

G.W. SOHLBERG CORPORATION

Report by the Board of Directors and
Financial Statements 31.12.2009

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G.W. SOHLBERG CORPORATION

CONTENTS

	Page
Report by the Board of Directors	1-6
Financial Statements	
Consolidated Source and Application of Funds	1
Parent Company Source and Application of Funds	2
Consolidated Income Statement	3
Consolidated Balance Sheet	4-5
Notes to Consolidated Income Statement and Balance Sheet	6-16
Parent Company Income Statement	17
Parent Company Balance Sheet	18-19
Notes to Parent Company Income Statement and Balance Sheet	20-26
Signatures of Members of the Board of Directors and Chief Executive	27
Signatures of Auditors	28
List of Accounting Books Used and Storage Practice	29

Report by the G.W. Sohlberg Corporation's Board of Directors for 2009

2009 was the G.W. Sohlberg Corporation's 101st financial year and 134th year of operations.

Group Structure

The Group's stake in the associated company, the Glaston Corporation, remained the same throughout the year at 33.1 per cent. GWS Staff Oy, a provider of personnel hiring and recruitment services, is a subsidiary, owned 69.12 per cent by the parent company, the G.W. Sohlberg Corporation. The Group's stake in the company rose by some 1.5 percentage points during the accounting period.

GWS Staff Oy acquired the entire shareholding of the staff training company, Taitoprofiilit Oy, in a deal completed on 1 June 2009. Taitoprofiilit Oy has been included in the consolidated accounts from 1 July 2009.

The Group's stake in Detection Technology, Inc. was raised through a conversion of a capital loan into equity, and stood at 86.13 per cent at the end of the year (previous year 79.39%).

The real-estate company, Kiinteistö Oy Punamullantie 2, was wound up through voluntary liquidation during the accounting period. The winding up had no effect on the Group's result.

The Group's parent company, the G.W. Sohlberg Corporation, has operated as a provider of central services to the Group.

Turnover

Consolidated turnover amounted to EUR 81.1 million (EUR 61.2m). Turnover rose by EUR 19.9 million, or 32.5 per cent, on the previous year (growth for the previous year was 518.2 per cent). The turnover of the Detection Technology Group (DT) for 2008 and the half-year share of the GWS Staff Group's turnover have been reported as year-on-year turnover, which means the figures for turnover are not comparable.

Direct exports and overseas operations together accounted for EUR 7.3 million (EUR 9.9m), or 8.9 per cent (16.2%) of consolidated turnover.

The Financial Position and Result

The Group's financial result from operations was clearly short of set targets. Loss before extraordinary items amounted to EUR -30.4 million (EUR -9.7m) and net loss for the year came to EUR -29.0 million (EUR -7.3m). The result was especially weakened by the heavy loss-making result of Glaston and the poorer than planned performance of the two subsidiaries.

The GWS Staff Group's result, including its subsidiaries, came to EUR -3.8 million (EUR -0.9m). The personnel service market declined at the end of 2008 and the trend continued

throughout 2009. The result from operations was also adversely affected by goodwill amortisation of EUR 4.2m arising from corporate restructuring and substantially increased financial expenditure.

The operating result of the Detection Technology Group, including its subsidiaries, showed a loss of EUR -2.9 million (EUR -0.7m). Operating loss increased substantially on comparable figures for the previous year. Personal and goods security screening markets collapsed rapidly at the beginning of 2009, causing a considerable drop in turnover for the company. The company adjusted its operations, but cost-savings did not completely compensate for lost sales margins. The result from operations was also adversely affected by unrealised foreign exchange losses of EUR 0.3 million (previous year EUR 0.7m).

The share of the result of the Glaston Corporation for the accounting period 2009 was EUR -20.5 million (EUR -5.6m).

The Group's return on equity (ROE) was -43.1 per cent (-11.8%) and return on investment (ROI) -17.6 per cent (-4.2%).

The Key Figures showing the Group's financial position for the last three years is presented in the notes to the consolidated financial statements.

Investments

The revision of strategy and the positive cash-flow target for the subsidiaries continued to limit industrial investment to a minimum. Group industrial investment in machinery and equipment and in other long-term expenditure amounted to EUR 0.3 million (EUR 0.8m), mainly focused on the GWS Staff Group.

Detection Technology, Inc.'s product development costs were fully recognised in terms of their effect on profit. The unamortized expenditure residue on product development costs on the balance sheet, capitalised in previous years, amounts to EUR 0.3 million (EUR 0.6m).

The value of the shares in the associated company, the Glaston Corporation, presented in the balance sheet is EUR 61.3 million (EUR 83.2m) including unamortized goodwill of EUR 36.3 million (EUR 38.8m).

Detection Technology, Inc. and GWS Staff Oy are included in the consolidated financial statements as subsidiaries. The consolidated balance sheet contains unamortized group goodwill of EUR 34.1 million (EUR 34.7m) related to the acquisitions.

Financing

Consolidated liabilities amounted to EUR 94.2 million (EUR 99.9m), of which EUR 78.6 million (EUR 84.4m) was interest-bearing. At the same time the Group held liquid assets of EUR 7.9 million (EUR 15.8m), so that consolidated interest-bearing net debt was EUR 70.7 million (EUR 68.6m).

The Group has capital loans amounting to EUR 2.2 million (EUR 1.9m). Of this figure EUR 1.9 million was raised in the name of the Detection Technology Group and EUR 0.3

million in the name of the GWS Staff Oy. An itemised list of lenders and terms and conditions of the loans is presented in the notes to the consolidated financial statements.

The consolidated ratio of shareholders' equity to the balance sheet total, i.e. the equity ratio, was 37.2 per cent (45.7%). The equity ratio, adjusted by capital loans, is 38.6 per cent (46.7%). Gearing rose to 127 per cent (81%).

The Parent Company's financing is affected by the dividends from its subsidiaries and associated companies. The Group's financial position was strengthened by the directed share issue of EUR 2.0 million, carried out at the end of the accounting period.

Staff

Group headcount numbered on average 336 (351). Decreases have been aimed at all Group companies.

During the accounting period a total of 12,409 people (17,783) have been employed on temporary contracts of varying lengths by GWS Staff Oy's subsidiary, Staffpoint Oy.

