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05.11.2010
AS HARJU ELEKTER
ANNOUNCEMENT

CHANGES IN QUALIFYING HOLDING

On 2 November 2010, KJK Fund SICAV-SIF notified AS Harju Elekter of the change of voting rights attached to a qualifying shareholding.

DCF Fund (II) SICAV-SIF (with the current business name KJK Fund SICAV-SIF) holds altogether 1,899,768 shares of AS Harju Elekter, representing 11.31% of all the shares of the company.

On 28 October 2010 the Investment Manager Agreement between KJK Fund SICAV-SIF and Danske Capital, Sampo Bank plc was terminated and KJK Fund SICAV-SIF revoked proxy given to Danske Capital, Sampo Bank plc to manage the voting rights attached to the shareholdings of the fund.

Due to that the voting rights in the Company as attached to 1,899,768 shares of Harju Elekter are controlled by KJK Fund SICAV-SIF.

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04.11.2010
AS HARJU ELEKTER
FINANCIAL RESULTS

FINANCIAL RESULTS, 1-9/2010

The economic results of AS Harju Elekter have exceeded expectations in Q3 2010. We hope for the continuation of positive trends. The consolidated sales revenue of the Group in the third quarter was 173.7 million kroons (11.1 million euros), which was 44% more than the result of the comparable period and the operating profit of Q3 2010 14.3 million kroons (920,000 euros), which was 2.4 times

more compared to the Q3 2009. The sales volume for the nine months dropped in comparison with the reference period by 7.6% to 438.2 million kroons (28.0 million euros).

Key figures	million EEK				million EUR			
	Q3		9months		Q3		9months	
	2010	2009	2010	2009	2010	2009	2010	2009
Sales revenue	173,7	120,6	438,2	474,3	11,1	7,7	28,0	30,3
EBITDA	19,6	11,0	34,4	37,1	1,3	0,7	2,2	2,4
EBIT	14,3	6,0	18,2	22,2	0,9	0,4	1,2	1,4
Net profit for the period	13,3	6,1	31,5	17,2	0,9	0,4	2,0	1,1
Incl equity holders of the Parent	13,2	5,7	31,3	15,4	0,8	0,4	2,0	1,0
EPS (EEK/EUR)	0,78	0,34	1,86	0,92	0,05	0,02	0,12	0,06

The core business of the Group is the production and sales of electrical distribution systems and control panels, which was the largest share of sales revenues, almost 90%. The sales revenue on production received from customers outside of the Group increased by 51% to 156.0 million kroons (10.0 million euros) in third quarter and were 386.4 million kroons (24.7 million euros) in 9M 2010. This is 8.4% less than in comparable period.

Of the markets, the domestic markets (Estonia, Lithuania and Finland) of the Group's companies prevailed, where 84.6% (93.6%) of the Group's products and services were sold. 65% (65%) of Group products were sold outside of Estonia. In the current year, a sale to other countries has grown up to 67.3 million kroons (4.3 million euros) in the 9 month period, growing by 22.9 million kroons (1.5 million euros) year-over-year. France, Czech Republic and Malaysia have been added as new markets and the Group has sold during the 9M 2010 its products to those markets totally in amount 26.7 million kroons (1.7 million euros). The Group has also sold its products to Latvia, Portugal and Poland and outside of the European Union to the markets of Belarus, Ukraine, Russia and Norway.

Sales to the Estonian market increased by 8% within the reporting quarter. At the same time, the sales revenue from the other geographic segments amounted to 13.2 million kroons (840,000 euros), which was almost twice as much as in the reference period. The total operating income of the Estonian segment increased by 13.1% up to 90.2 million kroons (5.77 million euros) in the reporting quarter. The main growth resulted from sales to foreign markets, where 32% (Q3 2009: 28%) of the products were sold. The growth was mainly achieved owing to an increase in the sales of medium voltage distribution and outdoor substation units in Finland. The sales revenue of the Estonian segment within the 9 month period was 196.5 million kroons (12.6 million euros), decreasing by 9.4% compared to the reference period.

Signs of recovery may be noticed in the Finnish economy, mainly in export. The domestic investments of Finland during the accounting period were slight as well as Finnish metallurgical and engineering industry enterprises are still struggling. Vehicle heating panels for car parks have become a very good sales article for the Finnish company. In the reporting quarter the market share of the company increased and the sale of products also demonstrates a continuing growing trend. In Q3, the sales volume of the Finnish segment increased by 2.8 times and the 9M 2009 level was outperformed by 0.9% within the 9 month period. While 99% of the sales revenue was received from the Finnish market in 2009, it has dropped to 75% in the current year. The domestic decrease is compensated by the increase in export to Sweden. As a new market was added Malaysia.

In the reporting quarter, the sales volume of the Lithuanian segment accounted for 87% and the sales volume within the 9 month period comprised 77% of the results in 9M 2009. In Q3, sales to the Lithuanian market dropped by one-third compared to the reference period; at the same time, sales to foreign markets increased by 88%, accounting for 43% of the sales revenue in Q3 (Q3 2009: 25%). At the same time, in 9 month period, the decline occurred mainly in foreign markets. In 2009 the Lithuanian company had the large-scale agreements with Norwegian and Danish clients, what gave 27% from the sales volumes of the period, this year supplies to those markets have been modest. Finland, France and the Czech Republic were added as new markets. Almost 80% of the sales revenue for the 9M 2010 was obtained from Lithuanian customers; major part here is on several large-scale projects were carried out in local market in June.

In the third quarter, there was an average of 421 (448) people working in the Group, included 270 (293) employees in Estonia, 69 (77) employees in Lithuania and 82 (78) employees in Finland. In 9M 2010, the average number of employees was 425 (454). As at the balance day on 30 September, there were 440 people working in the Group, which is 24 employees less than on the beginning of the year and 31 employees less than a year before. During the third quarter, labour costs increased by more than 9% compared to the previous year, reaching 26.5 million kroons (1.69 million euros). During the nine months period, expenses on staff decreased by more than 7% reaching 101.0 million kroons (6.45 million euros); employees were paid 79.1 million kroons (5.05 million euros) in salaries, bonuses and compensation, which was 8.4% lower than during the comparable period. The average wage per employee was 20,650 kroons (1,320 euros) and 21,140 kroons (1,350 euros) in the compared period.

The gross profit of the Group was 30.3 million kroons (1.94 million euros) in Q3 2010 and 68.2 million kroons (4.36 million euros) in 9M 2010, increasing by 36.6% and decreasing 10.9% respectively compared to the same periods last year. The gross profit margin was 17.5% in Q3 and 15.6% in 9M 2010, which is 1 and 0.9 per cent points lower compared respectively to the same periods last year. Operating profit of Q3 2010 was 14.3 million kroons (920,000 euros), which was 2.4 times more compared to the Q3 2009. Return of sales for the period was 8.3% (5.0%). In Q3 2010 EBITDA was 19.6 million kroons or 1.25 million euros, which is 8.7 million kroons (550,000 euros) more than in comparable quarter; return of sales before depreciation was 11.3% being 2.2 per cent points better. In 9M 2010 EBIT was 18.2 million kroons (1.17 million euros) and EBITDA was 34.4 million kroons (2.20 million euros); 22.2 million kroons (1.42 million euros) and 37.1 million kroons (2.41 million euros) respectively compared to the same periods last year. Return of sales of 9M 2010 was 4.2% (4.7%) and return of sales before depreciation 7.9% (7.8%).

