

August 3, 2006, at 9.00 a.m. (EET)

**ALDATA SOLUTION INTERIM REPORT JANUARY – JUNE 2006  
(unaudited)**

**Summary of Aldata in April - June 2006 (compared to Q2 2005)**

The quarterly numbers are prepared according to the principals of International Financial Reporting Standards (IFRS).

- Net sales increased 16% to EUR 21.2 million (EUR 18.3 million).
- Gross profit increased 19% to EUR 17.9 million (EUR 15.0 million).
- Operating profit, EBIT, increased 75% to EUR 1.4 million (EUR 0.8 million).
- Profit before taxes was EUR 1.3 million (EUR 1.0 million).
- Net profit was EUR 0.5 million (EUR 0.7 million) and earnings per share, EPS, were 0.008 euros (0.010 EUR).
- Cash flow from operating activities was EUR 0.6 million (EUR -0.1 million) and cash and equivalents amounted to EUR 9.2 million at the end of June 2006 (EUR 4.0 million).
- The order backlog increased to EUR 22.2 million from EUR 21.1 million at the end of Q1 2006 and from EUR 19.5 million at the end of Q2 2005.

**Market overview**

In the first half of 2006 Aldata has seen strong demand for its solutions. In general, the market development signs for standard software packages for retailers and logistics companies have been mixed. The ongoing consolidation has changed the various vendors' market position and therefore it has been hard to see general trends in the market. However, with its strong organic growth, Aldata has further strengthened its market share, both in the retail and the logistics verticals.

**April – June 2006 financial performance**

The Group's net sales were EUR 21.2 million (EUR 18.3 million), which represents organic growth of 16% over the previous year's second quarter net sales. The business has developed very favourably in the G.O.L.D. SCM unit and the growth in the second quarter has been strongest in Asia and Latin America.

Product sales, which include licenses on standard products, licenses on customer specific developments and maintenance revenues, accounted for 51% (40%) of the total net sales. Consulting services accounted for 41% (53%) and third party licenses and hardware accounted for 8% (7%).

The Group's gross profit was EUR 17.9 million (EUR 15.0 million), which represents a 84% (82%) gross margin. The gross margin was back at normal levels after a drop in the first quarter of 2006 due to some exceptional factors.

Operating profit, EBIT, totaled EUR 1.4 million (EUR 0.8 million), which represents 6.6% operating margin (4.4%). Operating profit excluding expenses for option plans was EUR 1.5 million (EUR 0.9 million). Pre-tax profit was EUR 1.3 million (EUR 1.0 million), net profit was EUR 0.5 million (EUR 0.7 million) and earnings per share, EPS, were 0.008 euros (0.010 euros).

Research and developments costs totaled EUR 3.4 million (EUR 2.6 million), of which EUR 0.3 million (EUR 0.1 million), or 7.4% (4.4%) were capitalized. The amortization on capitalized development costs was EUR 0.0 million (EUR 0.0 million).

Taxes were EUR 0.8 million (EUR 0.3 million) and the tax rate was 58% (31%). The tax rate was exceptionally high in the second quarter. For the full year 2006 Aldata expects a significantly lower tax-rate than in the second quarter.

Aldata's reported order backlog includes product and third party product sales, which will be recognized as revenues during the following twelve months. In spite of the growth in net sales in the second quarter, Aldata ended the quarter with a record high order backlog. At end of June 2006 the order backlog was EUR 22.2 million (EUR 19.5 million at the end of June 2005 and EUR 21.1 million at the end of March 2006). The strong order backlog gives Aldata good visibility for the second half of 2006 and onwards.

## **Business units**

Net sales of the Supply Chain Management (SCM) Software business unit grew by 19% to EUR 18.2 million (EUR 15.2 million). The gross profit was EUR 15.6 million (EUR 12.5 million) and the operating profit, EBIT, was EUR 1.7 million (EUR 1.5 million).

Net sales of the In-Store Software business unit was EUR 3.0 million (EUR 3.0 million). The gross profit was 2.3 million (EUR 2.4 million) and the operating profit, EBIT, was EUR 0.2 million (EUR 0.1 million).

There were no internal sales between the Group's business segments. The unallocated costs decreased the Group's operating profit, EBIT, with EUR 0.5 million (EUR 0.8 million).

## **January – June 2006 financial performance**

The Group's net sales were EUR 43.6 million (EUR 34.4 million), which represents organic growth of 27% over the previous year's first half. Product sales, which include licenses on standard products, licenses on customer specific developments and maintenance revenues, accounted for 48% (41%) of the total net sales. Consulting services accounted for 44% (51%) and third party licenses and hardware accounted for 8% (8%).

