of the Group is the production and sales of electrical distribution systems and control panels as well as other supportive side-activities, which was traditionally the largest share of sales revenues – approx. 90.1%. Real estate and income from other commercial activities together formed 10% of the consolidated sales revenue.

Of the Group's products and services, 35% (37%) were sold on the Estonian, 45% (44%) on the Finnish and 10% (12%) on the Lithuanian markets; to the other European markets (Latvia, Sweden, Denmark and Portugal) a total of 4% (6%) were sold. The drop in demand on domestic markets has forced a search for new markets. Outside the European Union – in Russia, Belarus and Norway – a total of 6% (1%) of products were sold. Sales by the Group outside the European Union increased by 20 million kroons (1.3 million euros), compensating for the drop in the volumes of sales into other EU countries.

The sales volume of the Estonian segment this year has declined by a quarter, primarily due to a decline in both the Estonian and Finnish markets. In H1, several large purchase orders came through for the Lithuanian segment. Q3 remained modest for them. The sales volume of the Lithuanian segment declined nearly 45% in Q3 and by a quarter over the period of 9 months. Recession reached Finland somewhat later than the Baltic States. While the Q1 sales volume in the Finnish segment remained at the level of Q1 2008, in Q2 a decline began in export orders in the metals and engineering industry, compounded in Q3 by a decrease in demand on the domestic market in Finland. Such kind of development affected significantly the business performance of Satmatic Oy during the accounting period.

As a result of the drop in demand, production and sales volumes, the Group has been engaging in saving on and optimising both operational and fixed expenses. The business expenses of the Group declined at the same rate as the sales revenue – by -46.3% in Q3 and -28% in the first 9 months. Compared to the sales revenue, the expenses of products and services sold dropped even more: by -48.9% in the first 9 months and by -29.7% in the accounting quarter. The marketing and general administration expenses for the accounting quarter is, on average, 23% less than the indicators for the comparable period. Due to the severance and redundancy compensations paid out, general administrative expenses in H1 remained at the level of the previous year; however, in Q3, operating expenses were saved on, as a result of which there arose savings on general administrative expenses for the accounting quarter. Marketing expenses in the first 9 months have declined nearly 19%.

As at the balance day on 30 September, there were 471 people working in the Group, which is 50 people less than a year before. There were 44 people who, during the accounting period, left of their own accord, due to retirement or as a result of redundancy. In the third quarter, there was an average of 448 people working in the Group (Q3 2008: 523), included 293 (343) employees in Estonia, 77 (94) employees in Lithuania and 78 (86) employees in Finland. During the first 9 months the average number of employees was 454 (501). All labour cost in Q3 2009 were 22.9 million kroons (1.5 million euros), which was 44.5% less than in the comparable period. Labour expenses in the first 9 months dropped by over 14% to 108.5 million kroons (6.9 million euros).

Business activity of the Group in Q3 was profitable. Depreciation of fixed assets in Q3 was 4.9 million kroons or 0.31 million euros (during the comparable period, 4.6 million kroons or 0.3 million euros), EBITDA was 11.0 million kroons (0.7 million euros), which is 37.4% less than in the comparable period. EBITDA was 9.1%, which is 1.4 percentage points better than the figure for the comparable period. The operating profit was 6.0 million kroons (0.39 million euros), decreased more than 50% compared to the Q3 2008. The operating margin was 5.0% (5.7%). The operating profit for the first 9 months was 22.2 million kroons or 1.4 million euros (38.4 million kroons or 2.5 million euros during the comparable period), with the operating profit margin for the account period at 4.7% (5.8%). Depreciation of fixed assets amounted to 14.8 million kroons (0.95 million euros) and 14.0 million kroons (0.89 million euros) during the comparable period. EBITDA was 7.8% (7.9%).

The consolidated net profit of the Q3 2009 was 6.1 million kroons or 0.39 million euros (in Q3 2008: 11.2 million kroons or 0.71 million euros), of which the share of the owners of the parent company was 5.7 million kroons or 0.37 million euros (in Q3 2008: 10.3 million kroons or 0.66 million euros). The net profit margin on the turnover was 5.1%, which is 0.2 percentage points better than the figure for the comparable period. EPS of the reporting period was 0.34 kroons or 0.02 euros (in Q3 2008: 0.61 kroons or 0.04 euros).

The consolidated net profit of the 9m 2009 was 17.2 million kroons or 1.1 million euros (in 9m 2008: 39.5 million kroons or 2.52 million euros), of which the share of the owners of the parent company was 15.4 million kroons or 1.0 million euros (in 9m 2008: 37.4 million kroons or 2.39 million euros). The net

profit margin on the turnover came out at 3.6% (5.9%). EPS of the reporting period was 0.92 kroons or 0.06 euros (in 9m 2008: 2.23 kroons or 0.14 euros). Consolidated net profit in 2008 was impacted most by the consolidated loss of the affiliated company and dividend revenue that was three times lower.

In the first nine months the Group invested 0.6 million kroons or 39,000 euros in real estate (9m 2008: 0.6 million kroons or 37,000 euros), 12.9 million kroons (0.8 million euros) in tangible fixed assets and 20.0 million kroons (1.3 million euros) in the compared period and 3.3 million kroons or 210,000 euros in intangible fixed assets (9m 2008: 195,000 kroons or 12,000 euros).

During the first nine months the liability of the Group decreased by 55.9 million kroons (3.6 million euros) to 127.3 million kroons (8.1 million euros). During the nine months, the Group companies repaid a total of 13.8 million kroons (0.88 million euros) of the long-term loan and the short-term loan in the amount of 25.4 million kroons (1.62 million euros) along with the capital lease in the amount of 1.6 million kroons, i.e. 104,000 euros. Interest-bearing debt obligations declined on the balance sheet by a total of 40.5 million kroons (2.59 million euros) to 17.8 million kroons (1.14 million euros).

The cash flow from operations amounted to 78.7 million kroons, i.e. 5.0 million euros (51.3 million kroons, i.e. 3.3 million euros in the comparable period). The cash flow from investments was a negative 5.2 million kroons, i.e. 330,000 euros (in the accounting period 7.9 million kroons i.e. 505,000 euros). In financing activity, 58.1 million kroons or 3.7 million euros in cash was disbursed (46.4 million kroons or 3.0 million euros during the comparable period). Cash and cash equivalents increased by 15.4 million kroons (1.0 million euros) in the first nine months and decreased by 3.0 million kroons (0.2 million euros) during the comparable period.

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For more information: Internal report 1-9/2009 of Harju Elekter and Mrs. Karin Padjus, Member of the Board (phone +372 674 7403).