The consolidated net profit of the Q3 2010 was 13.3 million kroons or 850,000 euros (Q3 2009: 6.1 million kroons or 390,000 euros), of which the share of the owners of the parent company was 13.2 million kroons or 840,000 euros. EPS of the Q3 was 0.78 kroons or 0.05 euros (Q3 2009: 0.34 kroons or 0.02 euros). The consolidated net profit of the 9M 2010 was 31.5 million kroons (2.01 million euros), which is 83.6% more than in compared period. The share of the owners of the parent company was 31.3 million kroons (2.0 million euros), increasing twice comparing to the 9M 2009. EPS of the reporting period was 1.86 kroons or 0.12 euros (9M 2009: 0.92 kroons or 0.06 euros).

In 9M 2010 the Group invested in real estate, in tangible fixed assets and in intangible fixed assets, totally 37.9 million kroons or 2.42 million euros (9M 2009: 16.8 million kroons or 1.07 million euros).

During 9M 2010 short-term liabilities were increased by 5.8 million kroons (370,000 euros) up to 18.8 million kroons (1.20 million euros); in the comparable period short-term liabilities were decreased by 25.4 million kroons (1.62 million euros) up to 2.5 million kroons (0.16 million euros). 3.3 million kroons or 210,000 euros (9M 2009: 13.8 million kroons or 880,000 euros) worth of a long-term loan and 3.4 million kroons or 220,000 euros (9M 2009: 1.6 million kroons or 100,000 euros) worth of principal amounts of the financial lease were repaid during the reporting period.

As at September 30 2010 the current assets constituted 29% (34%) and the non-current assets 71% (66%); and the other side external finance 20% (22%) and equity 80% (78%) of the balance sheet total.

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BALANCE SHEET 30.09.2010 consolidated, unaudited

In thousand	EEK		EUR	
	30.09.10	31.12.09	30.09.10	31.12.09
ASSETS				
Cash and cash equivalents	27 038	35 640	1 728	2 278

Trade receivables and other receivables	89 611	70 238	5 727	4 489
Prepayments	1 761	2 499	113	160
Inclusive income tax	1 180	0	75	0
Inventories	108 964	79 352	6 964	5 071
TOTAL CURRENT ASSETS	227 374	187 729	14 532	11 998
Investments in associates	10 560	9 681	676	619
Other long-term financial investments	246 770	153 172	15 771	9 789
Investment property	137 524	137 176	8 790	8 768
Property, plant and equipment	146 092	124 575	9 337	7 962
Intangible assets	5 712	5 815	364	371
Total non-current assets	546 658	430 419	34 938	27 509
TOTAL ASSETS	774 032	618 148	49 470	39 507
LIABILITIES AND OWNERS' EQUITY				
Interest-bearing loans and borrowings	20 251	18 166	1 294	1 161
Trade payables and other payables	89 228	75 890	5 703	4 850
Tax liabilities	12 357	10 367	790	663
Inclusive income tax	188	620	12	39
Short-term provision	1 044	1 157	67	74
Deferred income	0	1 564	0	100
TOTAL CURRENT LIABILITIES	122 880	107 144	7 854	6 848
NON-CURRENT LIABILITIES	33 842	7 016	2 163	448
TOTAL LIABILITIES	156 722	114 160	10 017	7 296
Share capital	168 000	168 000	10 737	10 737
Paid-in capital over/under par	6 000	6 000	384	384
Restricted reserves	244 433	149 760	15 621	9 571
Retained earnings	175 878	156 770	11 241	10 020
TOTAL OWNERS' EQUITY	594 311	480 530	37 983	30 712
Non-controlling interests	22 999	23 458	1 470	1 499
TOTAL EQUITY	617 310	503 988	39 453	32 211
TOT.LIABILIT.AND OWNERS' EQUITY	774 032	618 148	49 470	39 507

INCOME STATEMENT 01.01.-30.09.2010

consolidated, unaudited

In thousand kroons (EEK)	Q3		9 months	
	2010	2009	2010	2009
Group	2010	2009	2010	2009
NET SALES	173 666	120 571	438 241	474 275
Cost of goods sold	-143 343	-98 370	-370 042	-397 702
Gross profit	30 323	22 201	68 199	76 573
Marketing expenses	-6 682	-6 715	-19 842	-22 253

Administrative expenses	-9 584	-9 700	-30 458	-32 652
Other revenue	408	376	783	1 038
Other expenses	-117	-113	-433	-461
Operating profit	14 348	6 049	18 249	22 245
Net financial incomes/expenses	-208	-30	16 516	7 991
Income/loss(-) from subsidiaries	-9	5	879	-8 121
Profit from normal operations	14 131	6 024	35 644	22 115
Corporate Income tax	-807	87	-4 133	-4 952
Profit after taxes, incl attributable to	13 324	6 111	31 511	17 163
Equity holders of the parent	13 157	5 700	31 304	15 396
Non-controlling interests	167	411	207	1 767
Basic earnings per share (EEK)	0,78	0,34	1,86	0,92
Diluted earnings per share (EEK)	0,78	0,34	1,84	0,92

In thousand euros (EUR)	Q3		9 months	
	2010	2009	2010	2009
Group	2010	2009	2010	2009
NET SALES	11 099	7 706	28 009	30 311
Cost of goods sold	-9 161	-6 287	-23 650	-25 418
Gross profit	1 938	1 419	4 359	4 893
Marketing expenses	-427	-429	-1 268	-1 422
Administrative expenses	-613	-620	-1 947	-2 087
Other revenue	26	24	50	66
Other expenses	-7	-7	-28	-29
Operating profit	917	387	1 166	1 421
Net financial incomes/expenses	-13	-2	1 055	510
Income/loss(-) from subsidiaries	-1	0	57	-519
Profit from normal operations	903	385	2 278	1 412
Corporate Income tax	-51	6	-264	-316
Profit after taxes, incl attributable to	852	391	2 014	1 096
Equity holders of the parent	841	365	2 000	983
Non-controlling interests	11	26	14	113
Basic earnings per share (EEK)	0,05	0,02	0,12	0,06
Diluted earnings per share (EEK)	0,05	0,02	0,12	0,06

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05.08.2010
AS HARJU ELEKTER
FINANCIAL RESULTS

FINANCIAL RESULTS 1-6/2010

Key figures	million EEK			million EUR		
	1-6/2010	1-6/2009	2009	1-6/2010	1-6/2009	2009
Sales revenue	264,6	353,7	632,7	16,9	22,6	40,4
EBITDA	14,8	26,1	48,3	0,9	1,7	3,1

EBIT	3,9	16,2	28,3	0,2	1,0	1,8
Net profit for the period	18,2	11,1	21,7	1,2	0,7	1,4
Incl equity holders of the Parent	18,1	9,7	19,2	1,2	0,6	1,2
EPS (EEK/EUR)	1,08	0,58	1,14	0,07	0,04	0,07

At the end of the period

Total assets	740,8	547,2	618,1	47,3	35,0	39,5
Owners' equity	569,6	400,4	480,5	36,4	25,6	30,7

Average number of employees on the current period	427	457	452
Number of employees at the end of the period	446	486	464

Regardless of the present economic situation, the financial results of the Group were as expected and the Group was profitable. The consolidated sales revenue of the Group in the second quarter was 130.5 million kroons (8.3 million euros), which was 24% less than the result of the comparable quarter. The consolidated sales revenue of the H1 2010 was 264.6 million kroons (16.9 million euros), which was 25% 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, 86-87% (90%). The sales revenue on production received from customers outside of the Group decreased by 27% to 112.8 million kroons (7.2 million euros) in second quarter and were 230.5 million kroons (14.7 million euros) in H1 2010. The main reason for decline was the market recession in Finland.