During the accounting period the GWS Group paid out wages, salaries and fees totalling EUR 58.1 million (EUR 41.8m).

Associated Companies

The associated company, the Glaston Corporation, together with its subsidiaries has been included in the consolidated financial statements using the equity accounting method. The share of the associated companies' profits has been presented in a separate row in the consolidated income statement and under shares in associated companies in the consolidated balance sheet.

The Glaston Group's turnover under IFRS amounted to EUR 151.8 million (EUR 270.4m). Turnover fell substantially due to the exceptionally low demand for glass-processing machinery caused by the recession. Comparable consolidated operating profit, not including non-recurring items, came to EUR -33.6 million (EUR 6.2m), representing -22.2 per cent (2.3%) of turnover. Consolidated operating profit was EUR -55.3 million (EUR -6.1m).

The Glaston Group's result for 2009 was adversely affected by non-recurring items, mainly comprising write-down losses on goodwill and intangible assets, recognition of expenditure incurred in combining business sectors and personnel costs booked to business measures initiated at the end of the year.

The GWS Group's revenue from dividends for 2009 from the Glaston Corporation came to EUR 1.3 million (EUR 2.6m).

Risk and Risk management

The major business risks and uncertainties for the GWS Group are in the business activities of the associated company and subsidiaries. The Group's financial position and profit-making capacity are also most affected by the success of its associated company and

subsidiaries. The Group has aimed to hedge business risk by focusing on a limited number of companies with good profitability and a leading position in their respective markets.

Glaston operates globally and changes in the world's economic trends have a direct impact on the company's business and its risks. Glaston's strategic risk above all lies in the introduction to the market of possible competitive machine technology connected with technological development, which would require substantial investments in product development by the company. Glaston's major operational risks include the management of major customer projects, the availability and price trends of raw materials and components, the management of the network of subcontractors and the availability and retention of a skilled staff.

Trends in the GWS Staff Group react quickly to trends in the overall economy. The use of flexible human resources also fluctuates in a more rapid manner. There is great uncertainty depending on how the overall economy fares during the following accounting period. The development and diversification of the service portfolio offered by the GWS Staff Group continue to constitute an overall risk and to occupy a most significant position from the standpoint of profitability.

Detection Technology as a growth company also entails high risk. The company's ability to react to overall economic trends, sales volumes and cost trends is restricted. The pressures on sale prices cannot always be compensated by better productivity. The risks on DT's balance sheet have been substantially written down in the financial statements for previous years.

Valuation of ownership items in relation to the GWS Group's balance sheet is assessed on an annual basis. Valuation in the consolidated balance sheet is not changed on the basis of calculations indicating the probable accumulation of profits in the future. The calculations are updated annually.

The Group's business activities entail financial risks, such as foreign exchange, interest rate and credit exposure. Group financing is centralised and financial risk is managed in accordance with the financial policy adopted by the Board of Directors. About one third of the Group's loan portfolio has been hedged by interest rate swaps. Other loans have largely been tied to 1, 3 and 6 month Euribor interest rates.

The tangible holdings of the Group's subsidiaries and the centralisation of operational activities and business liabilities have been covered by taking out sufficient business insurance cover.

Environmental Matters

Throughout all their processes the companies in the GWS Group strive toward maximum efficiencies and the anticipation and minimisation of environmental impacts arising from their operations.

The key processes in the Detection Technology Group are certified to ISO 14001 environmental certification standards.

Unification of Share Classes and Authorisations by General Meetings

The Extraordinary General Meeting of the G.W. Sohlberg Corporation, held on 10 November 2009, decided in accordance with the proposal of the Board of Directors to unify ordinary and preference shares into a single class of shares. Each ordinary share and similarly each preference share in the company was converted in the book-entry system into one new share, entitling the holder to one vote in a general meeting and to an equal right concerning the distributable funds of the company.

The unification of the classes of shares was implemented in November 2009 and did not require any action by shareholders. In this connection, the par value of a share was abolished.

The Extraordinary General Meeting authorised the Board of Directors to decide on the issue of new shares in the company in one or more tranches. The number of shares to be issued may not exceed 900,000 new shares on condition, however, that the total subscription price of the new shares to be issued may not exceed EUR 5,000,000. The authorisation entitles the Board of Directors to decide on all terms and conditions concerning the issuance of the shares. The authorisation is in force until the close of the next Annual General Meeting.

The Board of Directors of the G.W. Sohlberg Corporation has exercised the share issue authorisation, granted by the Extraordinary General Meeting of 10 November 2009, with the issuance of 274,000 new shares in a directed share issue, corresponding to 9.2 per cent of shares and votes. Approximately EUR 2.0 million of new capital was raised at a subscription price of EUR 7.15 per share. The new shares were registered with the trade register on 30 December 2009.

The share issue authorisation has not been exercised for 626,000 shares, corresponding to 17.4 per cent of shares and voting rights. The authorisation is restricted by the limit imposed on the total share subscription price, of which some EUR 3.0 million has not been exercised.

The essential terms and conditions and exercise of the share issue authorisation, decided on at the Extraordinary General Meeting of Detection Technology, Inc., held on 19 November 2009, are presented in the notes to the consolidated financial statements.

Prospects for 2010

There is expected to be a slight, moderate recovery in Glaston's markets during 2010. The recovery was already visible in the closing months of 2009 in Asia, particularly in China. Demand stayed at a high level in South America in 2009 and this positive trend is expected to continue. Demand for solar energy projects is also expected to develop favourably.

The main points of emphasis in the development of business activities in 2010 consist in improving profitability and concluding the adjustment measures, started in 2009. The cornerstones of the company continue to be the architectural glass segment and solar energy markets. Glaston will continue to purposefully consolidate its position in China and other parts of Asia.

On account of the efficiency measures carried out, Glaston starts the year 2010 on a firmer footing. Turnover for 2010 is expected to be at least at the level of 2009 and operating profit to improve considerably.

Detection Technology is focused on supplying x-ray detectors to meet the digital imaging requirements of healthcare and security equipment. Markets in the security sector are recovering from collapse and the company's order book for the first half-year is at a record level. The company forecasts it will grow in security markets due to a recovery in the sector and new customer bases. The price level of x-ray detectors used in the healthcare sector continues to drop, but volumes are increasing with digital imaging devices becoming more common in developing markets. Low unit costs constitute an essential requirement for growth in healthcare equipment markets.