The Group's gross profit was EUR 35.1 million (EUR 28.1 million), which represents an 80% (82%) gross margin. Operating profit, EBIT, totaled EUR 2.8 million (EUR 1.0 million), which represents 6.4% operating margin (2.8%). Operating profit excluding expenses for option plans was EUR 3.2 million (EUR 1.2 million). Pre-tax profit was EUR 2.7 million (EUR 1.3 million), net profit was EUR 1.3 million (EUR 0.8 million) and earnings per share, EPS, were 0.019 euros (0.012 euros).

Research and developments totaled EUR 6.7 million (EUR 5.5 million), of which EUR 0.4 million, or 5.4%, were capitalized. The amortization on capitalized development costs was EUR 0.1 million (EUR 0.0 million).

Taxes were EUR 1.3 million (EUR 0.4 million) and the tax rate was 49% (34%).

### **Finance and investments**

Cash flow from operating activities was in the second quarter EUR 0.6 million (EUR -0.1 million) and net cash flow was EUR 0.2 million (EUR -0.4 million). In the first half the cash flow from operating activities was EUR 0.1 million (EUR -1.4 million) and the net cash flow was EUR -0.4 million (EUR -2.2 million).

At the end of June 2006, Aldata Group's cash, cash equivalents and marketable securities amounted to EUR 9.2 million (EUR 4.0 million) and the balance sheet total stood at EUR 50.4 million (EUR 40.3 million). The Group had no interest-bearing debt (0.0 million) and interest-bearing net liabilities totaled EUR -8.6 million (EUR -3.4 million). Short-term receivables totaled EUR 28.2 million (EUR 24.7 million). The Group's solvency ratio was 55.4% (57.9%), gearing was -31.8% (-14.9%), and shareholders' equity per share was 0.019 EUR (0.012 EUR).

The Group's capital expenditure on hardware and software purchases amounted to EUR 0.9 million (EUR 0.9 million).

### **Research and Development**

Aldata's research and development costs in the first half of 2006 were 6.7 million (EUR 5.5 million) and made up 15.4 percent (16.0%) of net sales. A total of EUR 0.4 million (EUR 0.3 million) of development costs were capitalized during the period. The amortization on capitalized development costs was EUR 0.1 million (EUR 0.0 million).

At the end of the review period 220 (196) employees were involved in R&D activities. This represents 36% of the Group's total personnel. Aldata's R&D centers are located in Paris, France, and in Vantaa, Finland.

### **Personnel**

Aldata Group employed 611 (538) persons at the end of June 2006 and on average had 603 (530) employees during the period. The personnel growth rate was 18% in the Supply Chain Management Software business unit and 2% in the In-Store Software business unit.

By Business Units	Jun 30, 2006		Jun 30, 2005	
	Persons	%	Persons	%
SCM Software	502	82	427	79
In-Store Software	98	16	97	18
Group administration	11	2	14	3
Total	611	100	538	100

Approximately 55% of personnel were employed by Aldata companies in France, 13% in Finland, 13% in Germany, 7% in Sweden, 5% in the US, 4% in Slovenia, and 3% in the UK.

## **Share performance, foreign ownership and changes in ownership**

The highest price of the Aldata Solution Oyj share during January – June 2006 was 2.83 EUR and the lowest price 1.79 EUR. The average price was 2.21 EUR and the closing price 2.15 EUR. The trading volume on the Helsinki Stock Exchange was EUR 31.0 million and altogether 14 million shares were traded, which represents 20.8% of the shares. Aldata Solution Oyj has 67.4 million shares outstanding. The number of shares outstanding has remained unchanged during the period.

The number of shareholders was 5631 and the free float was 99.8% of the share capital at the end of June 2006. A total of 56.6% of Aldata Solution Oyj's shares were owned by foreign investors at the end of the period.

## **Increase in share capital**

The Board of Directors of Aldata Solution Oyj decided in its meeting held on 21 June 2006 upon directed share issue pursuant to the authorization granted to it by the Annual General Meeting of Shareholders' held on 6 April 2006. In accordance with the resolution it was accepted and resolved to realize the increase of share capital by a directed share issue of 591.953 shares. The total number of shares after the increase is 68.025,895. The number of shares emitted in the connection with the share capital increase represents approximately 0.87% of the entire share capital. The emitted shares have been traded since 7 July 2006.