Of the markets, the domestic markets (Estonia, Lithuania and Finland) of the Group's companies prevailed, where 78.3% (93.7%) of the Group's products and services were sold. 65% (69%) of Group products were sold outside of Estonia.

Sales to the Estonian market decreased by 8.4 million kroons (600,000 euros) within the reporting quarter and by 18.4 million kroons (1.2 million euros) for the half-year. The decrease in sales volumes was, on the one hand, caused by the alterations in the product groups of the energy sector, when on the domestic market the demand for cheaper products increased and the sales of compact secondary substations decreased, and, on the other hand, by the decrease in the sales volumes of metering boards which, in turn, was caused by the decrease in connections. While up to one-third of the products and services of the Estonian segment are sold outside of Estonia, the situation on foreign markets, especially on the Finnish market, had a great effect on the economic results of the accounting period. The sales revenue of the Estonian segment decreased by 27 million kroons (1.7 million euros) in half- year, with one-third being a result of a decrease in export. The main decline in realisation on foreign markets was caused by the decrease in sales volumes of distributing and compact secondary substations in Finland. However, the supply to Portugal increased by 1.6 times within the half-year.

The recession of the Finnish economy continues, although there are a few signs of an upturn, mainly regarding export. The domestic investments of Finland during the accounting period were irrelevant. Finnish metallurgical and engineering industry enterprises are still struggling. The revenues from sales to the Finnish market decreased the most - by one-third within the second quarter and over 40% during the half-year. However, the sales volume of the Finnish company to the domestic market, compared to the first half of 2009, decreased nearly twice within the half-year. The decrease in sales volume of the Finnish segment was 27% during the second quarter and 31% during the half-year. The domestic decrease is partly compensated by the increase in export to Sweden. Malaysia was added in the second quarter as a new market. In total, goods with a value of 30 million kroons (2 million euros) were sold to these markets, accounting for 28% of the sales volumes of subsidiaries.

In 2009, 60% of the sales revenue of the Lithuanian segment was obtained from the domestic market and 40% from foreign markets, with the Norwegian and Danish markets being the largest. This year supplies to those markets have been modest. Finland, France and the Czech Republic were added as new markets. In June several major projects were carried out on the Lithuanian market, as a result of which two-thirds of the sales volumes for the half- year was earned within the reporting quarter. Almost 80% of the sales revenue for the half-year was obtained from Lithuanian customers.

During the first 6 months the sales to other states of the European Union have increased almost twice, including sales to the market of Sweden which increased 22 million kroons (1.4 million euros). France, Czech Republic and Malaysia have been added as new markets and the Group has sold during the H1 2010 its products to those markets totally in amount 18.6 million kroons (1.2 million euros). The Group has also sold its products to Latvia, Portugal and Poland and outside of the European Union to the markets of Belarus, Ukraine, Russia and Norway.

The expenses regarding sold products and services decreased almost at the same pace as the sales revenue. Distribution costs and administration expenses shrank by 3.1 million kroons (200,000 euros) in Q2 and by 4.5 million kroons (290,000 euros) in H1 2010. The administration expenses have been affected the most by the increase in expenditures on the new software AX2009. The software was taken into use on 1 October 2009. In conclusion, business expenses have decreased by 21% in Q2 and by 23% in H1 2010 compared to the same period of the previous year.

In the second quarter, there was an average of 423 (453) people working in the Group, included 270 (295) employees in Estonia, 70 (75) employees in Lithuania and 83 (83) employees in Finland. In H1 2010, the average number of employees was 427 (457). As at the balance day on 30 June, there were 446 people working in the Group, which is 18 employees less than on the beginning of the year and 40 employees less than a year before. During the second quarter, labour costs decreased by more than 8% compared to the previous year, reaching 26.0 million kroons (1.7 million euros). During the half-year employees were paid 52.6 million kroons (3.4 million euros) in salaries, bonuses and compensation, which was 15.2% lower than during the comparable period. In H1 2010, the average wage per employee was 20,510 kroons (1,310 euros) and 22,627 kroons (1,450 euros) in the compared period.

The gross profit of the Group was 19.7 million kroons (1.26 million euros) in Q2 2010 and 37.9 million kroons (2.42 million euros) in H1 2010, decreasing by 33% and 30% respectively compared to the same periods last year. The gross profit margin decreased by 2 per cent points up to 15.1% in the second quarter and by 1 per cent point up to 14.3% in H1 2010. Operating profit of Q2 2010 was 2.8 million kroons or 177,000 euros (Q2 2009: 9.8 million kroons or 627,000 euros). Return of sales for the period was 2.1% (5.7%). In Q2 2010 EBITDA was 8.2 million kroons or 525,000 euros (Q2 2009: 14.8 million kroons or 944,000 euros) and return of sales before depreciation was 6.3% (8.6%). In H1 2010 EBIT was 3.9 million kroons or 250,000 euros and EBITDA was 14.8 million kroons or 945,000 euros (H1 2009: 16.2 million kroons or 1.04 million euros and 26.1 million kroons or 1.67 million euros respectively). Return of sales of H1 2010 was 1.5% (4.6%) and return of sales before depreciation 5.6% (7.4%). Overall, the consolidated net profit of the Q2 2010 was 10.0 million kroons or 639,000 euros (Q2 2009: 8.4 million kroons or 535,000 euros), of which the share of the owners of the parent company was 9.2 million kroons or 587,000 euros. EPS of the reporting period was 0.55 kroons or 0.03 euros (Q2 2009: 0.42 kroons or 0.03 euros). The consolidated net profit of the H1 2010 was 18.2 million kroons or 1.16 million euros, which is 64.6% more than in compared period. The share of the owners of the parent company was 18.1 million kroons or 1.16 million euros, increasing more than 87% comparing to the H1 2009. EPS of the reporting period was 1.08 kroons or 0.07 euros (H1 2009: 0.58 kroons or 0.04 euros).

In H1 2010 the Group invested in real estate, in tangible fixed assets and in intangible fixed assets, totally 36.4 million kroons or 2.4 million euros (H1 2009: 6.6 million kroons or 420,000 euros). During H1 short-term liabilities were increased by 0.2 million kroons or 13,000 euros (H1 2009 were decreased 16.0 million kroons or 1 million euros). Within the reporting period, 2.9 million kroons or 187,000 euros (H1 2009: 11.2 million kroons or 718,000 euros) worth of a long-term loan were re-paid. Within the first six months, 2.3 million kroons or 147,000 euros (H1 2009: 1.1 million kroons or 71,000 euros) worth of principal amounts of the financial lease were repaid.

During first six months, cash and cash equivalents decreased by 16.9 million kroons (1.1 million euros) and in comparable period 4.2 million kroons (268,000 euros).