Detection Technology, Inc. aims to increase its market share and to grow at a faster pace than surrounding markets by focusing on a comprehensive service for its key customers, cost-effectiveness and quality capabilities.

The personnel service activities of Staffpoint Oy, the subsidiary of the GWS Staff Group, are strongly affected by the overall trend in the economy. Following the precipitous drop in personnel service markets, the situation is expected to bottom out in the first half of 2010 and to turn to cautious growth towards the end of the year.

Taitoprofilit Oy's business activities are expected to continue their burgeoning growth in 2010 also and expansion to continue to include customers in the private sector as well. Trends in the market for the business activities focused on outsourcing are expected to continue to be more favourable than for traditional personnel services.

The codetermination negotiations carried out in the company, helped the GWS Staff Group to adapt to the sharp drop in demand and safeguard the companies' opportunities to succeed in the future.

The Board assumes that despite the reorganisations carried out and the recovery emerging in the real economy the GWS Group's result for the year 2010 will nevertheless show a loss.

The Board's Proposal for the Disposal of Earnings for the Year

The Board proposes that the Parent Company's net loss for the year amounting to EUR -1,485,853.07 should be entered as a decrease in distributable funds and that dividend should not be distributed.

The Parent Company's distributable funds amount to EUR 78,647k.

GWS GROUP

Source and Application of Funds

	EUR k	EUR k
	1.1. - 31.12.2009	1.1. - 31.12.2008
Cash flow from operations		
Operating profit/loss	-26 667	-7 134
Adjustments to operating profit/loss 1)	26 884	9 595
Change in working capital	3 354	-6 092
Interest and fees paid	-5 360	-5 215
Interest received	799	2 672
Tax	<u>-429</u>	<u>-475</u>
Net cash flow from operations	-1 419	-6 649
Cash flow from investments		
Investment in tangible and intangible assets	-1 557	-47 277
Income from disposal of tangible and intangible assets	443	3 133
Investment in other items	<u>1 313</u>	<u>3 073</u>
Net cash flow from investments	199	-41 071
Cash flow from financing		
Share issue against payment	1 959	5 806
Short-term loans raised	15 719	14 443
Short-term loans repaid	-8 299	-26 406
Long-term loans raised	309	21 365
Long-term loans repaid	-13 343	-12 174
Dividends paid	=	<u>-1 539</u>
Net cash flow from financing	-3 655	1 495
Change in liquid assets	-4 875	-46 225
Liquid assets 1.1.	<u>6 947</u>	<u>53 172</u>
Liquid assets 31.12.	2 072	6 947
Change in working capital		
Short-term operating receivables decrease(+)/increase(-)	2 588	-17 233
Inventories decrease(+)/increase(-)	604	-252
Short-term debt decrease(-)/increase(+)	<u>162</u>	<u>11 393</u>
	3 354	-6 092

1) Adjustments to operating profit/loss include depreciations, share of profit of associated companies and other non-liquid items.

G.W. SOHLBERG CORPORATION

Parent Company

Source and Application of Funds

	EUR k	EUR k
	1.1. - 31.12.2009	1.1. - 31.12.2008
Cash flow from operations		
Operating loss/profit	-41	-397
Adjustments to operating profit/loss	78	47
Change in working capital	1 260	197
Interest paid and payment for other business financial costs	-2 161	-3 665
Dividends received	641	1 282
Interest received	151	1 715
Tax paid/tax rebates	<u>-427</u>	<u>-414</u>
Net cash flow from operations	-499	-1 235
 Cash flow from investments		
Investments in tangible and intangible assets	-12	-255
Income from disposal of tangible and intangible assets	21	159
Investment in other items	-50	-12 242
Loans receivable/repaid	<u>2 026</u>	<u>-2 187</u>
Net cash flow from investments	1 985	-14 525
 Cash flow from financing		
Share issue against payment	1 959	-
Short-term loans raised	8 333	8 957
Short-term loans repaid	-7 290	-22 573
Long-term loans repaid	-9 278	-14 957
Dividends paid	-	<u>-1 539</u>
Net cash flow from financing	-6 276	-30 112
 Change in liquid assets	-4 790	-45 872
Liquid assets 1.1.	<u>6 610</u>	<u>52 482</u>
Liquid assets 31.12.	1 820	6 610
Change in working capital		
Short-term operating receivables decrease(+)/increase(-)	4 296	-4 981
Short-term debt increase(+)/decrease(-)	<u>-3 036</u>	<u>5 178</u>
	1 260	197

G.W. SOHLBERG CORPORATION

CONSOLIDATED INCOME STATEMENT

		1.1 - 31.12.2009	1.1 - 31.12.2008
		EUR k	EUR k
TURNOVER	1.1	81 119	61 200
Change in inventories of finished products and WIP		-49	-8
Share of associated companies' profits		-20 543	-5 581
Other operating income	1.2	1 901	1 969
Materials and services			
Materials, supplies and goods			
Purchases during accounting period		-2 307	-3 828
Change in inventories		-566	106
External services		<u>-568</u>	<u>-604</u>
Materials and services total		-3 441	-4 326
Staff expenditure			
Wages, salaries and fees		-58 088	-41 821
Staff social expenditure			
Pension costs		-10 389	-6 957
Other staff social expenditure		<u>-3 276</u>	<u>-2 446</u>
Staff social expenditure total	1.3	-71 753	-51 224
Depreciations and write-downs			
Depreciation according to plan		-4 198	-3 016
Group goodwill amortisation		<u>-1 846</u>	<u>-1 015</u>
Depreciations total	1.4	-6 044	-4 031
Other operating expenditure	1.5	-7 857	-5 133
OPERATING PROFIT/LOSS		-26 667	-7 134
Financial income and expenditure			
Long-term investment income from other companies		-	56
Other interest and financial income		764	2 616
Interest expenditure and other financial expenditure		<u>-4 535</u>	<u>-5 215</u>
Financial income and expenditure total		-3 771	-2 543
PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS		-30 438	-9 677
Extraordinary items			
Extraordinary income		-	<u>2 637</u>
Extraordinary items total	1.6	0	2 637
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAXES		-30 438	-7 040
Income tax	1.7	-447	-329
Tax from previous accounting periods		2	-122
Deferred tax		681	-24
Minority interest income		1 182	263
NET LOSS/PROFIT FOR THE YEAR		<u>-29 020</u>	<u>-7 252</u>