BALANCE SHEET, 30.09.2009
consolidated, unaudited

In thousand	EEK		EUR	
	30.09.09	31.12.08	30.09.09	31.12.08
ASSETS				
Cash and cash equivalents	38 761	23 379	2 477	1 494
Trade receivables and other receivables	74 493	99 449	4 761	6 356
Prepayments	4 387	3 217	281	205
Inclusive income tax	1 018	47	66	3
Inventories	83 298	123 351	5 324	7 884
TOTAL CURRENT ASSETS	200 939	249 396	12 843	15 939
Investments in associates	9 786	17 907	625	1 144
Other long-term financial investments	118 668	74 323	7 584	4 750
Investment property	129 908	133 737	8 303	8 547
Property, plant and equipment	126 517	123 423	8 086	7 889
Intangible assets	5 587	3 201	357	205
Total non-current assets	390 466	352 591	24 955	22 535
TOTAL ASSETS	591 405	601 987	37 798	38 474
LIABIL. AND OWNERS' EQUITY				
Interest-bearing loans and	5 556	41 958	355	2 682

borrowings				
Trade payables and other payables	97 020	112 395	6 201	7 183
Tax liabilities	8 705	11 216	556	717
Inclusive income tax	0	1 551	0	99
Short-term provision	3 828	1 294	245	83
TOTAL CURRENT LIABILITIES	115 109	166 863	7 357	10 665
NON-CURRENT LIABILITIES	12 235	16 381	782	1 046
TOTAL LIABILITIES	127 344	183 244	8 139	11 711
Share capital	168 000	168 000	10 737	10 737
Paid-in capital over/under par	6 000	6 000	384	384
Restricted reserves	115 256	69 746	7 366	4 457
Retained earnings	152 041	153 445	9 717	9 808
TOTAL OWNERS' EQUITY	441 297	397 191	28 204	25 386
Minority interests	22 764	21 552	1 455	1 377
TOTAL EQUITY	464 061	418 743	29 659	26 763
TOT. LIABILIT. AND OWNERS' EQUITY	591 405	601 987	37 798	38 474
Interest-bearing loans and borrowings	30.09.09	31.12.08	30.09.09	31.12.08

INCOME STATEMENT
consolidated, unaudited

In thousand kroons (EEK)	Q3		9 months	
Group	2009	2008	2009	2008
NET SALES	120 571	226 904	474 275	666 981
Cost of goods sold	-98 370	-192 593	-397 702	-565 659
Gross profit	22 201	34 311	76 573	101 322
Marketing expenses	-6 715	-8 774	-22 253	-27 375
Administrative expenses	-9 700	-12 568	-32 652	-35 185
Other revenue	376	115	1 038	262
Other expenses	-113	-230	-461	-575
Operating profit	6 049	12 854	22 245	38 449
Net financial incomes/expenses	-30	-718	7 991	9 249
Income from subsidiaries	5	259	-8 121	3 743
Profit from normal operations	6 024	12 395	22 115	51 441
Corporate Income tax	87	-1 245	-4 952	-11 973
Profit after taxes, incl	6 111	11 150	17 163	39 468
Net profit for the year	5 700	10 269	15 396	37 436
Minority interest	411	881	1 767	2 032
Basic and diluted earnings per share	0,34	0,61	0,92	2,23

INCOME STATEMENT
consolidated, unaudited

In thousand euros (EUR)	Q3			9 months
	2009	2008	2009	2008
Group	2009	2008	2009	2008
NET SALES	7 706	14 502	30 311	42 628
Cost of goods sold	-6 287	-12 309	-25 418	-36 152
Gross profit	1 419	2 193	4 893	6 476
Marketing expenses	-429	-561	-1 422	-1 750
Administrative expenses	-620	-803	-2 087	-2 249
Other revenue	24	7	66	17
Other expenses	-7	-15	-29	-37
Operating profit	387	821	1 421	2 457
Net financial incomes/expenses	-2	-46	510	591
Income from subsidiaries	0	17	-519	239
Profit from normal operations	385	792	1 412	3 287
Corporate Income tax	6	-80	-316	-765
Profit after taxes, incl	391	712	1 096	2 522
Net profit for the year	365	656	983	2 393
Minority interest	26	56	113	129
Basic and diluted earnings per share	0,02	0,04	0,06	0,14

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02.11.2009
AS HARJU ELEKTER
ANNOUNCEMENT

SUBSIDIARY SATMATIC TOOK NEW PRODUCTION PREMISES INTO USE

Satmatic OY, the Finnish subsidiary of Harju Elekter, took into use nearly 1370 m² of new production premises and nearly 500 m² of new office premises. The construction was managed by the Ulvila City Government's operator company Kiinteistö Oy Ulvila Sammontie 9, which gave them, by way of financial lease, to the possession of Satmatic Oy. After completion of the new premises, the total production premises of the plant accounts for nearly 4250 m². The addition of production premises ensures preparedness for growth in order volumes in the coming years and allows for the vacating of temporary lease premises.

A public competition to find a construction company was organised. The work for extending the plant commenced at the beginning of 2009, and the production premises entered operation in July. The construction was completed with a high level of quality and in a timely manner. The entire project, together with the outdoor and landscaping work, was completed by the end of October. The cost of the investment totalled MEUR 1.7.

Harju Elekter is a leading manufacturer of electrical plants and materials in the Baltic States. Harju Elekter Group includes the manufacturers of electrical plants in Estonia, Finland and Lithuania: AS Harju Elekter Elektrotehnika (100%), Satmatic Oy (100%) and Rifas UAB (51%), as well as the manufacturer of telecommunications products AS Eltek (100%) and the related company AS Draka Keila Cables (34%). Harju Elekter also has financial investments in the Latvian seller of electrical plants SIA Energokomplekss (14%) and the Finnish stock company PKC Group Oyj (8%).

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15.09.2009
AS HARJU ELEKTER
ANNOUNCEMENT

SUBSIDIARY SATMATIC PURCHASED VEHICLE HEATING PANEL BUSINESS FOR CAR PARKS FROM SIEMENS

Satmatic Oy, the 100% Finnish subsidiary of Harju Elekter, purchased the rights to manufacture and sell vehicle pre-heating panels for car parks, which belonged to Siemens Oy. With the transaction, Satmatic acquired the technology for the manufacture of vehicle heating panels for car parks, including production equipment and the required know-how. Thus far, Satmatic had been manufacturing the heating panels as a subcontractor for Siemens. The parties shall not disclose the price of the transaction.

Vehicle heating panels for car parks are used mainly in Finland for the pre-heating of cars when starting the engine, where the estimated annual market volume is about 40 thousand products. There is a potential market for said products in other Nordic countries and in Russia as well. Such pre-heating significantly spares the engine of the car at 0 degrees already and decreases fuel consumption. According to Simo Puustelli, Managing Director of Satmatic Oy, it is a product of the future, where in addition to starting the car and other means of transport in cold weather, the product group is expected to expand to charging stations for electric cars and infrastructure objects for the development of electric supply stations in external conditions.

Harju Elekter is a leading manufacturer of electrical plants and materials in the Baltic States. Harju Elekter Group includes the manufacturers of electrical plants in Estonia, Finland and Lithuania: AS Harju Elekter Elektrotehnika (100%), Satmatic Oy (100%) and Rifas UAB (51%), as well as the manufacturer of telecommunications products AS Eltek (100%) and the related company AS Draka Keila Cables (34%). Harju Elekter also has financial investments in the Latvian seller of electrical plants SIA Energokomplekss (14%) and the Finnish stock company PKC Group Oyj (8%).

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06.08.2009
AS HARJU ELEKTER
FINANCIAL RESULTS

FINANCIAL RESULTS 1-6/2009

The management assessed the economic results of Harju Elekter Group in the second quarter and first half-year to be good and regardless of reduction in sales volume the commercial activity of the Group was making profit. EBIT of the second quarter was 5.7% that was only 0.3 per cent points lower than the same from previous year and EBITDA was even by 0.6 per cent points better, thus 8.6%.