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BALANCE SHEET 30.06.2010

consolidated, unaudited

in thousands	EEK		EUR	
	30.06.2010	31.12.2009	30.06.2010	31.12.2009
ASSETS				
Cash and cash equivalents	18 663	35 640	1 193	2 278
Trade receivables and other receivables	86 016	70 238	5 497	4 489
Prepayments	2 041	2 499	130	160
Inclusive income tax	599	0	38	0
Inventories	94 832	79 352	6 061	5 071
TOTAL CURRENT ASSETS	201 552	187 729	12 881	11 998
Investments in associates	10 569	9 681	676	619
Other long-term financial investments	235 598	153 172	15 057	9 789
Investment property	138 297	137 176	8 839	8 768
Property, plant and equipment	149 155	124 575	9 533	7 962
Intangible assets	5 647	5 815	360	371
Total non-current assets	539 266	430 419	34 465	27 509
TOTAL ASSETS	740 818	618 148	47 346	39 507
LIABILITIES AND OWNERS' EQUITY				
Interest-bearing loans and borrowings	16 120	18 166	1 030	1 161
Trade payables and other payables	87 554	75 890	5 596	4 850
Tax liabilities	9 298	10 367	594	663
Inclusive income tax	620	620	40	39
Short-term provision	1 148	1 157	73	74
Deferred income	457	1 564	29	100
TOTAL CURRENT LIABILITIES	114 577	107 144	7 322	6 848
NON-CURRENT LIABILITIES	33 842	7 016	2 163	448
TOTAL LIABILITIES	148 419	114 160	9 485	7 296
Share capital	168 000	168 000	10 737	10 737
Paid-in capital over/under par	6 000	6 000	384	384
Restricted reserves	233 261	149 760	14 907	9 571
Retained earnings	162 305	156 770	10 374	10 020
TOTAL OWNERS' EQUITY	569 566	480 530	36 402	30 712
Non-controlling interests	22 833	23 458	1 459	1 499
TOTAL EQUITY	592 399	503 988	37 861	32 211
TOT.LIABILIT.AND OWNERS' EQUITY	740 818	618 148	47 346	39 507

INCOME STATEMENT, 1-6/2010

consolidated, unaudited

In thousand kroons (EEK)	Q2		6 months	
	2010	2009	2010	2009
Group				
NET SALES	130 463	171 934	264 575	353 704
Cost of goods sold	-110 762	-142 332	-226 699	-299 332
Gross profit	19 701	29 602	37 876	54 372
Marketing expenses	-6 830	-7 894	-13 160	-15 538
Administrative expenses	-10 028	-12 027	-20 874	-22 952
Other revenue	77	346	375	662
Other expenses	-144	-216	-316	-348
Operating profit	2 776	9 811	3 901	16 196
Net financial incomes/expenses	8 632	3 567	16 723	8 021
Income/loss(-) from subsidiaries	1 592	-581	888	-8 126
Profit from normal operations	13 000	12 797	21 512	16 091
Corporate Income tax	-3 004	-4 432	-3 326	-5 039
Profit after taxes, incl attributable to	9 996	8 365	18 186	11 052
Equity holders of the parent	9 189	7 059	18 145	9 696
Non-controlling interests	807	1 306	41	1 356
Basic earnings per share (EEK)	0,55	0,42	1,08	0,58
Diluted earnings per share (EEK)	0,54	0,42	1,07	0,58

INCOME STATEMENT, 1-6/2010
consolidated, unaudited

In thousand euros (EUR)	Q2		6 months	
	2010	2009	2010	2009
Group				
NET SALES	8 338	10 989	16 909	22 606
Cost of goods sold	-7 079	-9 097	-14 488	-19 131
Gross profit	1 259	1 892	2 421	3 475
Marketing expenses	-437	-504	-841	-993
Administrative expenses	-641	-769	-1 334	-1 467
Other revenue	5	22	24	42
Other expenses	-9	-14	-20	-22
Operating profit	177	627	250	1 035
Net financial incomes/expenses	552	228	1 069	512
Income/loss(-) from subsidiaries	102	-37	57	-519
Profit from normal operations	831	818	1 376	1 028
Corporate Income tax	-192	-283	-213	-322
Profit after taxes, incl attributable to	639	535	1 163	706
Equity holders of the parent	587	451	1 160	619
Non-controlling interests	52	84	3	87
Basic earnings per share (EEK)	0,03	0,03	0,07	0,04
Diluted earnings per share (EEK)	0,03	0,03	0,07	0,04

15.06.2010
AS HARJU ELEKTER
ANNOUNCEMENT

ESTABLISHMENT OF A SUBSIDIARY IN THE KINGDOM OF SWEDEN

In keeping with the development strategy of the Group, at its 14 June 2010 meeting, the Supervisory Board of Harju Elekter made a decision to establish a subsidiary in the Kingdom of Sweden. Today, 15 June 2010, the agreement of corporate foundation of Harju Elekter AB, a subsidiary of AS Harju Elekter, was signed in Stockholm. Share capital of the newly founded company is SEK 1 million, of which 90% is held by AS Harju Elekter and 10% by AS Vallin Baltic. Share capital contributions are in cash and sufficient to establish and launch the operations of the newly created company.

By establishing the subsidiary Harju Elekter AB, we will increase our presence and sales on the Swedish market, offering our clients a wide selection of products, first and foremost electrical engineering products, from companies in the Harju Elekter Group. Andres Allikmäe, Chairman of the Management Board, was appointed Chairman and Ülo Merisalu (Managing Director, AS Harju Elekter Elektrotehnika) was appointed Member of the Management Board of the subsidiary by AS Harju Elekter, and Andres Olt, a Swedish national, was appointed by AS Vallin Baltic.

Harju Elekter is a leading manufacturer of electrical equipment 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%).

The main activity of AS Vallin Balti includes sale of electrical equipment and measurements in Baltics.

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09.06.2010
AS HARJU ELEKTER
ANNOUNCEMENT

AS HARJU ELEKTER AFFILIATED UNDERTAKING AS DRAKA KEILA CABLES OPENED A FACTORY EXTENSION

AS Draka Keila Cables, an affiliated undertaking of AS Harju Elekter and a leading cable producer in the Baltic States opened a factory extension at the end of last week. AS Harju Elekter invested in the Draka Keila Cables production building and managed the construction work, as a result of which the production premises leased out to AS Draka Keila Cables increased by 3,700 m² to 12,300 m² and the external warehouse to 18,700 m².

Low-voltage and energy cables are produced on a total of 15 production lines, two of which were added in the course of the expansion. The investments in Draka Keila Cables totaled EEK 25 million, as a result of which the output of the factory increased by 60%.

The turnover of Draka Keila Cables in 2009 amounted to EEK 399.43 million and exports totaled EEK 283.97 million or 71% of total sales. The owners of the company are the global leading cable group Draka Holding (66%) and AS Harju Elekter (34%). The clients of Draka Keila Cables are electricity networks, builders of electricity and television networks, industrial companies and wholesalers of electricity products.

The company was founded in December 1992, the founders were Nokia Cables from Finland (59%) and Estonian electro-technical company AS Harju Elekter (41%); foreign investments exceeded USD 1 million, which according to the taxation legislation applicable then granted the founded joint venture tax exemption for three years and a tax incentive of 50% for three years. The production of power and installation cables complying with European standards commenced on the territory of AS Harju Elekter, following the complete renovation and installation of modern production lines, in the spring of 1993. At the inauguration of the factory, speeches were delivered by then Prime Minister of Estonia Mart Laar and the Chairman of the Management Board of Nokia Jorma Ollila. Cable production in Keila commenced in 1968, which AS Harju Elekter deems to be the beginning of its activities.