G.W. SOHLBERG CORPORATION

CONSOLIDATED BALANCE SHEET 31.12.		2009	2008
ASSETS		EUR k	EUR k
FIXED ASSETS			
Intangible assets			
Goodwill		9 980	12 246
Group goodwill		34 055	34 676
Other long-term expenditure		<u>882</u>	<u>1 339</u>
Intangible assets total	2.1	44 917	48 261
Tangible assets			
Land and installations		8 587	8 585
Buildings and constructions		7 946	7 884
Machinery and equipment		2 203	2 888
Advances and acquisitions in progress		-	<u>7</u>
Tangible assets total	2.1	18 736	19 364
Investments			
Share in associated companies		61 321	83 177
Other shares and holdings		<u>60</u>	<u>385</u>
Investments total	2.1	61 381	83 562
FIXED ASSETS TOTAL		125 034	151 187
INVENTORIES AND FINANCIAL ASSETS			
Inventories			
Materials and supplies		1 297	1 831
Work in progress		-	-
Other products/goods		-	<u>70</u>
Inventories total		1 297	1 901
Receivables			
Long-term			
Deferred taxes		1 267	81
Receivables			
Short-term			
Accounts receivable		11 275	11 357
Deferred taxes		-	507
Other receivables	2.2	6 604	9 597
Prepaid expenditure and accrued income	2.3	<u>3 479</u>	<u>3 170</u>
Short-term receivables total		21 358	24 631
Cash and bank accounts		2 072	6 947
INVENTORIES AND FINANCIAL ASSETS TOTAL		25 994	33 560
ASSETS TOTAL		<u>151 028</u>	<u>184 747</u>

G.W. SOHLBERG CORPORATION

CONSOLIDATED BALANCE SHEET 31.12.		2009	2008
LIABILITIES		EUR k	EUR k
SHAREHOLDERS' EQUITY			
Restricted equity			
Share capital	3.1	18 900	18 900
Other restricted equity	3.2	<u>1 649</u>	<u>1 649</u>
Restricted equity total		20 549	20 549
Unrestricted equity			
Invested unrestricted equity reserve		1 959	-
Accumulated profit from previous years		58 216	65 368
Net profit/loss for the year		<u>-29 020</u>	<u>-7 252</u>
Unrestricted equity total	3.3	31 155	58 116
SHAREHOLDERS' EQUITY TOTAL		51 704	78 665
MINORITY INTERESTS		4 110	5 543
COMPULSORY RESERVES			
Other compulsory reserves		<u>976</u>	<u>680</u>
COMPULSORY RESERVES TOTAL	3.4	976	680
LIABILITIES			
Long-term liabilities			
Capital loans	5.1	2 161	1 852
Loans from financial institutions		59 775	68 151
Accounts payable		-	13
Deferred tax liabilities	3.5	26	36
Other long-term liabilities	3.6	<u>868</u>	<u>587</u>
Long-term liabilities total		62 830	70 639
Short-term liabilities			
Loans from financial institutions		16 615	14 443
Advances received		990	419
Accounts payable		2 260	1 105
Other short-term liabilities	3.7	4 207	5 349
Accrued liabilities and prepaid income	3.8	<u>7 336</u>	<u>7 904</u>
Short-term liabilities total		31 408	29 220
LIABILITIES TOTAL		94 238	99 859
SHAREHOLDERS' EQUITY, MINORITY INTERESTS, RESERVES AND LIABILITIES TOTAL		<u>151 028</u>	<u>184 747</u>

**G.W. Sohlberg Corporation
Group**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**PREPARATION AND VALUATION PRINCIPLES AND COMPARABILITY OF
THE CONSOLIDATED FINANCIAL STATEMENTS**

**ACCOUNTING PRINCIPLES OF THE CONSOLIDATED FINANCIAL
STATEMENTS**

The consolidated financial statements include all Group and associated companies.

INTERNAL SHAREHOLDING

The consolidated financial statements have been drawn up using the acquisition accounting method.

The premium paid for the subsidiaries' shares in excess of shareholders' equity has been entered partly under fixed assets partly under Group goodwill. The items under fixed assets are amortized according to useful life. The amortization period for goodwill is 20 years.

INTRAGROUP BUSINESS TRANSACTIONS AND MARGINS

Intragroup business transactions, unrealised margins on intragroup deliveries, intragroup receivables and payables have been eliminated.

EXCHANGE RATE AND TRANSLATION DIFFERENCES

The income statements of the Group companies belonging to Detection Technology, Inc. (hereafter also DT) and GWS Staff Oy have been translated into euros using the average exchange rate for the accounting period and the balance sheets using the average exchange rate at balance sheet date.

Translation differences due to exchange rate differences arising in the elimination of cross shareholdings have been entered under unrestricted shareholders' equity.

ITEMS DENOMINATED IN FOREIGN CURRENCIES

Group companies' receivables and payables denominated in foreign currencies have been translated into euros using the exchange rate at balance sheet date.

CHANGES IN GROUP STRUCTURE

The Group's stake in GWS Staff Oy has risen to 69.12 per cent and in Detection Technology, Inc. to 86.13 per cent after the capital loan conversion carried out on 19.11.2009.

Kiinteistö Oy Punamullantie 2 has been wound up through voluntary liquidation. Otherwise the Group structure has remained the same.

COMPARABILITY OF INFORMATION FROM THE PREVIOUS ACCOUNTING PERIOD

The figures for GWS Staff Oy are included in the consolidated figures for 2008 for only six (6) months, which means that the income statement figures are not comparable.

ASSOCIATED COMPANIES

Associated companies together with their subsidiaries have been included using the equity accounting method.

THE GLASTON CORPORATION

The Group's stake in the Glaston Corporation has not changed during the accounting period. The value of the Group's stake of 33.10% at the share price of EUR 1.08 per share, quoted on the stock exchange closing day of the year, amounted to EUR 28.4 million.

GWS has owned the Glaston Corporation since 2001 and is a long-term owner committed to the company's development. The unamortized net balance of goodwill arising from the acquisition amounts to EUR 36.3 million. The amortization period for goodwill is 20 years.