Key figures	million EEK		million EUR	
	1-6/2009	1-6/2008	1-6/2009	1-6/2008
Sales revenue	353.7	440.1	22.6	28.1
Operating profit (EBIT)	16.2	25.6	1.0	1.6
Net profit for the period	11.1	28.3	0.7	1.8
incl equity holders of the Parent	9.7	27.2	0.6	1.7
EPS	0.58 EEK	1.62 EEK	0.04 EUR	0.10 EUR
At the end of the period				
Total assets	547.2	680.1	35.0	43.5
Owners' equity	400.4	484.0	25.6	30.9
Average number of employees on the current period			459	486
Number of employees at the end of the period			486	559

The consolidated sales revenue of the Group in the second quarter was 171.9 million kroons (11.0 million euros), which was 27.2% less than the result of the comparable quarter. The consolidated sales revenue of the H1 2009 was 353.7 million kroons (22.6 million euros), which was 20% less than the result of the comparable period. The core business of the Group is the production and sales of electrical distribution systems and control panels as well as other supportive side-activities (hereinafter „Production“), which was traditionally the largest share of sales revenues – 90.1% (88.4%), real estate amounted to 5.4% (4.2%) and income from other commercial activities formed 4.5% (7.4%) of the consolidated sales revenue. When comparing the same periods from last year production capacity in the second quarter decreased by one fourth, but in six months by 18%, sales revenue from other commercial activities formed a half of the income of the comparable periods.

Last year 95% of the return on sales of the group came from internal markets. This year the situation has changed. In the accounting quarter, already 15% of the Group's products were sold in other markets where the amount of sales has increased 2.4 times to 25.3 million kroons (1.7 million euros). Deepest decline has taken place in Lithuania where the volume of sales in the accounting quarter reduced by a half and by 36% by six months. At the same time positive notes can be found in the fact that sales volume of Lithuanian segment decreased by only 14% in the quarter and by more than a tenth in six months. Decline of the Lithuanian market has been compensated by other markets, such as Norway and Denmark. In six months Lithuanian companies sold outside of the domestic market 41% (19%) of the production and in the second quarter a total of 54% (20%). In addition to customary markets, the companies of Estonian segment have sold their products in the accounting period also in Russia and Portugal. In the first half-year the companies sold 32% (28%) of products in foreign markets and in the second quarter 35% (28%).

Expenditures on sold products decreased by 19.8% during the first six months of 2009, constituting 84.6% of turnover (H12008: 84.8%) and during the Q2 2009 28.4% up to 142.3 million kroons (9.1 million euros), which was 82.8% of turnover ((Q2 2008: 84.2%). Due to termination and redundancy payments general management expenses retained on the same level as last year, marketing costs decreased by one fourth in the second quarter and by 16% in six months.

In the second quarter, there was an average of 456 people working in the Group (Q2 2008: 502), included 298 (333) employees in Estonia, 75 (80) employees in Lithuania and 83 (89) employees in Finland. In H1 2009 the average number of employees was 459 (H1 2008: 486). As at the balance day on 30 June, there were 486 people working in the group, which are 29 employees less than in the beginning of the year and 73 employees less than a year ago. All labour cost in Q2 2009 were 36.1 million kroons (2.3 million euros), which was 1/5 less than in the comparable period. Spending on wages and salaries decreased by more than 18% to 28.4 million kroons (1.8 million euros) in the Q2 2009. Employment costs decreased in the half-year by 10% to 76.5 million kroons (4.9 million euros), salaries, bonuses and termination payments of the six months amounted to 62.1 million kroons (4.0 million euros) that is 7.7% less than the costs of the compared period. There were reserves formed in

2008 for the bonuses for good work results of the last accounting year paid in the first quarter and for certain share of the termination and redundancy payments and these were reflected already in the employment costs of the previous accounting year.

Regardless of the world economic situation the economic results of the Group were normal and the Group was profitable. The business activity of the Group was making profit in the second quarter – operating profit was 9.8 million kroons (0.63 million euros), by decreasing 31.2% compared to the second quarter of last year, but EBIT (5.7%) was below last year's indicator only by 0.3 per cent points, EBITDA (8.6%) was even 0.6 per cent points better than the compared period. The consolidated net profit of the period was 8.4 million kroons or 0.54 million euros (in Q2 2008: 18.6 million kroons or 1.19 million euros), of which the share of the owners of the parent company was 7.1 million kroons or 0.45 million euros (in Q2 2008: 17.4 million kroons or 1.11 million euros). The consolidated net profit for the first six months was 16.2 million kroons or 1.03 million euros (25.6 million kroons or 1.64 million euros). EBITDA was 7.4% (7.9%) and EBIT was 4.6% (5.8%). Net profit of the Group was 11.1 million kroons or 0.71 million euros (28.3 million kroons or 1.81 million euros) of which the share of the parent company's owners amounted to 9.7 million kroons or 0.62 million euros (27.2 million kroons or 1.74 million euros).

Net profit of the Group in the accounting quarter and half-year was influenced by the consolidated loss from related company and three times smaller dividend profit. This year the consolidated loss from related company is 8.1 million kroons (0.52 million euros), that in 2008 was profit of 3.5 million kroons (0.22 million euros). In 2009, PKC Group Oyj paid dividends 0.15 euros (2.35 kroons) per share, in 2008 they paid 0.45 euros (7.04. kroons) per share.

The cash flow from operations amounted to 38.1 million kroons, i.e. 2.4 million euros in the H1 of 2009 and 23.3 million kroons, i.e. 1.5 million euros in the comparable period.

In the first six months the Group invested 0.6 million kroons or 39,000 euros in real estate (H1 2008: 0.3 million kroons or 20,000 euros), 4.2 million kroons (268,000 euros) in tangible fixed assets and 12.4 million kroons (794,000 euros) in the compared period and 1.8 million kroons or 113,000 euros in intangible fixed assets (H1 2008: 76,000 kroons or 5,000 euros). In the second quarter approximately 2,000 sq m of production space with the total cost of 9.7 million kroons (0.6 million euros) was put into operation in Estonia, 7.3 million kroons (0.5 million euros) of this formed unfinished construction works. The cash flow from investments was a positive 3.4 million kroons, i.e. 216,000 euros in the accounting period, the cash flow spent during the comparable period was 0.7 million kroons (44,000 euros).

During the first six months, the Group companies repaid a total of 11.2 million kroons (0.72 million euros) of the long-term loan and the short-term loan in the amount of 16.0 million kroons (1.02 million euros) along with the capital lease in the amount of 1.1 million kroons, i.e. 71,000 euros. In the second quarter dividends were paid to the owners of the parent company in the amount of 16.8 million kroons (1.07. million euros), in the compared period it was 33.6 million kroons (2.15 million euros) and to minority shareholders 555,000 kroons (35,000 euros), which in compared period was 400,000 kroons (27,000 euros). Totally, the cash flow from financial investments was a negative 45.7 million kroons (2.9 million euros) and 35.7 million kroons (2.3 million euros) in the comparable period.

Cash and cash equivalents increased by 4.2 million kroons (0.27 million euros) in the H1 2009 and decreased by 13.1 million kroons (0.84 million euros) during the comparable period.