Harju Elekter is the leading producer of electrical equipment and materials in the Baltic States. Harju Elekter Group includes the manufacturers of electrical equipment in Estonia, Finland and Lithuania: AS Harju Elekter Elektrotehnika (100%), Satmatic Oy (100%) and Rifas UAB (51%), also the producer of telecommunications products AS Eltek (100%) and affiliated undertaking AS Draka Keila Cables (34%). Harju Elekter also has financial investments in the Latvian company selling electrical equipment SIA Energokomplekss (14%) and listed Finnish company PKC Group Oyj (8%).

Andres Allikmäe
Chairman of the Management Board
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12.05.2010
AS HARJU ELEKTER
ANNOUNCEMENT

INFORMATION RELEASED BY HARJU ELEKTER

In 2009, Harju Elekter released the following announcements 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 AGM
29.04 Information released by Harju Elekter
07.05 Financial results, 1-3/2009
01.06 Changes in the Management Board of subsidiary
06.08 Financial results, 1-6/2009
15.09 Subsidiary Satmatic purchased vehicle pre-heating panel business for car parks from Siemens
02.11 Subsidiary Satmatic took new production premises into use
05.11 Financial results, 1-9/2009

Up to the present date in 2010, Harju Elekter has released the following information through the Tallinn Stock Exchange information system:

25.01 Publication of financial reports in 2010
25.02 Financial results, 1-12/2009
07.04 Agenda and proposals to the AGM
08.04 Audited annual report for Harju Elekter
29.04 Resolutions of the AGM of shareholders
05.05 Financial results, 1-3/2010

All the above listed announcements are available on the website of the Tallinn Stock Exchange at: <http://www.nasdaqomxbaltic.com/market/?pg=news&lang=en> by selecting the company name and respective start and end dates of the period in the search engine. There are also available quarterly interim reports and the audited annual reports of Harju Elekter. The same 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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05.05.2010
 AS HARJU ELEKTER
 FINANCIAL RESULTS

FINANCIAL RESULTS, 1-3/2010

	million EEK		million EUR	
	1-3/2010	1-3/2009	1-3/2010	1-3/2009
Key figures				
Sales revenue	134,1	181,8	8,6	11,6
EBITDA	6,6	11,3	0,4	0,7
EBIT	1,1	6,4	0,1	0,4
Net profit for the period	8,2	2,7	0,5	0,2
Incl equity holders of the Parent	9,0	2,6	0,6	0,2
EPS (EEK)	0,53	0,16	0,03	0,01
At the end of the period				
Total assets	722,7	556,3	46,2	35,6
Owners' equity	570,3	389,5	36,5	24,9
Average number of employees on the current period			432	461
Number of employees at the end of the period			452	492

Regardless of the present economic situation the financial results of the Group were reasonable and the Group was profitable. Long and snowy inter season had also some negative affect for the sales orders of energy distribution sector products, which probably made some influences to the results.

The consolidated sales revenue of the Group was 134.1 million kroons (8.6 million euros), which was 26.2% 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, 87.8% (89.9%) of sales revenues. The sales revenue on production received from customers outside of the Group decreased by 28% to 117.7 million kroons (7.5 million euros).

Of the markets, the domestic markets (Estonia, Lithuania and Finland) of the Group's companies prevailed, where 78.3% (93.7%) of the Group's products and services were sold. 66% (69%) of Group products were sold outside of Estonia. The sales revenue of the Q1 decreased the most in Finland as the economic recession reached Finland slightly later than Baltic States. When the sales volume of the Finnish segment in the Q1 remained at the Q1 2008 level, in Q2, a decline in sales volume began due to a decrease in the volumes of metal and engineering industry exports, which even deepened further on the ending of last and beginning of this year due to a decline in domestic demand in the Finnish market. The decrease in sales revenue was lower on the Estonian market.

The sales to other states of the European Union have increased more than 19 million kroons (1.2 million euros). That includes sales to the market of Sweden which exceeded 21 million kroons (1.3 million euros). France and the Czech Republic have been added as new markets. The Group has also

sold its products to Latvia, Portugal and Poland and outside of the European Union to the markets of Belarus, Ukraine, Russia and Norway.

The expenses regarding sold products and services decreased at the same pace as the sales revenue - 26.2% during the first three months of 2010, which accounted for 86.5% of turnover (Q1 2009: 86.4%). Distribution costs and administration expenses shrank by 1.4 million kroons (86,000 euros) which is more than 7% lower in respect to the compared period. The administration expenses have been affected the most by the increase in expenditures on the new software AX2009. The software was taken into use on 1 October 2009. In conclusion, business expenses have decreased by 24.2% compared to the same period of the previous year.

In the first quarter, there was an average of 432 people working in the Group (Q1 2009:461), included 280 (301) employees in Estonia, 71 (77) employees in Lithuania and 81 (83) employees in Finland. As at the balance day on 31 March, there were 452 people working in the Group, which is 12 employees less than on the beginning of the year and 40 employees less than a year before. Expenses on staff in Q1 2010 were 35.9 million kroons (2.3 million euros) which is 11% less than during the compared period. The Group has stock-based compensation plans which may be settled by way of own equity instruments upon recognition of which in consolidated financial reports IFRS 2 principles have been applied. The value of services (labour input) in the amount of 0.4 million kroons (26,000 euros) received for stock is recognised as labor costs in Q1 2010. At the same time, the wage costs were decreased by a fifth in the accounting quarter and the average wage per employee was decreased by 15% to 20,509 kroons (1,311 euros).

The gross profit of the Group was 18.2 million kroons or 1.2 million euros (Q1 2009: 24.8 million kroons or 1.6 million euros). Due to decrease in demand, production and sales volumes, the Group has reduced and optimised fixed and operational costs which caused the costs of sold products to decrease at the same pace as the sales revenue. The gross profit margin of the accounting quarter remained practically at the same level as during the compared period - 13.6% (Q1 2009: 13.6%).

Consolidated operating profit in Q1 2010 was 1.1 million kroons or 72 thousand euros (Q1 2009: 6.4 million kroons or 408 thousand euros). Operating profit margin for the period was 0.8% (3.5%). EBITDA was 6.6 million kroons or 0.4 million euros (Q1 2009: 11.3 million kroons or 0.7 million euros) and EBIT was 4.9% (6.2%). The consolidated net profit of the first quarter was 8.2 million kroons or 532 thousand euros (Q1 2009: 2.7 million kroons or 172 thousand euros), of which the share of the owners of the parent was 9.0 million kroons or 572 thousand euros. EPS of the reporting period was 0.53 kroons or 0.03 euros (Q1 2009: 0.16 kroons or 0.01 euros).

In Q1 2010 the Group invested 3.1 million kroons (0.2 million euros) in real estate, 31.5 million kroons (2.0 million euros) in tangible fixed assets and 227 thousand kroons (15 thousand euros) in intangible fixed assets, totally 34.9 million kroons (2.2 million euros). During the compared period 2.5 million kroons (160,000 euros) was invested, and only in tangible assets. At the end of 2009, the addition of a production building for the Finnish affiliated company was completed. Satmatic Oy rented the former administrative and production spaces from the Town of Ulvila. The Group decided to buy the complex of buildings on the basis of financial lease. The contract value of the buildings was 1.9 million euros (29.8 million kroons). The leasing payments are paid on a monthly basis in equal shares as of January 2010. The contract expires in January 2020. The interest rate in respect to the addition is 1.6%, which shall be adjusted once a year. In respect to the older part of the building (300,000 euros or 4.7 million kroons) the annual interest remains fixed at 2%.