The new shares were used as means of payment in the share swap in which Aldata Solution Oyj acquired 24.141 shares (approximately 2.7% of the shares of Aldata Solution SA) of its subsidiary Aldata Solution SA from O.I. Synform Actionnariat. The price of the shares acquired is EUR 1.148,387.37. O.I. Synform Actionnariat is the personnel fund of Aldata Solution SA and will own approximately 0.87% of the shares of Aldata Solution Oyj after the transaction. Aldata Solution Oyj will own 100% of the shares of Aldata Solution SA after the transaction.

## **Outlook for 2006**

Aldata expects for the full year 2006 strong growth in net sales and increased profitability compared to the previous year. Aldata's revenues and profitability are significantly higher in the last quarter than in the first three quarters. This is expected also for the current year.

Despite mixed general market development signals in the application software sector, Aldata has seen a very healthy demand for its solutions during the whole of 2006. The company expects the strong demand for its products to continue. Also, Aldata's plans for growth are supported by large multi-year projects, new customers won during the first half of 2006, new products and an increased presence in Asia, Latin-America, Middle-East and the US. The record-high order backlog at the end of the first half gives further confidence for a strong financial performance in the second half.

The increase in profitability is supported by Aldata's business model, where substantial economies of scale are realized as the company's net sales increase.

Helsinki, August 3, 2006

Aldata Solution Oyj  
Board of Directors

**Further information:**

Aldata Solution Oyj, René Homeyer, President and CEO, tel. +33 683 810 888

Aldata Solution Oyj, Thomas Hoyer, CFO, tel. +358 45 670 0491

Aldata will arrange a press conference for media and financial analysts in Helsinki on 3<sup>rd</sup> August, at 12.00 (EET) in Hotel Simonkenttä (Simonkatu 9, 00100 Helsinki) in the Espo cabinet on the ground floor.

The presentation material will be published on the Group's web site [www.aldata-solution.com](http://www.aldata-solution.com)

**Aldata in brief**

*Aldata Solution is one of the global leaders in supply chain execution software for retail, wholesale and logistics companies. The company's comprehensive range of Supply Chain Management and In-Store solutions enable its more than 300 customers across 50 countries to enhance productivity, profitability, performance and competitiveness. Aldata develops and supports its software through more than 600 Aldata professionals and a global partner network. Aldata is a public company quoted on the Helsinki Stock Exchange with the identifier ALD1V. More information at: [www.aldata-solution.com](http://www.aldata-solution.com).*

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## APPENDIX 1

INCOME STATEMENT	MEUR	MEUR	Change %	MEUR
	Jan-Jun /2006	Jan-Jun/ 2005		Total 2005
Net sales	43,6	34,4	26,5	76,0
Other operating income	0,3	0,4	-36,7	0,7
Operating expenses	-40,5	-33,4	-21,4	-70,3
Depreciations and impairments	-0,6	-0,6	-0,6	-1,1
Operating profit	2,8	1,0	192,2	5,2
Financial items	-0,1	0,3	-133,8	0,3
Profit before taxes	2,7	1,3	112,0	5,5
Income taxes	-1,3	-0,4	-204,6	-2,0
Minority interest	-0,1	0,0	-2576,9	-0,1
Profit for the financial period	1,3	0,8	53,6	3,4
Earnings per share, EUR	0,019	0,012		0,050
Earnings per share, EUR (EPS), adjusted for dilution effect	0,019	0,012		0,050

## APPENDIX 2

BALANCE SHEET	MEUR	MEUR	MEUR
	30 Jun 2006	30 Jun 2005	31 Dec 2005
ASSETS			
NON-CURRENT ASSETS			
Goodwill	8,5	8,4	8,5
Capitalized development cost	1,2	0,7	0,9
Intangible assets	0,1	0,2	0,1
Tangible assets	1,6	1,5	1,7
Investments	0,0	0,0	0,0
Other long-term assets	0,6	0,4	0,4
Deferred tax assets	0,4	0,2	0,5
NON-CURRENT ASSETS TOTAL	12,4	11,5	12,1
CURRENT ASSETS			
Inventories	0,5	0,1	0,1
Short-term receivables	28,2	24,7	26,9
Cash and cash equivalents	9,2	4,0	9,4
CURRENT ASSETS TOTAL	38,0	28,8	36,4
ASSETS TOTAL	50,4	40,3	48,5
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	26,8	22,3	25,1
Minority interest	0,5	0,3	0,4
Long-term loans	1,9	1,7	1,9
Short-term loans	21,2	16,1	21,2
EQUITY AND LIABILITIES TOTAL	50,4	40,3	48,5