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BALANCE SHEET 30.06.2009

consolidated, unaudited

In thousand	EEK		EUR	
	30.06.2009	31.12.2008	30.06.2009	31.12.2008
ASSETS				
Cash and cash equivalents	19 145	23 379	1 224	1 494
Trade receivables and other receivables	104 332	99 449	6 668	6 356
Prepayments	3 518	3 217	225	205
Inclusive income tax	334	47	21	3
Inventories	70 188	123 351	4 486	7 884
TOTAL CURRENT ASSETS	197 183	249 396	12 603	15 939
Investments in associates	9 781	17 907	625	1 144
Other long-term financial investm.	83 469	74 323	5 334	4 750
Investment property	131 655	133 737	8 415	8 547
Property, plant and equipment	120 725	123 423	7 716	7 889
Intangible assets	4 358	3 201	278	205
Total non-current assets	349 988	352 591	22 368	22 535
TOTAL ASSETS	547 171	601 987	34 971	38 474
LIABILITIES AND OWNERS' EQUITY				
Interest-bearing loans and borrowings	18 026	41 958	1 152	2 682
Trade payables and other payables	74 874	112 395	4 785	7 183
Tax liabilities	15 724	11 216	1 005	717
Inclusive income tax	510	1 551	33	99
Short-term provision	3 561	1 294	228	83
TOTAL CURRENT LIABILITIES	112 185	166 863	7 170	10 665
NON-CURRENT LIABILITIES	12 235	16 381	782	1 046
TOTAL LIABILITIES	124 420	183 244	7 952	11 711
Share capital	168 000	168 000	10 737	10 737
Paid-in capital over/under par	6 000	6 000	384	384
Restricted reserves	80 057	69 746	5 116	4 457
Retained earnings	146 341	153 445	9 353	9 808
TOTAL OWNERS' EQUITY	400 398	397 191	25 590	25 386
Minority interests	22 353	21 552	1 429	1 377
TOTAL EQUITY	422 751	418 743	27 019	26 763
TOT.LIABILIT.AND OWNERS' EQUITY	547 171	601 987	34 971	38 474

INCOME STATEMENT, 1-6/2009

consolidated, unaudited

In thousand kroons (EEK)	Q2		6 months	
	2009	2008	2009	2008
Group				
NET SALES	171 934	236 194	353 704	440 077

Cost of goods sold	-142 332	-198 923	-299 332	-373 066
Gross profit	29 602	37 271	54 372	67 011
Marketing expenses	-7 894	-10 500	-15 538	-18 601
Administrative expenses	-12 027	-12 407	-22 952	-22 616
Other revenue	346	110	662	147
Other expenses	-216	-217	-348	-345
Operating profit	9 811	14 257	16 196	25 596
Net financial incomes/expenses	3 567	10 580	8 021	9 967
Income from subsidiaries	-581	3 677	-8 126	3 484
Profit from normal operations	12 797	28 514	16 091	39 047
Corporate Income tax	-4 432	-9 939	-5 039	-10 728
Profit after taxes, incl	8 365	18 575	11 052	28 319
Net profit for the year	7 059	17 432	9 696	27 167
Minority interest	1 306	1 143	1 356	1 152
Basic and diluted earnings per share	0,42	1,04	0,58	1,62

INCOME STATEMENT, 1-6/2009
consolidated, unaudited

In thousand (EUR)	Q2		6 months	
Group	2009	2008	2009	2008
NET SALES	10 989	15 096	22 606	28 126
Cost of goods sold	-9 097	-12 714	-19 131	-23 843
Gross profit	1 892	2 382	3 475	4 283
Marketing expenses	-504	-671	-993	-1 189
Administrative expenses	-769	-793	-1 467	-1 445
Other revenue	22	7	42	9
Other expenses	-14	-14	-22	-22
Operating profit	627	911	1 035	1 636
Net financial incomes/expenses	228	676	512	637
Income from subsidiaries	-37	235	-519	222
Profit from normal operations	818	1 822	1 028	2 495
Corporate Income tax	-283	-635	-322	-685
Profit after taxes, incl	535	1 187	706	1 810
Net profit for the year	451	1 114	619	1 736
Minority interest	84	73	87	74
Basic and diluted earnings per share	0,03	0,07	0,04	0,1

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01.06.2009
AS HARJU ELEKTER
ANNOUNCEMENT

CHANGES IN THE MANAGEMENT BOARD OF SUBSIDIARY

With the decision of the Management Board meeting on 1 June 2009, the Supervisory Board of AS Eltek, the 100% subsidiary of AS Harju Elekter, decided to elect Urmas Paisnik as the new Member of Management Board to replace the current Member of Management Board Aare Metsur whose authorisations have expired.

Urmas Paisnik was born in 1957, has a degree in technology (industrial control at Tallinn Polytechnic Institute in 1980) and has been working at Orbis Eesti OÜ until the present (Member of Management Board / Managing Director).

AS Eltek has been part of Harju Elekter Group since 1998. The main activity of the company is the manufacture and marketing of data and telecommunication network cabinets, other equipment and supplies and fiber optic connection lines for the telecommunication sector. In addition, the company manufactures various sheet metal products and semi-finished products and provides subcontracting works and services of sheet metal processing and finishing. The sales revenue of the company for 2008 was MEEK 59, of which the sale to foreign markets made up 34%.

Andres Allikmäe
Chairman of Management Board
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07.05.2009
AS HARJU ELEKTER
FINANCIAL RESULTS

FINANCIAL RESULTS, 1-3/2009

Key figures	million EEK		million EUR	
	1-3/2009	1-3/2008	1-3/2009	1-3/2008
Sales revenue	181.8	203.9	11.6	13.0
EBIT	6.4	11.3	0.4	0.7
Net profit for the period	2.7	9.7	0.2	0.6
incl equity holders of the Parent	2.6	9.7	0.2	0.6
EPS	0.16 EEK	0.58 EEK	0.01 EUR	0.04 EUR
At the end of the period				
Total assets	556.3	694.8	35.6	44.4
Owners' equity	411.1	520.3	26.3	33.2
Average number of employees on the current period			461	477
Number of employees at the end of the			492	507

The consolidated sales profit of the Group in the first quarter was 181.8 million kroons, which was 10.8% less than the result of the comparable quarter. The core business of the Group is the production and sales of electrical distribution systems and control panels as well as other supportive side-activities, which was traditionally the largest share of sales revenues – 89.9% (86.9%). Of the markets, the domestic markets (Estonia, Lithuania and Finland) of the Group's companies prevailed,

where 93.6% (95.4%) of the Group's products and services were sold. The Group has sold its products also to the markets of Latvia, Sweden and Poland, as well as Byelorussia, Russia and Norway. Regardless of the present economic situation, the financial results of the Group were normal in every way.

The gross profit of the Group amounted to 24.8 million kroons (1.6 million euros), which was 16.7% less than in the previous period. The total profit margin was 13.6% (Q1 2008: 14.6%). The operating profit dropped by 43.7% to 6.4 million kroons (408 thousand euros) in the first quarter. The operating margin was 3.5% (5.6%).

Because of the recession, the sales volume of the affiliated undertaking decreased considerably, resulting in loss. The Group consolidated from the affiliated undertaking a loss of 7.5 million kroons (0.5 million euros), while the loss had been 0.2 million kroons (12 000 euros) in the comparable period. In the first quarter, the Group sold 100 000 shares of PKC Group Oyj. The realised gains from the sale of shares were 5.0 million kroons (318 000 euros). No shares were sold in 2008. As a result of the decreasing interest-bearing obligations, the interest expenses dropped by 155 thousand kroons (10 000 euros), being 581 thousand kroons (37 000 euros). The consolidated net profit of the Q1 2009 was 2.7 million kroons or 172 thousand euros (in Q1 2008: 9.7 million kroons or 623 thousand euros), of which the share of the owners of the parent company was 2.6 million kroons (169 thousand euros). EPS of the reporting period was 0.16 kroons or 0.01 euros (in Q1 2008: 0.58 kroons or 0.04 euros).