During Q1 short-term liabilities were decreased by 1.8 million kroons or 116,000 euros (Q1 2009: 24.1 million kroons or 1.54 million euros). Within the first three months, 2.6 million kroons or 163,000 euros (Q1 2009: 8.7 million kroons or 555,000 euros) worth of a long-term loan and 1.2 million kroons or 75,000 euros (Q1 2009: 0.5 million kroons or 34,000 euros) worth of principal amounts of the financial lease were repaid. In total, interest-bearing debt obligations in the statement of financial position increased by 24.3 million kroons (1.55 million euros).

In Q1 2010 cash and cash equivalents decreased by 8.6 million kroons (0.6 million euros) up to 27.1 million kroons (1.7 million euros) and increased by 4.8 million kroons (310,000 euros) during the comparable period.

Andres Allikmäe
Chairman of the Board
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For more information: Internal report 1-3/2010 of Harju Elekter and Mrs. Karin Padjus, Member of the Board (phone +372 674 7403).

BALANCE SHEET 31.03.2010

consolidated, unaudited

in thousands	EEK		EUR	
	31.03.2010	31.12.2009	31.03.2010	31.12.2009
ASSETS				
Cash and cash equivalents	27 086	35 640	1 731	2 278
Trade receivables and other receivables	84 328	70 238	5 390	4 489
Prepayments	2 161	2 499	138	160
Inclusive income tax	307	0	20	0
Inventories	70 660	79 352	4 516	5 071
TOTAL CURRENT ASSETS	184 235	187 729	11 775	11 998
Investments in associates	8 977	9 681	574	619
Other long-term financial investments	232 532	153 172	14 861	9 789
Investment property	138 968	137 176	8 883	8 768
Property, plant and equipment	152 278	124 575	9 731	7 962
Intangible assets	5 722	5 815	365	371
Total non-current assets	538 477	430 419	34 414	27 509
TOTAL ASSETS	722 712	618 148	46 189	39 507
LIABILITIES AND OWNERS' EQUITY				
Interest-bearing loans and borrowings	13 582	18 166	868	1 161
Trade payables and other payables	69 755	75 890	4 458	4 850
Tax liabilities	8 166	10 367	522	663
Inclusive income tax	724	620	46	39
Short-term provision	1 157	1 157	74	74
Deferred income	1 156	1 564	74	100
TOTAL CURRENT LIABILITIES	93 816	107 144	5 996	6 848
NON-CURRENT LIABILITIES	35 868	7 016	2 292	448
TOTAL LIABILITIES	129 684	114 160	8 288	7 296
Share capital	168 000	168 000	10 737	10 737
Paid-in capital over/under par	6 000	6 000	384	384
Restricted reserves	230 194	149 760	14 712	9 571
Retained earnings	166 141	156 770	10 618	10 020
TOTAL OWNERS' EQUITY	570 335	480 530	36 451	30 712
Minority interests	22 693	23 458	1 450	1 499
TOTAL EQUITY	593 028	503 988	37 901	32 211
TOT.LIABILIT.AND OWNERS' EQUITY	722 712	618 148	46 189	39 507

INCOME STATEMENT, 1-3/2010

consolidated, unaudited

In thousand	EEK		EUR	
	2010	2009	2010	2009
Group				
NET SALES	134 112	181 769	8 571	11 617
Cost of goods sold	-115 937	-156 999	-7 409	-10 034
Gross profit	18 175	24 770	1 162	1 583
Marketing expenses	-6 329	-7 644	-405	-489
Administrative expenses	-10 846	-10 925	-693	-698
Other revenue	298	316	19	20
Other expenses	-172	-132	-11	-8
Operating profit	1 126	6 385	72	408
Net financial incomes/expenses	8 091	4 454	517	285
Income from subsidiaries	-704	-7 545	-45	-482
Profit from normal operations	8 513	3 294	544	211
Corporate Income tax	-322	-607	-21	-39
Profit after taxes, incl	8 191	2 687	523	172
Minority interest	8 956	2 636	572	169
Net profit for the year	-765	51	-49	3
Basic and diluted earnings per share	0,53	0,16	0,03	0,01

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29.04.2010
AS HARJU ELEKTER
ANNOUNCEMENT

RESOLUTIONS OF AGM

Today, on 29 April 2010 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 75 shareholders and their authorised representatives who represented the total of 9,817,158 votes accounting for 58.44 % of the total votes.

The agenda of the general meeting was as follows:

1. Approval to AS Harju Elekter annual report of 2009;
2. Approval to profit distribution;
3. About planned placing of 2007

1. Approval to AS Harju Elekter annual report of the year 2009.

The general meeting resolved:

To approve the annual report of AS Harju Elekter of 2009, prepared by the management board and approved by the supervisory board, according to which the consolidated balance sheet total of AS Harju Elekter was 618,148 thousand kroons as of 31.12.2009, while the turnover of the financial year was 632,675 thousand kroons and net profit 19,226 thousand kroons.

The number of the votes given in favor of the resolution was 9,817,110 which accounted for 100.0 % of the voted participants.

2. Approval to profit distribution

The general meeting resolved:

To approve the profit distribution proposal of AS Harju Elekter of 2009 as presented by the management board and as approved by the supervisory board as follows:

retained profit from previous periods on 31.12.2009	137,544 thousand kroons
net profit of the financial year	19,226 thousand kroons
total retained profit on 31.12.2009	156,770 thousand kroons

Management board's proposal for the distribution of profit as follows:

dividends 0,80 kroons per share*	13,440 thousand kroons
Balance carried forward after profit distribution	143,330 thousand kroons

The dividends will be paid to the shareholders on 26 May 2010 by a transfer to the bank account of the shareholder. * the shareholders registered in the shareholders' registry on 13 May 2010 at 23.59 shall be entitled to dividend.

The number of the votes given in favor of the resolution was 9,764,766 which accounted for 99.47 % of the voted participants.

3. About planned placing of 2007

The general meeting resolved:

To deem the decision adopted on the basis of item 4 of the General Meeting of the Shareholders of AS Harju Elekter on 26.04.2007 to carry out planned placing in 2010 inexpedient and to declare the decisions made under this item invalid.

The number of the votes given in favor of the resolution was 9,731,703 which accounted for 99.13 % of the voted participants.

Andres Allikmäe
Chairman of the Board
Phone +372 674 7400

[TOP](#)

15.04.2010
AS HARJU ELEKTER
ANNUONCEMENT

HARJU ELEKTER AT HANNOVER MESSE

Harju Elekter will participate at Hannover Messe in Germany. Under the new motto "Efficiency - Innovation - Sustainability", this year exhibition - 19 to 23 April 2010 - will be showcasing innovations, new developments and technologies, alongside new materials from the world of industry. With its clear orientation towards energy, mobility and automation, as well as industrial subcontracting, Hannover Messe will again embrace the salient trends affecting every branch of industry.

Welcome to Estonian exposition in Hannover! See you in Hall 2; D65. For more information about exhibition and tickets, please visit official homepage of Hannover Messe in Internet: http://www.hannovermesse.de/homepage_e.

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08.04.2010
AS HARJU ELEKTER
ANNOUNCEMENT

AUDITED ANNUAL REPORT FOR 2009

The year 2009 audited annual report of AS Harju Elekter is available on the Internet homepage of NASDAQ OMX Tallinn <http://www.nasdaqomxbaltic.com/market/> and on the company's homepage <http://www.harjuelekter.ee/index.php?page=166&>

Andres Allikmäe
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07.04.2010
AS HARJU ELEKTER
ANNOUNCEMENT

AGENDA AND PROPOSALS TO AGM

Annual general meeting of Harju Elekter shareholders will be held on 29 April 2010, beginning at 10:00 a.m., at venue of Keila Kultuurikeskus (address: Keskväljak 12, Keila).