APPENDIX 3

STATEMENT OF CHANGES IN EQUITY

TEUR	Share capital	Share premium fund	Translation difference	Retained earnings	Total
EQUITY 01.01.2005	674	17 002	126	3 559	21 361
Translation difference	0	0	-201	0	-201
Result of the financial year	0	0	0	3 401	3 401
Total	0	0	-201	3 401	3 200
Share based payments recognised against equity	0	0	0	516	516
EQUITY 31.12.2005	674	17 002	-75	7 476	25 078
Translation difference	0	0	50	0	50
Result of the financial year	0	0	0	1 270	1 270
Total	0	0	50	1 270	1 320
Share based payments recognised against equity	0	0	0	377	377
EQUITY 30.06.2006	674	17 002	-24	9 123	26 775

APPENDIX 4

CASH FLOW STATEMENT

	MEUR Jan-Jun 2006	MEUR Jan-Jun 2005	MEUR Jan-Dec 2005
Cash flow from operating activities	0,7	-1,5	4,5
Cash flow from investing activities	-0,8	-0,9	-1,5
Cash flow before financing activities	-0,1	-2,4	3,0
Cash flow from financing activities	-0,1	-0,2	-0,1
Net cash flow, total	-0,2	-2,6	2,9

## APPENDIX 5

COMMITMENTS AND CONTINGENCIES	MEUR		MEUR
	30 Jun 2006	30 Jun 2005	1 Dec 2005
Mortgages	5,4	5,4	5,4
Leasing liabilities	13,9	8,3	8,6
Guarantees on behalf of company debt	0,2	0,2	0,2
Guarantees on behalf of others	0,0	0,0	0,0

## APPENDIX 6

KEY FIGURES, MEUR	Jan-Jun	Jan-Jun	Total 2005
	/2006	/2005	
Scope of Operations			
Net sales, MEUR	43,6	34,4	76,0
Average number of personnel	603	530	547
Profitability			
Operating profit, MEUR	2,8	1,0	5,2
Operating profit, % of net sales	6,4	2,8	6,9
Profit before taxes and minority interest, MEUR	2,7	1,3	5,5
Profit before taxes and minority interest, % of net sales	6,2	3,7	7,3
Return on equity, % (ROE)	10,3	7,5	14,9
Return on investment, % (ROI)	22,1	12,5	23,5
Financial Standing			
Quick ratio	1,8	1,8	1,7
Current ratio	1,8	1,8	1,7
Equity ratio, %	55,4	57,9	54,1
Interest-bearing net debt, MEUR	-8,6	-3,4	-8,7
Gearing, %	-31,8	-14,9	-34,4
Per Share Data			
Earnings per share, EUR (EPS)	0,019	0,012	0,050
Earnings per share, EUR (EPS), adjusted for dilution effect	0,019	0,012	0,050
Shareholders' equity per share, EUR	0,397	0,330	0,372

## APPENDIX 7

## SEGMENT INFORMATION, MEUR

BUSINESS SEGMENTS	Jan- Jun/2006	Jan- Jun/2005	Jan- Dec/2005
Net sales to external customer			
Supply Chain Management			
Software	37,1	28,0	64,1
In-Store Software	6,5	6,5	11,9
Total	43,6	34,4	76,0
Operating result, continuing operations			
Supply Chain Management			
Software	3,1	1,4	7,1
In-Store Software	0,6	0,5	0,0
Total	3,7	1,9	7,0
Unallocated items	-0,9	-0,9	-1,8
Operating profit	2,8	1,0	5,2
Financial income and expenses	-0,1	0,3	0,3
Result before taxes and minority interest	2,7	1,3	5,5
Taxes	-1,3	-0,4	-2,0
Minority interest	-0,1	0,0	-0,1
Result from continuing operations	1,3	0,8	3,4
Result for the financial period	1,3	0,8	3,4