The amount of the consolidated balance sheet as of 31 March 2009 was 556.3 million kroons or 35.6 million euros (31.3.2008: 694.8 million kroons or 44.4 million euros). The operating liabilities decreased by 14.5 million kroons (0.9 million euros) and the inventories by 13.7 million kroons (0.9 million euros), but cash at bank increased by 4.8 million kroons (0.3 million euros) up to 28.2 million kroons (1.8 million euros). All in all, the balance sheet total decreased by 24.2 million kroons (1.5 million euros) current assets to 225.2 million kroons (14.4 million euros) and by 21.4 million kroons (1.4 million euros) regarding cost of fixed assets to 331.1 million kroons (21.2 million euros).

The liability of the Group decreased by 38.0 million kroons (2.4 million euros) to 145.2 million kroons (9.3 million euros) during the first three months, and this was mainly on account of interest-bearing liabilities. During the first three months, the Group companies repaid a total of 8.7 million kroons (0.6 million euros) of the long-term loan and the short-term loan in the amount of 24.1 million kroons (1.5 million euros) along with the capital lease in the amount of 0.5 million kroons, i.e. 34 000 euros (Q1 2008: 0.3 million kroons, i.e. 21 000 euros). All in all, the book value of the interest-bearing liabilities decreased by 33.3 million kroons (2.1 million euros).

The equity capital of the Group constituted 74% (in 2008: 75%) of the assets, including the owners' share of 70% in the parent company (in 2008: 72%).

The cash flow from operations amounted to 36.2 million kroons, i.e. 2.3 million euros in the first quarter and 7.1 million kroons, i.e. 0.5 million euros in the comparable period. The cash flow from investments was a positive 2.0 million kroons, i.e. 127 000 euros in the accounting period, the cash flow spent during the comparable period was 3.7 million kroons (234 thousand euros). The cash flow from financial investments was 33.3 million kroons (2.1 million euros) and 3.7 million kroons (0.2 million euros) in the comparable period.

Cash and cash equivalents increased by 4.8 million kroons (310 thousand euros) in the first quarter and decreased by 0.3 million kroons (19 000 thousand euros) during the comparable period.

In the first quarter, there was an average of 461 people working in the Group (Q1 2008: 477), included 301 (316) employees in Estonia, 77 (74) employees in Lithuania and 83 (87) employees in Finland. As at the balance day on 31 March, there were 492 people working in the group, which are 23 employees less than in the beginning of the year and 15 employees less than a year ago. The average monthly salary within the Group in the first quarter was 24.3 thousand kroons (1.5 thousand euros), which is 1.7 thousand kroons (0.1 thousand euros) more than in comparable period. The main reason behind the rise of salaries was the company in Finland. All labour cost in Q1 2009 were 40.4 million kroons (2.6 million euros), staying stable in the same level as the comparable period.

Andres Allikmäe
 Chairman of the Board
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For more information: Internal report 1-3/2009 of Harju Elekter and Mrs. Karin Padjus, Member of the Board (phone +372 674 7403).

BALANCE SHEET, 31.03.2009
 consolidated, unaudited

In thousand	EEK		EUR	
	31.03.2009	31.12.2008	31.03.2009	31.12.2008
ASSETS				
Cash and cash equivalents	28 207	23 379	1803	1494
Trade receivables and other receivables	84 977	99 449	5 431	6 356
Prepayments	2348	3217	150	205
Inclusive income tax	180	47	12	3
Inventories	109 673	123 351	7 009	7 884
TOTAL CURRENT ASSETS	225 205	249 396	14 393	15 939
Investments in associates	10 362	17 907	662	1 144
Other long-term financial investments	62 859	74 323	4 017	4 750
Investment property	132 395	133 737	8 462	8 547
Property, plant and equipment	122 636	123 423	7 838	7 889
Intangible assets	2 897	3 201	185	205
Total non-current assets	331 149	352 591	21 164	22 535
TOTAL ASSETS	556 354	601 987	35 557	38 474
LIABILITIES AND OWNERS' EQUITY				
Interest-bearing loans and borrowings	12 931	41 958	827	2 682
Trade payables and other payables	103 820	112 395	6 635	7 183
Tax liabilities	15270	11216	976	717
Inclusive income tax	1732	1551	111	99
Short-term provision	1092	1294	70	83
TOTAL CURRENT LIABILITIES	133 113	166 863	8 508	10 665
NON-CURRENT LIABILITIES	12 110	16 381	773	1 046
TOTAL LIABILITIES	145 223	183 244	9 281	11 711
Share capital	168 000	168 000	10 737	10 737
Paid-in capital over/under par	6000	6000	384	384
Restricted reserves	59 447	69 746	3 798	4 457
Retained earnings	156 081	153 445	9 977	9 808
TOTAL OWNERS' EQUITY	389 528	397 191	24 896	25 386
Minority interests	21 603	21 552	1 380	1 377
TOTAL EQUITY	411 131	418 743	26 276	26 763
TOT.LIABILIT.AND OWNERS' EQUITY	556 354	601 987	35 557	38 474

INCOME STATEMENT

consolidated, unaudited

In thousand	EEK		EUR	
	2009	2008	2009	2008
Group	2009	2008	2009	2008
NET SALES	181 769	203 883	11 617	13 030
Cost of goods sold	-156 999	-174 143	-10 034	-11 130
Gross profit	24 770	29 740	1 583	1 900
Marketing expenses	-7 644	-8 101	-489	-518
Administrative expenses	-10 925	-10 209	-698	-652
Other revenue	316	37	20	2
Other expenses	-132	-128	-8	-8
Operating profit	6 385	11 339	408	724
Net financial incomes/expenses	4454	-613	285	-39
Income from subsidiaries	-7545	-193	-482	-12
Profit from normal operations	3 294	10 533	211	673
Corporate Income tax	-607	-789	-39	-50
Profit after taxes, incl	2 687	9 744	172	623
Net profit for the year	2 636	9 735	169	623
Minority interest	51	9	3	0
Basic and diluted earnings per share	0,16	0,58	0,01	0,04

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29.04.2009
AS HARJU ELEKTER
TEADE

INFORMATION RELEASED BY HARJU ELEKTER

In 2008, Harju Elekter released the following announcements through the Tallinn Stock Exchange information system:

- 08.01 Publication of financial reports in 2008
- 19.02 Financial results, 1-12/2007
- 31.03 Agenda and proposals to the AGM
- 24.04 Resolutions of AGM
- 07.05 Financial results, 1-3/2008
- 19.06 The subsidiary of Harju Elekter signed a large volume contract
- 06.08 Financial results, 1-6/2008
- 21.10 Information released by Harju Elekter
- 05.11 Financial results, 1-9/2008
- 18.11 Expansion of the production space of a Harju Elekter subsidiary

Up to the present date in 2009, Harju Elekter has released the following information through the Tallinn Stock Exchange information system:

- 06.01 Publication of financial reports in 2009
- 26.02 Financial results, 1-12/2008
- 27.02 Application of part-time working time
- 01.04 Agenda and proposals to the AGM

23.04 Resolutions of the AGM of shareholders

All the above listed announcements are available on the website of the Tallinn Stock Exchange at: <http://www.nasdaqomxbaltic.com/market/?instrument=EE3100004250&list=2¤cy=EEK&pg=details&tab=news> by selecting the respective start and end dates of the period in the search engine. Additionally under the same link on the Tallinn Stock Exchange website Harju Elekter has published the quarterly interim reports of 2008 and the audited annual report of 2007 and 2008.