The Supervisory Board of the Joint Stock Company Harju Elekter determined the following agenda of the general meeting:

1. Approval to AS Harju Elekter annual report of the year 2009.

To approve the annual report of AS Harju Elekter of 2009, prepared by the management board and approved by the supervisory board, according to which the consolidated balance sheet total of AS Harju Elekter was 618,148 thousand kroons as of 31.12.2009, while the turnover of the financial year was 632,675 thousand kroons and net profit 19,226 thousand kroons.

2. Approval to profit distribution.

To approve the profit distribution proposal of AS Harju Elekter of 2009 as presented by the management board and as approved by the supervisory board as follows:

retained profit from previous periods on 31.12.2009	137,544 thousand kroons
net profit of the financial year	19,226 thousand kroons
total retained profit on 31.12.2009	156,770 thousand kroons

Management board's proposal for the distribution of profit as follows:

dividends 0,80 kroons per share*	13,440 thousand kroons
Balance carried forward after profit distribution	143,330 thousand kroons

The dividends will be paid to the shareholders on 26 May 2010 by a transfer to the bank account of the shareholder. * the shareholders registered in the shareholders' registry on 13 May 2010 at 23.59 shall be entitled to dividend.

3. About planned placing of 2007

To deem the decision adopted on the basis of item 4 of the General Meeting of the Shareholders of AS Harju Elekter on 26.04.2007 to carry out planned placing in 2010 inexpedient and to declare the decisions made under this item invalid.

The annual report of 2009, agenda and proposals to the AGM of shareholders are available for preliminary examination in the Internet, company's home page or in Keila, 31 Paldiski Road. Questions about agenda items can be sent to the address yldkoosolek@he.ee. Questions, answers and the positions of the meeting, will be published on the website.

According to § 297 (5) of the Commercial Code, the list of shareholders entitled to vote at the meeting will be fixed at 23.59 on 22 April 2010. Registration of the participants starts on 29 April 2010 at 9 a.m. For the registration we ask you to take with you an identification document. A representative of

shareholder is requested to take with him/her a document certifying their right of representation or a valid copy of the commercial register card.

Andres Allikmäe
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26.02.2009
AS HARJU ELEKTER
FINANCIAL RESULTS

FINANCIAL RESULTS, 1-12/2009

Key figures	million EEK		million EUR	
	1-12/2009	1-12/2008	1-12/2009	1-12/2008
Sales revenue	632,7	871,6	40,4	55,7
EBITDA	50,3	69,0	3,2	4,4
EBIT	29,5	50,1	1,9	3,2
Net profit for the period	22,8	42,1	1,5	2,7
Incl equity holders of the Parent	20,4	38,6	1,3	2,5
EPS	1,20 EEK	2,29 EEK	0,08 EUR	0,15 EUR
At the end of the period				
Total assets	619,6	602,0	39,6	38,5
Owners' equity	481,7	397,2	30,8	25,4
Average number of employees on the current period			452	501
Number of employees at the end of the period			464	515

Regardless of the present economic situation, the financial results of the Group were as expected and the Group was profitable. The consolidated sales revenue of the Group in the fourth quarter was 158.4 million kroons (10.1 million euros), which was 22.6% less than the result of the comparable quarter. During the reporting period the Group sold its products and services 27.4% less, totally 632.7 million kroons (40.4 million euros). 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%. Real estate and income from other commercial activities together formed 10% of the consolidated sales revenue.

Of the Group's products and services, 36.8% (37.2%) were sold on the Estonian, 42.7% (44.8%) on the Finnish and 10.5% (11.3%) on the Lithuanian markets; to the other European markets - Latvia, Germany, Denmark and Portugal - a total of 3.7% (5.4%) were sold, which is approximately 24 million kroons (1.5 million euros) less than in the year before. In 2008, an order in the amount of 16.6 million kroons (1.1 million euros) to Poland was executed. In 2009, sales to the Polish market accounted to 1.2 million kroons (75,000 euros). 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 6.3% (1.3%) of products were sold. Sales by the Group outside the European Union increased by 29.0 million kroons (1.8 million euros), compensating for the drop in the volumes of sales into other European Union countries.

Primarily due to a decline on both the Estonian and Finnish markets the sales volume of the Estonian segment this year has declined by 23.9% and in Q4 the decline was smaller - 18.4%. The companies in the Lithuanian segment produced a strong Q4, in which the sales volume increased by as much as 11.7% compared to the comparable quarter. The sale of products and services to the Lithuanian market in Q4 was also 8.3% higher than in the same period of the previous year. A sale by Lithuanian companies to clients outside of the Group in 2009 was 106.5 million kroons (6.8 million euros), which was 16.8% less than in 2008. At the same time, during the accounting year the sales volume to the

Lithuanian market declined by one-third, which is compensated by the increasing of sales volumes to foreign markets. Recession reached Finland somewhat later than the Baltic States. The sales volume of the Finnish segment in the Q1 remained at the Q1 2008 level; however, in Q2, a decline in sales volume began to decrease, which deepened further in Q4 due to a decline in domestic demand in the Finnish market. Sale to the Finnish market fell by 40% in the accounting quarter and by 31% over 12 months.

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 -21.6% in Q4 and -26.5% in the year 2009. Compared to the sales revenue, the expenses of products and services sold dropped even more: by -28.2% in 12 months period and by -23.2% in the accounting quarter. The marketing and general administration expenses for the accounting quarter is, on average, 11.6% less than the indicators for the comparable period.

As at the balance day on 31 December, there were 464 people working in the Group, which is 51 people less than a year before. People left during the accounting period of their own accord, due to retirement or as a result of redundancy. In the fourth quarter, there was an average of 445 people working in the Group (Q4 2008: 503), included 286 (327) employees in Estonia, 78 (88) employees in Lithuania and 81 (88) employees in Finland. The annual average number of employees was 452 (501). All labour cost in Q4 2009 were 39.1 million kroons (2.5 million euros), which was 13.4% less than in the comparable period. Labour expenses in the 12 months dropped by over 14% to 147.6 million kroons (9.4 million euros). Spending on wages and salaries decreased by more than 16.1% to 27.9 million kroons (1.8 million euros) in the Q4 2009. Salaries, bonuses and termination payments of the twelve months amounted to 114.3 million kroons (7.3 million euros) and 132.4 million kroons (8.5 million euros) in the compared period.

Business activity of the Group in Q4 was profitable - the operating profit was 7.2 million kroons (0.46 million euros), decreased more than 38% compared to the Q4 2008. The operating margin was 4.6% (5.7%). Depreciation of fixed assets in Q4 was 5.1 million kroons or 0.33 million euros (during the comparable period, 4.5 million kroons or 0.30 million euros), EBITDA was 12.4 million kroons (0.79 million euros), which is 25% less than in the comparable period. EBITDA was 7.8%, which is 0.3 percentage points better than the figure for the comparable period.

The operating profit for the 12 months was 29.5 million kroons or 1.88 million euros (50.1 million kroons or 3.20 million euros during the comparable period), with the operating profit margin for the account period at 4.7% (5.7%). Depreciation of fixed assets amounted to 19.9 million kroons (1.28 million euros) and 18.9 million kroons (1.21 million euros) during the comparable period. EBITDA was 7.8% (7.9%).