The calculations, indicating the probable accumulations of profits in future years and updated by profit expectations made public by the Glaston Corporation, when compared to the acquisition cost of the shares do not give cause to change the amortization schedule for goodwill (Accounting Act §5:13)

INTANGIBLE AND TANGIBLE ASSETS

The balance sheet values of intangible and tangible assets are based on the original acquisition cost less depreciation according to plan. Depreciation according to plan has been calculated on a straight-line basis based on the useful economic life of a fixed asset.

CASH AND BANK ACCOUNTS

Cash and bank accounts include cash assets, bank accounts, deposits of under three months and other cash equivalent liquid assets.

DERIVATIVES

The company's derivatives comprise interest rate swaps.

In interest rate swaps the floating interest rate of the company's loans from financial institutions is exchanged for a fixed interest rate. The period of the interest rate swap has been set at one to five years and the interest rate is set at the date of contract.

PRESENTATION PRINCIPLE

The notes to the financial statements are presented in thousands of euros unless otherwise indicated.

NOTES TO INCOME STATEMENT **2009** **2008**

1. Turnover by business sector and market area

1.1. Turnover by business sector

X-ray detectors for security and medical imaging equipment	7 229	9 881
Temporary personnel and recruitment services	<u>73 890</u>	<u>51 319</u>
Total	81 119	61 200

Turnover by market area

Finland	73 861	51 287
Other Nordic countries	-	407
Other Europe	1 031	2 742
USA and Canada	1 745	1 954
Other countries	<u>4 482</u>	<u>4 810</u>
Total	81 119	61 200

1.2. Other operating income

Rental income	1 657	1 686
Capital gain on sale of fixed assets	-	17
Other, contributions etc.	<u>244</u>	<u>266</u>
Total	1 901	1 969

1.3. Notes to staff and other company officers

1.3.1. Average staff headcount

Wage earners	53	62
Salaried staff	<u>283</u>	<u>289</u>
Total	336	351

1.3.2. Total employees on temporary employment contracts of varying periods at GWS Staff

12 409 **17 783**

1.3.3. Board members and CEOs' salaries and fees paid

887 **821**

1.3.4. The retirement age for CEOs is 60-68 years.

1.4. Depreciation according to plan	<u>2009</u>	<u>2008</u>
Goodwill	2 528	926
Group goodwill	1 846	1 015
Other long-term expenditure	649	994
Buildings and constructions	369	382
Machinery and equipment	<u>652</u>	<u>714</u>
Depreciations total	6 044	4 031

Depreciation according to plan has been calculated from the original acquisition price on a straight-line basis based on useful economic life.

The periods for depreciation according to plan are as follows:

Goodwill	8-10 years
Group goodwill	20 years
Other long-term expenditure	2-10 years
Buildings	40 years
Constructions	10 years
Machinery and equipment	3-10 years
Machinery and equipment also 25% declining balance depreciation	

The amortisation period for Group goodwill of 20 years is based on strong, long-term customer relationships and contract portfolio and business sector competences.

1.5. Other operating expenditure

Other operating expenditure comprises purchasing and manufacturing, sales and marketing and administration costs, not including payroll costs.

1.5.1. Auditor's fees

Ernst & Young C.A. Corporation		
Audit fees	112	110
Tax advice	7	1
Other fees	<u>24</u>	<u>3</u>
Total	143	114

1.6. Extraordinary income and expenditure

Extraordinary income

Kiinteistö Oy Punamullantie 2, sale of land	-	<u>2 637</u>
Extraordinary income total	0	2 637
Extraordinary items total	0	2 637

1.7. Notes to appropriations and income tax 2009 2008

*Distribution of difference in depreciation decrease
and change in voluntary reserves*

Deferred tax liability decrease	10	5	
Net profit for the year	<u>27</u>	<u>14</u>	
Change in difference in depreciation total	37	19	

Income tax

Income tax on normal operations	-457	-334	
Tax from previous accounting periods	2	-122	
Change in deferred tax liability	<u>691</u>	<u>-19</u>	
Total	236	-475	

2. NOTES TO BALANCE SHEET ASSETS

**2.1. Intangible and tangible assets and
other long-term investments**

	Goodwill	Group goodwill	Other long- term invest.	Land	Buildings and construct.
Acquisition cost 1.1.	13 172	43 947	3 562	8 585	26 874
Increase	262	1 225	242	2	431
Decrease	-	-	<u>-50</u>		-
Acquisition cost 31.12.	13 434	45 172	3 754	8 587	27 305
Accumulated depreciation 1.1.	-926	-9 271	-2 223	0	-18 990
Accumulated depreciation decrease					-
Planned depreciation for accounting period	-2 528	-1 846	-649	0	-369
Accumulated depreciation 31.12.	<u>-3 454</u>	<u>-11 117</u>	<u>-2 872</u>	<u>0</u>	<u>-19 359</u>
Balance sheet value 31.12.2009	9 980	34 055	882	8 587	7 946
Balance sheet value 31.12.2008	12 246	34 676	1 339	8 585	7 884
	Machinery and equipment	Acquisitions in progress	Shares in Group companies	Other shares and hold.	
Acquisition cost 1.1.	4 827	7	83 177	385	
Increase	35		-	-	
Decrease	<u>-254</u>	<u>-7</u>	<u>-21 856</u>	<u>-325</u>	
Acquisition cost 31.12.	4 608	0	61 321	60	
Accumulated depreciation 1.1.	-1 939		0	0	
Accumulated depreciation decrease	186		0	0	
Planned depreciation for accounting period	-652		0	0	
Accumulated depreciation 31.12.	<u>-2 405</u>	0	0	0	
Balance sheet value 31.12.2009	2 203	0	61 321	60	
Balance sheet value 31.12.2008	2 888	0	83 177	385	

2.2. Other receivables	<u>2009</u>	<u>2008</u>
Pledged term deposits	5 873	8 815
Other receivables	<u>731</u>	<u>782</u>
	6 604	9 597

2.3. Prepaid expenses and accrued income

<i>Short-term</i>		
Tax credit receivables	1 881	2 308
Interest receivables	-	35
VAT receivables	110	230
Social insurance accruals	-	160
Advance taxes	-	183
Other	<u>1 488</u>	<u>254</u>
Total	3 479	3 170

3. NOTES TO BALANCE SHEET LIABILITIES

Shareholders' equity

Restricted equity

3.1. Share capital

Share capital total	18 900	18 900
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3.2. Other restricted equity	1 649	1 649
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Other restricted equity comprises the share premium fund.