All the information is also available on the corporate website of Harju Elekter: <http://www.harjuelekter.ee/index.php?page=106&>

Moonika Vetevool
Communication manager
Phone: +372 671 2761

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23.04.2009
AS HARJU ELEKTER
ANNOUNCEMENT

RESOLUTIONS OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Today, on 23 April 2009 starting at 10 a.m., the annual general meeting of the shareholders of AS Harju Elekter was held at Keskväljak 12, Keila. The AGM was attended by 100 shareholders and their authorised representatives who represented the total of 10,376,936 votes accounting for 61.77 % of the total votes.

The agenda of the general meeting was as follows:

1. Approval to AS Harju Elekter annual report of 2008;
2. Approval to profit distribution;
3. Appointment of auditors
4. Planning of a placing

1. Approval to AS Harju Elekter annual report of the year 2008.

The general meeting resolved:

To approve the annual report of AS Harju Elekter of 2008, prepared by the management board and approved by the supervisory board, according to which the consolidated balance sheet total of AS Harju Elekter was 601,987 thousand kroons as of 31.12.2008, while the turnover of the financial year was 871,610 thousand kroons and net profit 38,551 thousand kroons.

The number of the votes given in favor of the resolution was 10,369,069 which accounted for 99.92 % of the registered participants.

2. Approval to profit distribution

The general meeting resolved:

To approve the profit distribution proposal of AS Harju Elekter of 2008 as presented by the management board and as approved by the supervisory board as follows:

retained profit from previous periods on 31.12.2008	114,894 thousand kroons
net profit of the financial year	38,551 thousand kroons
total retained profit on 31.12.2008	153,445 thousand kroons
Management board's proposal for the distribution of profit as follows:	
dividends 1,00 kroons per share*	16,800 thousand kroons
Balance carried toward after profit distribution	136,645 thousand kroons

The dividends will be paid to the shareholders on 20 May 2009 by a transfer to the bank account of the shareholder. * the shareholders registered in the shareholders' registry on 8 May 2009 at 23.59 shall be entitled to dividend.

The number of the votes given in favor of the resolution was 10,371,289 which accounted for 99.95 % of the registered participants.

3. Appointment of auditors

The general meeting resolved:

To appoint KPMG Baltics AS, register code 10096082 to perform the audit of AS Harju Elekter on the years 2009-2011. Consent obtained. The auditor will be remunerated according to the agreement.

The number of the votes given in favor of the resolution was 10,366,839 which accounted for 99.90 % of the registered participants.

4. Planning of a placing

The general meeting resolved:

1. To plan to carry out the issue of shares in 2012 by way of direct placement with AS Harju Elekter (increase of share capital) for the following objectives and on the following conditions which will serve as a basis for adopting a resolution on increasing the share capital and carrying out the issue of shares by way of direct placement in 2012:

1.1. a resolution on increasing the share capital will be adopted at the annual general meeting of shareholders in 2012;

1.2. the objective of the planned issue of shares is to involve the members of the directing bodies and employees of companies within the same group with AS Harju Elekter and the members of the management board of affiliated companies of AS Harju Elekter as the shareholders of AS Harju Elekter in order to motivate these persons to make efforts towards achieving better financial results for AS Harju Elekter, thereby ensuring the economic development of the company and involvement of additional funds in the equity capital of AS Harju Elekter and increasing the value of the shares in AS Harju Elekter. The current direct placement cannot be interpreted either as share options or an issue of convertible bonds;

1.3. the amount of the planned issue of shares by way of direct placement is EEK 6 million (6,000,000), for which purpose up to 600,000 new registered ordinary shares, each with a nominal value of ten (10) kroons, will be issued upon deciding on the increase of the share capital in 2012;

1.4. upon increasing the share capital in 2012, the right of pre-emption of the current shareholders to subscribe for new shares shall be precluded in accordance with the provisions of the Commercial Code § 345 (1);

1.5. the issue price of the new shares to be issued in 2012 is the average price of the share of AS Harju Elekter in euros (EUR) during the stock exchange days of 04.05.-29.05.2009 on the Tallinn Stock Exchange plus ten per cent (+10%) from the before mentioned share price. A price exceeding the nominal value of 10 kroons is deemed to be an issue premium. The price which exceeds the nominal value of a share shall be deemed to be an issue premium. To acquire a share, its nominal value and issue premium need to be paid;

1.6. subscription for the shares to be issued shall be carried out following a decision on increasing the share capital during the time period of 01.06.-15.06. 2012;

1.7. the right to subscribe for new shares to be issued during the planned issue of shares by way of direct placement after the decision of the general meeting of shareholders on the increase of share capital is vested in the persons specified in clause 1.2 hereof with whom a preliminary contract has been concluded by and on behalf of the shareholders, ensuring the pre-emptive right to subscribe for shares (hereinafter: Preliminary Contract) to the extent of the number of shares specified in the

Preliminary Contract and on the condition that the Preliminary Contract is valid at the time of subscription for shares;

1.8. for validity of the shares subscription right and the Preliminary Contract, it is required that the persons specified in clause 1.2 hereof have a valid work-related or professional relationship with a company within the same group with AS Harju Elekter or with an affiliate company of AS Harju Elekter until the shares subscription date (inclusive), unless the work-related or professional relationship of the person specified in clause 1.2 hereof expires after the conclusion of the Preliminary Contract in connection with retirement;

1.9. payment for the shares to be subscribed for shall be made before the subscription, presenting upon subscription a payment document evidencing the payment for the shares to the extent of the shares to be subscribed for;

1.10. the Preliminary Contract shall be concluded with the persons specified in clause 1.2 on behalf and by authority of the shareholders of AS Harju Elekter;

1.11. the shareholders authorise, as their representative, Maksukonsultandi UÜ, registry code 10926632, address: Turuplats 7-2, 44310 RAKVERE, acting through Jüri Allikalt, a partner with limited liability who has been entered into the Commercial Registry, as the person with the right of representation, to prepare the issue of shares by way of direct placement and conclude the Preliminary Contract with the persons specified in clause 1.2 hereof;

1.12. the shareholders authorise, as their representative, shareholder Endel Palla to conclude a contract with the person specified in clause 1.11 on behalf and by authority of the shareholders;

1.13. to conclude the preliminary contracts, it is necessary to carry out pre-registration of the persons who are interested in the conclusion of preliminary contracts and are specified in clause 1.2 hereof in the period between 04.-15.05.2009, at the premises of the management board of AS Harju Elekter at the address: Paldiski mnt. 31, 76606 KEILA, on working days from 8.00-16.00, or by e-mail with a message to the e-mail address: aktsia@he.ee. Upon pre-registration, the persons specified in clause 1.2 hereof must give notice of their given names and surname, personal ID code, postal address with postal code, communication numbers (phone, fax, e-mail), position or office in the group or an affiliate company, and the number of shares sought to be subscribed for;

1.14. to allow the persons specified in clause 1.2 to apply for the subscription right to up to a maximum number of 10,000 shares in AS Harju Elekter. If a person specified in clause 1.2 hereof has a work-related or professional relationship in more than one company within the group of AS Harju Elekter or its affiliate company, the person has the right to conclude only one Preliminary Contract and request on the basis of the Preliminary Contract only once the right to subscribe for 10,000 shares during the share issue to be carried out in 2012;