The consolidated net profit of the Q4 2009 was 5.7 million kroons or 0.36 million euros (in Q4 2008: 2.6 million kroons or 0.17 million euros), of which the share of the owners of the parent company was 5.0 million kroons or 0.32 million euros (in Q4 2008: 1.1 million kroons or 0.07 million euros). The net profit margin on the turnover was 3.6%, which is 2.3 percentage points better than the figure for the comparable period. EPS of the reporting period was 0.30 kroons or 0.02 euros (in Q4 2008: 0.07 kroons or 0.00 euros).

The consolidated net profit of 2009 was 22.8 million kroons or 1.46 million euros (in 2008: 42.1 million kroons or 2.69 million euros), of which the share of the owners of the parent company was 20.4 million kroons or 1.30 million euros (in 2008: 38.6 million kroons or 2.46 million euros). The net profit margin on the turnover came out at 3.6% (4.8%). EPS of the reporting period was 1.20 kroons or 0.08 euros (in 2008: 2.29 kroons or 0.15 euros).

In 2009 the Group invested 9.2 million kroons or 0.6 million euros in real estate (in 2008: 5.2 million kroons or 0.3 million euros), 16.3 million kroons (1.0 million euros) in tangible fixed assets and 30.9 million kroons (2.0 million euros) in the compared period and 3.8 million kroons or 0.2 million euros in tangible fixed assets (in 2008: 1.1 million kroons or 71 thousand euros).

During the year 2009 the liability of the Group decreased by 68.7 million kroons (4.4 million euros) to 114.5 million kroons (7.3 million euros). During the 12 months, the Group companies repaid a total of

16.3 million kroons (1.04 million euros) of the long-term loan and the short-term loan in the amount of 14.9 million kroons (0.95 million euros) along with the kapital lease in the amount of 2.1 million kroons, i.e. 137,000 euros. Interest-bearing debt obligations declined on the balance sheet by a total of 33.2 million kroons (2.1 million euros) to 25.2 million kroons (1.6 million euros).

The cash flow from operations amounted to 77.5 million kroons, i.e. 5.0 million euros (45.0 million kroons, i.e. 2.9 million euros in the comparable period). The cash flow from investments was a negative 14.4 million kroons, i.e. 917,000 euros (in the accounting period 12.9 million kroons i.e. 825,000 euros). In financing activity, 50.7 million kroons or 3.2 million euros in cash was disbursed (34.9 million kroons or 2.2 million euros during the comparable period). In 2009 cash and cash equivalents increased by 12.4 million kroons (790,000 euros) up to 35.6 million kroons (2.3 million euros) and decreased by 2.8 million kroons (181,000 euros) to the 23.4 million kroons (1.5 million euros) during the comparable period.

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For more information: Internal report 1-12/2009 of Harju Elekter and Mrs. Karin Padjus, Member of the Board (phone +372 674 7403).

BALANCE SHEET 31.12.2009

consolidated, unaudited

in thousands	EEK		EUR	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
ASSETS				
Cash and cash equivalents	35 640	23 379	2 278	1 494
Trade receivables and other receivables	70 238	99 449	4 489	6 356
Prepayments	2 499	3 217	160	205
Inclusive income tax	1 137	47	73	3
Inventories	80 852	123 351	5 167	7 884
TOTAL CURRENT ASSETS	189 229	249 396	12 094	15 939
Investments in associates	9 681	17 907	619	1 144
Other long-term financial investments	153 172	74 323	9 789	4 750
Investment property	137 176	133 737	8 768	8 547
Property, plant and equipment	124 575	123 423	7 962	7 889
Intangible assets	5 815	3 201	371	205
Total non-current assets	430 419	352 591	27 509	22 535
TOTAL ASSETS	619 648	601 987	39 603	38 474
LIABILITIES AND OWNERS' EQUITY				
Interest-bearing loans and borrowings	18 166	41 958	1 161	2 682
Trade payables and other payables	76 243	112 395	4 873	7 183
Tax liabilities	10 367	11 216	663	717
Inclusive income tax	620	1 551	40	99
Short-term provision	1 156	1 294	74	83
Deferred income	1 565	0	100	0
TOTAL CURRENT LIABILITIES	107 497	166 863	6 871	10 665
NON-CURRENT LIABILITIES	7 016	16 381	448	1 046
TOTAL LIABILITIES	114 513	183 244	7 319	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	149 760	69 746	9 571	4 457
Retained earnings	157 917	153 445	10 093	9 808
TOTAL OWNERS' EQUITY	481 677	397 191	30 785	25 386
Non-controlling interests	23 458	21 552	1 499	1 377
TOTAL EQUITY	505 135	418 743	32 284	26 763
TOT.LIABILIT.AND OWNERS' EQUITY	619 648	601 987	39 603	38 474

INCOME STATEMENT, 01.01.-31.12.2009

consolidated, unaudited

In thousand kroons (EEK)	Q4		12 months	
	2009	2008	2009	2008
Group	2009	2008	2009	2008
NET SALES	158 400	204 629	632 675	871 610
Cost of goods sold	-128 958	-167 808	-526 660	-733 467
Gross profit	29 442	36 821	106 015	138 143
Marketing expenses	-8 613	-11 410	-30 865	-38 785
Administrative expenses	-13 533	-13 573	-46 185	-48 758
Other revenue	1 972	62	3 010	324
Other expenses	-2 053	-285	-2 515	-860
Operating profit	7 215	11 615	29 460	50 064
Net financial incomes/expenses	-35	-555	7 956	8 694
Income from subsidiaries	-105	-7 811	-8 226	-4 068
Profit from normal operations	7 075	3 249	29 190	54 690
Corporate Income tax	-1 404	-656	-6 356	-12 629
Profit after taxes, incl attributable to:	5 671	2 593	22 834	42 061
Equity holders of the parent	4 977	1 115	20 373	38 551
Non-controlling interests	694	1 478	2 461	3 510
Basic earnings per share	0,30	0,07	1,21	2,29
Diluted earnings per share	0,29	0,07	1,21	2,29

In thousand euros (EUR)	Q4		12 months	
	2009	2008	2009	2008
Group	2009	2008	2009	2008
NET SALES	10 124	13 078	40 435	55 706
Cost of goods sold	-8 242	-10 725	-33 660	-46 877
Gross profit	1 882	2 353	6 775	8 829
Marketing expenses	-550	-730	-1 973	-2 479
Administrative expenses	-865	-867	-2 951	-3 117
Other revenue	126	4	192	21
Other expenses	-131	-18	-161	-55
Operating profit	462	742	1 882	3 199
Net financial incomes/expenses	-2	-35	508	556
Income from subsidiaries	-7	-499	-525	-260
Profit from normal operations	453	208	1 865	3 495

Corporate Income tax	-90	-42	-406	-807
Profit after taxes, incl attributable to:	363	166	1 459	2 688
Equity holders of the parent	319	72	1 302	2 464
Non-controlling interests	44	94	157	224
Basic earnings per share	0,02	0	0,08	0,15
Diluted earnings per share	0,02	0	0,08	0,15

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Financial manager
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25.01.2010
AS HARJU ELEKTER
ANNOUNCEMENT

PUBLICATION OF FINANCIAL REPORTS IN 2010

Harju Elekter informs you that in the year 2010, the consolidated financial results of AS Harju Elekter will be published as follows:

2009 4Q results	week 8
2010 1Q results	week 18
2010 2Q results	week 31
2010 3Q results	week 44

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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