## APPENDIX 8

INCOME STATEMENT	MEUR	MEUR	MEUR	MEUR	MEUR
quarterly figures	Q2/2006	Q1/2006	Q4/2005	Q3/2005	Q2/2005
Net sales	21,2	22,4	21,6	19,9	18,3
Other operating income	0,1	0,2	0,3	0,0	0,1
Operating expenses	-19,6	-20,8	-19,0	-18,0	-17,3
Depreciations and impairments	-0,3	-0,3	-0,2	-0,3	-0,3
Operating profit	1,4	1,4	2,6	1,6	0,8
Financial items	-0,1	0,0	0,0	0,0	0,2
Profit before taxes	1,3	1,3	2,6	1,7	1,0
Income taxes	-0,8	-0,5	-0,6	-0,9	-0,3
Minority interest	0,0	0,0	0,0	-0,1	0,0
Profit for the financial peric	0,5	0,8	1,9	0,7	0,7
INCOME STATEMENT	MEUR	MEUR	MEUR	MEUR	MEUR
cumulative	1-6/2006	1-3/2006	1-12/2005	1-9/2005	1-6/2005
Net sales	43,6	22,4	76,0	54,4	34,4
Other operating income	0,3	0,2	0,7	0,4	0,4
Operating expenses	-40,5	-20,8	-70,6	-51,6	-33,5
Depreciations and impairments	-0,6	-0,3	-1,1	-0,9	-0,6
Operating profit	2,8	1,4	5,2	2,6	1,0
Financial items	-0,1	0,0	0,3	0,3	0,3
Profit before taxes	2,7	1,3	5,5	2,9	1,3
Income taxes	-1,3	-0,5	-2,0	-1,4	-0,4
Minority interest	-0,1	0,0	-0,1	-0,1	0,0
Profit for the financial peric	1,3	0,8	3,4	1,5	0,8
BALANCE SHEET	MEUR	MEUR	MEUR	MEUR	MEUR
	30.6.06	31.3.06	31.12.05	30.9.05	30.6.05
ASSETS					
NON-CURRENT ASSETS					
Goodwill	8,5	8,5	8,5	8,5	8,4
Capitalized development cost	1,2	1,0	0,9	0,9	0,7
Intangible assets	0,1	0,1	0,1	0,2	0,2
Tangible assets	1,6	1,7	1,7	1,6	1,5
Investments	0,0	0,0	0,0	0,0	0,0
Other long-term assets	0,6	0,5	0,4	0,4	0,4
Deferred tax assets	0,4	0,4	0,5	0,2	0,2
NON-CURRENT ASSETS TOTAL	12,4	12,3	12,1	11,8	11,5
CURRENT ASSETS					
Inventories	0,5	0,2	0,1	0,1	0,1
Short-term receivables	28,2	31,0	26,9	27,0	24,7
Cash and cash equivalents	9,2	9,0	9,4	5,2	4,0
CURRENT ASSETS TOTAL	38,0	40,3	36,4	32,3	28,8
ASSETS TOTAL	50,4	52,6	48,5	44,1	40,3
SHAREHOLDERS' EQUITY AND					
LIABILITIES					
Shareholders' equity	26,8	26,1	25,1	23,1	22,3
Minority interest	0,5	0,4	0,4	0,3	0,3
Non-current liabilities	1,9	2,1	1,9	1,6	1,7
Current liabilities	21,2	24,0	21,2	19,1	16,1
EQUITY AND LIABILITIES TOTAL	50,4	52,6	48,5	44,1	40,3

## APPENDIX 9

KEY FIGURES, MEUR quarterly figures	Q2/2006	Q1/2006	Q4/2005	Q3/2005	Q2/2005
Scope of Operations					
Net sales, MEUR	21,2	22,4	21,6	19,9	18,3
Average number of personnel	603	595	547	538	530
Profitability					
Operating profit , MEUR	1,4	1,4	2,6	1,6	0,8
Operating profit, % of net sales	6,6	6,2	12,2	8,2	4,4
Profit before taxes and minority interest, MEUR	1,3	1,3	2,6	1,7	1,0
Profit before taxes and minority interest, % of net sales	6,3	6,0	12,0	8,3	5,4
Return on equity, % (ROE)	10,3	12,3	14,9	9,2	7,5
Return on investment, % (ROI)	22,1	22,0	23,5	17,9	12,5
Financial Standing					
Quick ratio	1,8	1,7	1,7	1,7	1,8
Current ratio	1,8	1,7	1,7	1,7	1,8
Equity ratio, %	55,4	52,0	54,1	54,9	57,9
Interest-bearing net debt, MEUR	-8,6	-8,4	-8,7	-4,5	-3,4
Gearing, %	-31,8	-31,7	-34,4	-19,1	-14,9
Per Share Data					
Earnings per share, EUR (EPS)	0,019	0,011	0,050	0,022	0,012
Earnings per share, EUR (EPS), adjusted for dilution effect	0,019	0,011	0,050	0,022	0,012
Shareholders' equity per share, EUR	0,397	0,386	0,372	0,342	0,330