1.15. the conclusion of the Preliminary Contracts is to be carried out in the period between 8.06.2009 and 19.06.2009. If during the pre-registration specified in clause 1.13 the persons specified in clause 1.2 hereof express a wish to obtain the subscription right to more than 600,000 shares, the proportion of each new applicant, who according to the decision adopted in item 4 of the agenda of the general meeting of the shareholders of AS Harju Elekter on 26.04.2007 has not signed and does not have a valid Preliminary Contract for obtaining the subscription right or who at the existence of said Preliminary Contract applies for the subscription right in the present placing for the amount exceeding the number of shares applied for in said Preliminary Contract, the subscription right is divided equally between all new applicants. If during the preliminary registration specified in clause 1.13., the persons named in clause 1.2. of the present decision express their wish to obtain the subscription right for a total of fewer than 600,000 shares or if before 31.03.2012, there will be free applications for shares in relation to the expiry of the Preliminary Contract, Preliminary Contracts can be signed for the free number of shares on the terms and conditions specified in the present decision of the general meeting until 31.03.2012 with the persons with whom an employment or professional relationship was created in a company belonging to the same group with AS Harju Elekter as of 01.06.2009 or who was elected as member of board of the affiliated company of AS Harju Elekter as of 01.06.2009;

1.16 a person applying for the pre-emptive right to subscribe for shares, who has, according to the decision adopted in item 4 of the Agenda of the General Meeting of shareholders of AS Harju Elekter held on 26.04.2007, concluded a preliminary contract for obtaining the right of a share subscription and whose preliminary contract is valid at the time of concluding the Preliminary Contract for the current direct placement, is exempt from the payment of the fee for the conclusion of the Preliminary Contract for the current direct placement for the number of shares that equals the number of shares which were included in his/her previous preliminary contract. If, within the framework of the current direct placement of shares a person asks for the privilege of subscribing for more shares than he/she had applied for in the preliminary contract concluded in 2007 the provisions included in clause 1.17 of this Decision shall apply to him/her.

1.17. a person applying for the pre-emptive right to subscribe for shares, except for those persons referred to in clause 1.16 of this Decision in as far as it concerns the number of shares exempt from the fee, must have paid by the date of conclusion of the Preliminary Contract the fee for conclusion of the Preliminary Contract (hereinafter: fee for the Preliminary Contract) in the amount of one (1) kroon for each one (1) share whose subscription is sought, by transferring the said amount to the bank account of Maksukonsultandi UÜ, a/c No 17001193611 with the Estonian Branch of Nordea Bank Finland Plc, by indicating as the explanation for the payment "fee for conclusion of the preliminary contract 2009". The Preliminary contract shall be concluded to ensure the pre-emptive right to subscribe for such a number of shares equaling the number of shares for which the fee for the Preliminary Contract has been paid by the date of conclusion of the Preliminary Contract.

1.18. out of the fee for Preliminary Contract, to cover the costs relating to the issue of shares by way of indirect placement, i.e. costs relating to the planning, preparation and performance of the issue, and the costs for consultation and legal services. The fee for the Preliminary Contract shall not be refunded in any event nor set off with the price of the share payable during the issue.

1.19. the privilege to subscribe for shares arising from the Preliminary Contract is not tradable, and the rights and obligations arising from the Preliminary Contract cannot be transferred (incl. to bequeath) by the person specified in clause 1.2 hereof to another person. A person who has signed the Preliminary Contract (an investor) has no right to demand from AS Harju Elekter the issue of the shares specified in the Preliminary Contract before the decision of the general meeting of shareholders on the increase of share capital in 2012 and before the subscription of and payment for these shares;

1.20. the shares issued during the increase of the share capital in 2012 gives the right to receive dividends as of the financial year of 2012;

1.21. if at the time of making a resolution on the planned increase of the share capital in 2012, the stock exchange price of a share of AS Harju Elekter is smaller than the price specified in clause 1.5 hereof, the general meeting may suspend the decision on increasing the share capital by 3 years, which will automatically extend the term of the Preliminary Contract by the period decided by the AGM without any special agreement with the persons specified in clause 1.2.

The number of the votes given in favor of the resolution was 10,300,107 which accounted for 99.26 % of the registered participants.

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Chairman of the Board
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27.02.2009
AS HARJU ELEKTER
ANNOUNCEMENT

APPLICATION OF PART-TIME WORKING TIME

Harju Elekter Group has submitted requests to the Labour Inspectorate and has also received permission for the application of part-time working time in subsidiaries AS Harju Elekter Elektrotehnika and AS Eltek. According to need, it will be possible to apply part-time working time in the case of up to 169 people, in the period of time from 23 February to 30 April.

The need to apply part-time working time arises from a decline in production volumes due to a decrease in orders in the first half of this year. Part-time working time is 60% of the standard for working time or 24 hours a week, increasing the flexibility of the company in the organisation of work in a changing economic environment. At the present time, it is difficult to estimate when the situation will stabilise and normal business and production organisation will recover.

Harju Elekter is a leading manufacturer of electrical plants and materials in the Baltic States. Harju Elekter Group includes the manufacturers of electrical plants in Estonia, Finland and Lithuania: AS Harju Elekter Elektrotehnika (100%), Satmatic Oy (100%) and Rifas UAB (51%), as well as the manufacturer of telecommunications products AS Eltek (100%) and the related company AS Draka Keila Cables (34%). Harju Elekter also has financial investments in the Latvian seller of electrical plants SIA Energokomplekss (10%) and the Finnish stock company PKC Group Oyj (8%).

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26.02.2009
AS HARJU ELEKTER
FINANCIAL RESULTS

FINANCIAL RESULTS, Q4 AND 1-12/2008

Key figures	million EEK		million EUR	
	1-12/2008	1-12/2007	1-12/2008	1-12/2007
Sales revenue	871.6	732.0	55.7	46.8
EBITDA	68.9	70.9	4.4	4.5
EBIT	50.2	51.1	3.2	3.3
Net profit for the period	42.2	85.9	2.7	5.5
incl equity holders of the Parent	38.7	84.5	2.5	5.4
EPS	2.30 EEK	5.03 EEK	0.15 EUR	0.32 EUR
At the end of the period				
Total assets	602.1	720.3	38.5	46.0
Owners' equity	418.9	551.6	26.8	35.2
Average number of employees on the current period			501	442
Number of employees at the end of the			515	486

The consolidated sales profit of the group in the fourth quarter was 204.6 million kroons or 13.1 million euros (4th quarter of 2007: 206.8 million kroons or 13.2 million euros), which was 1% less than the result of the comparable quarter. The sales volume of 2008 amounted to 871.6 million kroons (55.7 million euros), exceeding the result of last year by 139.6 million kroons (8.9 million euros). Regardless of the recession in the economy, the growth speed of sales profit in the financial year was 19.1%.

During the financial year, the profitability of the group was affected the most by toughening competition, which resulted in pressure on sales prices, and a price drop that brought about the markdown of stock reserves in the final quarter of the year. The worsening of the payment habits of clients also had an effect, so the expenditure was higher than usual in the financial year due to the

markdown of claims. The business profit of the reporting quarter before depreciation was 16.5 million kroons (1.1 million euros), surpassing the results of the same period last year by more than 8%, and business profit was 11.7 million kroons (0.7 million euros), which was 25% more than in the comparable period. The business profitability of the fourth quarter was 5.7%, exceeding the result of the fourth quarter of last year by 1.2 percentage points. The business profit of the financial year before depreciation was 68.9 million kroons or 4.4 million euros (2007: 70.9 million kroons or 4.5 million euros) and business profit was 50.2 million kroons or 3.2 million euros (2007: 51.5 million kroons or 3.3 million euros), decreasing by 2.8% and 2.6% compared to the year 2007, respectively. Operating margin was 5.8% (2007: 7.0%).