Restricted equity total	20 549	20 549
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3.3. Unrestricted equity

Invested unrestricted equity reserve		1 959	-
Accumulated profit from previous years	1.1.	58 116	67 202
Distributed as dividend 2008/2007		-	-1 539
Adjustments to DT's previous accounting periods		21	56
Translation differences		68	-351
Change in minority interest GWS Staff Oy		<u>11</u>	-
Accumulated profit from previous years	31.12.	58 216	65 368
Net loss for the year		-29 020	-7 252
Unrestricted equity total		31 155	58 116

Shareholders' equity total		51 704	78 665
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Amount of accumulated depreciation difference under shareholders' equity		112	121
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	<u>2009</u>	<u>2008</u>
Distributable funds from unrestricted shareholders' equity	31 043	57 995

Total number of shares 2,974,000.

A share has no par value.

3.4. Compulsory reserves

Environmental liability reserve	478	478
Reserve for business restructuring costs	296	-
Reserve for deferred rental costs	<u>202</u>	<u>202</u>
Total	976	680

The Parent Company has a commitment that the real estate, owned by Hansa-Mertens N.V. at Terbekenhofdreef 51-53, Wilrijk, Belgium, does not constitute an environmental hazard. To cover the commitment, an environmental liability reserve of EUR 0.5m has been set up and entered under extraordinary expenditure in the financial statements for 1997.

The business restructuring costs comprise location and payroll costs.
The reserve for deferred rental costs has been entered under other operating expenditure for previous years.

The change in other compulsory reserves has been entered under other operating expenditure.

3.5. Accumulated appropriations

Accumulated difference in depreciation

Deferred tax liability	26	36
Shareholders' equity	<u>75</u>	<u>102</u>
Total	101	138

Deferred tax liability

Appropriations	<u>26</u>	<u>36</u>
Total	26	36

3.6. Other long-term liabilities

Product development loans	<u>868</u>	<u>587</u>
Total	868	587

3.7. Other short-term liabilities

Payroll taxes	848	1 247
Social insurance liabilities	96	180
VAT liabilities	3 122	3 770
Other	<u>141</u>	<u>152</u>
Total	4 207	5 349

3.8. Accrued liabilities and prepaid income	<u>2009</u>	<u>2008</u>
Unpaid wages and salaries incl. social costs	5 759	6 366
Deferred interest	490	1 315
Other	<u>1 087</u>	<u>223</u>
Total	7 336	7 904

PLEDGES AND CONTINGENT LIABILITIES

4.1. Debt with securities as pledge

Loans from financial institutions	38 626	46 681
Book value of collateralised securities	107 668	107 668

4.2. Debt with collateral and mortgages as pledge

Collateralised bank accounts	5 873	8 815
Loans from financial institutions	35 623	34 896
Firm mortgages	30 444	30 035
Accounts receivable as pledge for debt	3 001	-

4.3. Other contingent liabilities

Rent liabilities	1 063	1 017
Leasing due during the following accounting period	587	668
Leasing due later	244	594
Other liabilities	39	153

4.4. Interest rate swaps

Interest rate swaps have been taken out for the purpose of hedging, that is, to hedge future interest rate expenditure on floating interest rate loans. The maximum maturity of the agreements is five years.

Fair value	-1 235	-1 056
Value of underlying instruments	22 660	29 700

CAPITAL LOANS

5.1. Information on Group capital loans and interest not recognised as expenditure

Lender	Loan period	Loan Amount	Accumulated interest	Interest
Nordea Bank	1 year	76	29	Euribor 6mth + 6%margin
Tekes	3 and 4 years	776	104	3.25 % p.a.
Finnfund	2 years	1 000	-	10 % p.a.
Varma	5 years	<u>309</u>	=	9 % p.a.
		2 161	133	

The principle and interest of loans will be paid at a lower priority than other debts in the event of the company going into receivership or bankruptcy. The interest will be paid only when the amount of the company's unrestricted equity and that of all capital loans at the time of payment exceed the amount of the company's unrestricted shareholders' equity from the company's last completed accounting period or the amount of unrestricted shareholders' equity according to the balance sheet in more recent financial statements.

A pledge is not given for payment of the principle or of the interest. If the interest cannot be paid, it will be deferred for payment based on the first financial statements, on the basis of which it can be paid.

The Group's internal capital loans and their terms and conditions are presented in notes to the Parent Company's financial statements.

SHARE ISSUE AUTHORISATIONS AND OPTION RIGHTS

6.1. Information on the G.W. Sohlberg Corporation's Share Issue Authorisation

The Extraordinary General Meeting of the G.W. Sohlberg Corporation granted the Board of Directors an authorisation on 10 November 2009 to decide on a share issue with effect until the closing of the Annual General Meeting of spring 2010. On the basis of the authorisation a maximum of 900,000 new shares may be issued, however, at a maximum total subscription price of EUR 5.0 million.

The Board of Directors has exercised the share issue authorisation with the issuance of 274,000 new shares in a directed share issue at the price of EUR 7.15 per share. The new shares represent 9.2 per cent of the company's shareholding and voting rights. The new shares have been registered with the Trade Register on 30 December 2009.

The authorisation has not been exercised for 626,000 shares, corresponding to 17.4 per cent of shareholding and voting rights. The authorisation is also restricted by the limit on the total share subscription price, of which EUR 3.0 million has not been exercised.

**6.2. Information on Detection Technology, Inc.'s Option Rights and Share Issue
Authorisation**

The Annual General Meeting of Detection Technology, Inc. made a resolution on 7 March 2006 concerning option rights on the basis of which a maximum of 37,000 shares can be subscribed for, corresponding to 8.3 % of the company's share capital and 2.2% of voting rights with the share capital rising to a maximum of EUR 6,223.03. The exercise period is from 1 September 2007 to 31 December 2012.

The Extraordinary General Meeting of Detection Technology, Inc. granted the Board of Directors an authorisation on 19 November 2009 to decide on a share issue with effect until 30 June 2011. On the basis of the authorisation a maximum of 850,000 new shares may be issued. The authorisation has not been exercised for 308,823 shares, corresponding to 15.7 per cent of voting rights.