The net profit of the group was affected the most by the financial income earned on financial investments. In 2007, a one-time income in the amount of 32.8 million kroons (2.1 million euros) was earned from the sale of financial investments. No financial assets have been sold this year. The reassessment of the reserves and financial instruments due to the drop in the market prices of raw material was the reason for consolidating a loss of 7.8 million kroons or 499 thousand euros from affiliated companies in the fourth quarter (Q42007: -4.0 million kroons or -253 thousand euros) and the total of 2008 was -4.1 million kroons or -260 thousand euros (2007: 73 thousand kroons or 5000 euros). In relation to the payment of dividends, the Estonian companies paid income tax in the amount of 8.5 million kroons (541 thousand euros), which was 2.1 million kroons (131 thousand euros) more than in 2007. In total, the income tax expenditure of the group increased by 3.9 million kroons (247 thousand euros) to 12.6 million kroons (807 thousand euros) in twelve months.

The consolidated net profit of the fourth quarter was 2.7 million kroons or 173 thousand euros (in Q42007: 4.5 million kroons or 287 thousand euros) and in twelve months, a net profit of 42.2 million kroons or 2.7 million euros was earned (in 2007: 85.9 million kroons or 5.5 million euros). The share of the owners of the parent company was 38.7 million kroons or 2.5 million euros (2007: 84.5 million kroons or 5.4 million euros); net profit per share was 2.30 kroons (0.15 euros) and 5.03 kroons (0.32 euros) in the comparable period.

As at the balance day on 31 December, there were 515 people working in the group, which is 29 employees more than a year ago. The increase in production volumes has brought about an increase in the number of employees as well as an increase in labour costs. In the fourth quarter, there was an average of 503 people working in the group (Q42007: 458). The annual average number of employees increased by 45 to 503 and the average monthly wages of the employees of the group increased by 400 kroons (25.56 euros) to 21 400 kroons (1400 euros). In the reporting year, wage costs increased by 10.7% to 128.7 million kroons (8.2 million euros).

In the 12 months, the Group has invested a total of 30.9 million kroons (2.0 million euros) in buildings, 3.8 million kroons (241 thousand euros) in production equipment and means of transport.

To finance new constructions, the Group took out an additional long-term loan in the amount of 3.0 million kroons (192 thousand euros). Long-term loans were repaid within 12 months in the amount of 11.4 million kroons (726 thousand euros) and in the reference period in the amount of 10.1 million kroons (643 thousand euros). The short-term bank loan grew to 11.3 million kroons (725 thousand euros) in the 12 months to 27.8 million kroons (1.8 million euros). On a financial lease, a total of 10.8 million kroons (692 thousand euros) of machinery and equipment were acquired, and a total of 3.8 million kroons (243 thousand euros) of principal repayments on the financial lease were made. In the comparable period 1.1 million kroons (68 thousand euros) and 1.2 million kroons (79 thousand euros), respectively.

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For more information: Internal report 1-12/2008 of Harju Elekter and Mrs. Karin Padjus, Member of the Board (phone +372 674 7403).

BALANCE SHEET, 31.12.2008
consolidated, unaudited

In thousand	EEK	EUR
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ASSETS	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Cash and cash equivalents	23 379	26 257	1 494	1 678
Trade receivables	99 449	84 601	6 356	5 407
Prepayments	3 217	1 548	205	99
Inclusive income tax	47	717	3	46
Inventories	123 351	128 639	7 884	8 222
TOTAL CURRENT ASSETS	249 396	241 045	15 939	15 406
Investments in associates	17 907	21 975	1 144	1 404
Other long-term financial investments	74 323	215 236	4 750	13 756
Investment property	133 736	133 839	8 547	8 554
Property, plant and equipment	123 540	104 948	7 896	6 707
Intangible assets	3 200	3 269	205	209
Total non-current assets	352 706	479 267	22 542	30 630
TOTAL ASSETS	602 102	720 312	38 481	46 036
LIABILITIES AND OWNERS' EQUITY				
Interest-bearing loans and borrowings	41 958	27 942	2 682	1 786
Advances from customers	112 395	106 495	7 183	6 806
Trade payables	11 216	12 008	717	767
Tax liabilities	1 551	672	99	43
Inclusive income tax	1 294	1 421	83	91
Accrued expenses	166 863	147 866	10 665	9 450
Other payables	16 381	20 851	1 046	1 332
Total current liabilities	183 244	168 717	11 711	10 782
Non-current liabilities	168 000	168 000	10 737	10 737
TOTAL LIABILITIES	6 000	6 000	384	384
Share capital	69 745	207 259	4 458	13 246
Paid-in capital over/under par	153 561	151 894	9 814	9 708
Restricted reserves	397 306	533 153	25 393	34 075
Retained earnings	21 552	18 442	1 377	1 179
Total equity attributable to equity holders of the Parent	418 858	551 595	26 770	35 254
Minority interests	602 102	720 312	38 481	46 036
TOT. LIABILITIES AND OWNERS' EQUITY	23 379	26 257	1 494	1 678

INCOME STATEMENT 01.01.-31.12.2008

consolidated, unaudited

In thousand kroons (EEK)	Q4		12 months	
Group	2008	2007	2008	2007
NET SALES	204 629	206 761	871 610	731 985
Cost of goods sold	-167 530	-169 941	-733 189	-595 320

Gross profit	37 099	36 820	138 421	136 665
Marketing expenses	-11 403	-12 860	-38 778	-36 843
Administrative expenses	-13 721	-15 002	-48 906	-47 737
Other revenue	63	410	325	589
Other expenses	-307	0	-882	-1 166
Operating profit	11 731	9 368	50 180	51 508
Net financial incomes/expenses	-555	-830	8 694	43 119
Income from subsidiaries	-7 811	-3 961	-4 068	73
Profit from normal operations	3 365	4 577	54 806	94 700
Corporate Income tax	-656	-89	-12 629	-8 765
Profit after taxes, incl	2 709	4 488	42 177	85 935
Net profit for the period	1 231	4 857	38 667	84 456
Minority interest	1 478	-369	3 510	1 479
Basic and diluted earnings per share	0,07	0,29	2,3	5,03

In thousand euros (EUR)	Q4		12 months	
	2008	2007	2008	2007
Group	2008	2007	2008	2007
NET SALES	13 078	13 214	55 706	46 782
Cost of goods sold	-10 707	-10 861	-46 859	-38 048
Gross profit	2 371	2 353	8 847	8 734
Marketing expenses	-729	-822	-2 479	-2 355
Administrative expenses	-877	-959	-3 126	-3 051
Other revenue	4	7	21	38
Other expenses	-20	19	-56	-74
Operating profit	749	599	3 207	3 292
Net financial incomes/expenses	-35	-53	556	2 756
Income from subsidiaries	-499	-253	-260	5
Profit from normal operations	215	293	3 503	6 053
Corporate Income tax				
Profit after taxes, incl	-42	-6	-807	-560
Net profit for the period	173	287	2 696	5 493
Minority interest	79	310	2 472	5 398
Basic and diluted earnings per share	0,00	0,02	0,15	0,32

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06.01.2009
AS HARJU ELEKTER
ANNOUNCEMENT

PUBLICATIONS OF FINANCIAL REPORTS OF 2009

Harju Elekter wishes to the shareholders a Happy New Year and informs you that in the year 2009, the consolidated financial results of AS Harju Elekter will be published as follows:

2008 4Q results	week 9
2008 audited annual report	week 14
2009 1Q results	week 19
2009 2Q results	week 32
2009 3Q results	week 45

After their release through the stock exchange information system all Harju Elekter's announcements are also available on company's internet homepage at <http://www.harjuelekter.ee>

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