KEY FIGURES

	2009	2008	2007
Turnover (EUR m)	81,1	61,2	9,9
Operating profit (EUR m)	-26,7	-7,1	21,8
Net profit for year (EUR m)	-29,0	-7,3	17,2
Shareholders' equity (EUR m)	55,8	84,2	87,8
Equity ratio (%)	38,6	46,7	49,9
Net interest-bearing liabilities (EUR m)	70,7	68,6	33,9
ROI (%)	-17,6	-4,2	11,6
Staff average	336	351	167

SHAREHOLDING IN OTHER COMPANIES (Encl. page 16)

G.W. SOHLBERG CORPOARTION

GWS GROUP

SHARES AND HOLDINGS

GROUP COMPANIES INCLUDED IN CONSOLIDATED FINANCIAL STATEMENTS	GROUP STAKE %	GROUP VOTING RIGHTS %	EQUITY CAPITAL
KIINT.OY TYÖNJOHTAJANK. 1, HELSINKI	100 %	100 %	17 539
AS OY HGIN EHRENSVÄRDINT. 26, HELSINKI	100 %	100 %	3 678
PAKOPAikka OY, HELSINKI	100 %	100 %	137
GWS TRADE OY, HELSINKI	100 %	100 %	4 963
GWS INVEST OY, HELSINKI	100 %	100 %	-189
GWS ASSETS OY, HELSINKI	100 %	100 %	6
DETECTION TECHNOLOGY, INC.	86,13 %	86,13 %	-9 648
GWS STAFF OY	69,12 %	69,12 %	13 309

OTHER SHARES AND HOLDINGS WITH SIGNIFICANT GROUP STAKE	GROUP STAKE %	GROUP VOTING RIGHTS %	GROUP STAKE IN EQUITY CAPITAL	SHARES/STAKE HELD BY GROUP			BOOK VALUE
				EUR k	STAKE %	NO.	
ASSOCIATED COMPANIES							
GLASTON CORPORATION, TAMPERE*	33,10 %	33,10 %	22 971	26 266	33,10 %	4 203	61 321
OTHER SHARES AND HOLDINGS							
OTHER SHARES							60
INVESTMENTS TOTAL							61 381

* The valuation of the Glaston Corporation is based on the inclusion of the associated company where it has not been considered necessary to change the goodwill amortisation schedule on the basis of future income expectations.

G.W. SOHLBERG CORPORATION

PARENT COMPANY INCOME STATEMENT		1.1.-31.12.2009	1.1.-31.12.2008
TURNOVER	1.1	100 573,83	272 600,41
Other operating income	1.2	1 702 866,53	1 713 740,09
Staff expenditure			
Wages and salaries		-794 567,52	-825 674,08
Staff social expenditure			
Pension costs		-250 666,43	-296 738,53
Other staff social expenditure		<u>-25 748,53</u>	<u>-36 386,71</u>
Staff social expenditure total	1.3	-1 070 982,48	-1 158 799,32
Depreciation and write-downs			
Depreciation according to plan		<u>-78 302,94</u>	<u>-63 934,17</u>
Depreciation total	1.4	-78 302,94	-63 934,17
Other operating expenditure	1.5	-695 282,83	-1 161 522,79
OPERATING PROFIT/LOSS		-41 127,89	-397 915,78
Financial income and expenditure			
Income from stake in associated company		640 970,00	1 281 940,00
Long-term investment income from other companies		-	55 501,44
Other interest and financial income from Group companies		14 286,32	48 591,21
Other interest and financial income from other companies		109 763,34	1 611 084,69
Interest and other financial expenditure to Group companies		-239 882,24	-367 844,81
Interest and other financial expenditure to other companies		<u>-1 589 696,46</u>	<u>-3 297 078,25</u>
Financial income and expenditure total		-1 064 559,04	-667 805,72
PROFIT/LOSS BEFORE APPROPRIATIONS AND TAXES		-1 105 686,93	-1 065 721,50
Appropriations			
Difference in depreciation decrease/increase	1.4	46 593,70	13 874,13
Income tax	1.6	-426 759,84	-414 058,58
NET PROFIT/LOSS FOR THE YEAR		<u>-1 485 853,07</u>	<u>-1 465 905,95</u>

G.W. SOHLBERG CORPORATION

PARENT COMPANY BALANCE SHEET 31.12		2009	2008
ASSETS			
FIXED ASSETS			
Intangible assets			
Other long-term expenditure	2.1	<u>2 953,88</u>	<u>2 156,12</u>
Long-term expenditure total		2 953,88	2 156,12
Tangible assets			
Machinery and equipment		<u>243 343,60</u>	<u>332 873,75</u>
Tangible assets total	2.1	243 343,60	332 873,75
Investments			
Shares in Group companies	2.1	28 013 916,33	27 963 676,98
Receivables from Group companies	2.2	75 405 328,30	77 421 529,62
Share in associated companies	2.1	35 657 291,44	35 657 291,44
Other shares and holdings	2.1	<u>46 448,81</u>	<u>46 448,81</u>
Investments total		139 122 984,88	141 088 946,85
FIXED ASSETS TOTAL		139 369 282,36	141 423 976,72
INVENTORIES AND FINANCIAL ASSETS			
Receivables			
Short-term			
Accounts receivable		173 316,70	172 063,28
Receivables from Group companies	2.3	122 395,56	1 046 582,38
Other receivables		6 350 996,13	9 292 989,42
Prepaid expenditure and accrued income	2.4	<u>1 881 919,13</u>	<u>2 347 483,39</u>
Short-term receivables total		8 528 627,52	12 859 118,47
Cash and bank accounts		1 820 388,22	6 610 023,06
INVENTORIES AND FINANCIAL ASSETS TOTAL		10 349 015,74	19 469 141,53
ASSETS TOTAL		<u>149 718 298,10</u>	<u>160 893 118,25</u>

G.W. SOHLBERG CORPORATION

PARENT COMPANY BALANCE SHEET 31.12		2009	2008
LIABILITIES			
SHAREHOLDERS' EQUITY			
Restricted equity			
Share capital		18 900 000,00	18 900 000,00
Share premium fund		<u>1 648 359,92</u>	<u>1 648 359,92</u>
Restricted equity total	3.1	20 548 359,92	20 548 359,92
Unrestricted equity			
Invested unrestricted equity reserve		1 959 100,00	-
Accumulated profit from previous years		78 173 315,35	79 639 221,30
Net profit/loss for the year		<u>-1 485 853,07</u>	<u>-1 465 905,95</u>
Unrestricted equity total	3.2	78 646 562,28	78 173 315,35
SHAREHOLDERS' EQUITY TOTAL			
		99 194 922,20	98 721 675,27
ACCUMULATED APPROPRIATIONS			
Accumulated difference in depreciation	3.3	75 673,54	122 267,24
COMPULSORY RESERVES			
Other compulsory reserves	3.4	679 497,74	679 497,74
LIABILITIES			
Long-term liabilities			
Loans from financial institutions		30 293 137,20	37 904 801,20
Debt to Group companies	3.5	<u>14 824,52</u>	<u>14 824,52</u>
Long-term liabilities total		30 307 961,72	37 919 625,72
Short-term liabilities			
Loans from financial institutions		8 333 331,00	8 956 668,00
Accounts payable		133 708,94	32 253,18
Debt to Group companies	3.5	10 563 085,74	13 712 129,76
Other short-term liabilities		86 466,85	74 524,54
Accrued liabilities and prepaid income	3.6	<u>343 650,37</u>	<u>674 476,80</u>
Short-term liabilities total		19 460 242,90	23 450 052,28
LIABILITIES TOTAL		49 768 204,62	61 369 678,00
SHAREHOLDERS' EQUITY, APPROPRIATIONS, RESERVES AND LIABILITIES TOTAL		<u>149 718 298,10</u>	<u>160 893 118,25</u>

NOTES TO PARENT COMPANY FINANCIAL STATEMENTS**NOTES TO PREPARATION OF THE FINANCIAL STATEMENTS****Intangible and tangible assets**

Intangible and tangible assets have been capitalised at direct acquisition costs. Depreciation according to plan has been calculated on a straight-line basis based on the useful economic life of the intangible and tangible assets.

Items denominated in foreign currency

Receivables and payables denominated in foreign currency have been translated into euros using the average exchange rate at balance sheet date.

Cash and bank accounts

Cash and bank accounts include cash assets, bank accounts, investment funds and deposits of under three months.

Derivatives

The company's derivatives comprise interest rate swaps. In interest rate swaps the floating interest rate of the company's loans from financial institutions is exchanged for a fixed interest rate. The period of the interest rate swap has been set at one to five years and the interest rate is set at the date of contract.

Presentation principle

The notes to the financial statements are presented in thousands of euros unless otherwise indicated.

1. NOTES TO INCOME STATEMENT**1.1. Turnover by business sector and market area**

The turnover of EUR 101k (previous year EUR 273k) comprises the sale of administration and specialist services mainly to the Group's Finnish subsidiaries.

1.2. Other operating income	<u>2009</u>	<u>2008</u>
Rental income	1 687	1 676
Capital gain on sale of fixed assets	-	17
Other	<u>16</u>	<u>21</u>
Total	1 703	1 714

1.3. Notes to staff and other company officers**1.3.1. Average staff headcount**

Office staff	9	8
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1.3.2. Company directors' salaries and fees	<u>2009</u>	<u>2008</u>
Board members' and CEO's salaries and fees	385	501

1.3.3. The retirement age for the CEO is 60 years.

1.4. Depreciation according to plan

Other long-term expenditure	1	1
Machinery and equipment	<u>77</u>	<u>63</u>
Total	78	64
Depreciation total	78	64
Difference in depreciation decrease	-47	-14
Total book depreciation	31	50

Depreciation according to plan has been calculated from the original acquisition price on a straight-line basis based on useful economic life. The periods for depreciation according to plan are as follows:

Other long-term expenditure	3-10 years
Machinery and equipment	3-10 years

1.5. Other operating expenditure

Other operating expenditure comprises administration costs not including payroll costs and maintenance charges to real estate.

1.5.1. Auditor's fees

Ernst & Young C.A. Corporation		
Directed share issue and unification of share classes	24	-
Audit fees	24	21
Tax advice	3	1
Other fees	-	<u>3</u>
Total	51	25

1.6. Notes to income tax

Income tax on normal operations	427	292
Tax from previous accounting periods	-	<u>122</u>
Ordinary tax total	427	414

2. NOTES TO BALANCE SHEETS ASSETS

2.1. Intangible and tangible assets and other long-term investments

	Other long-term investm.	Machinery and equipment	Shares in Group companies	Shares in Associated companies	Other shares
<i>Acquisition cost 1.1.</i>	264	1 087	37 214	35 567	46
Increase	2	11	2 748	-	-
Decrease	=	-209	-2 697	-	=
<i>Acquisition cost 31.12.</i>	266	889	37 265	35 567	46
Accumulated depreciation 1.1.	-262	-754	0	0	0
Accumulated depreciation decrease	-	185	0	0	0
Planned depreciation for accounting peri	-1	-77	0	0	0
<i>Accumulated depreciation 31.12.</i>	-263	-646	0	0	0
<i>Write-downs</i>		0	-9 250	0	0
Balance sheet value 31.12.2009	3	243	28 015	35 657	46
Balance sheet value 31.12.2008	2	333	27 964	35 657	46

2.2. Long-term receivables from Group companies

	<u>2009</u>	<u>2008</u>
Loan receivables, Pakopaikka Oy	96	122
Capital loan, GWS Trade Oy	59 000	59 000
Capital loan, GWS Invest Oy	16 000	16 000
Capital loan, Detection Technology, Inc.	-	2 300
Capital loan, GWS Staff Oy	<u>309</u>	=
Receivables from Group companies total	75 405	77 422

2.2.1. Terms and conditions of capital loans

GWS Invest Oy

The Parent Company has capital loan receivables to the sum of EUR 16 million. EUR 4m of the capital loan matures on 31.12.2015, EUR 9m on 31.12.2016 and EUR 3m on 31.12.2018. Neither interest nor any other compensation is charged on the capital loan. The capital loan is repaid to the lender or a party stipulated by the lender or to the party to whom the promissory note has been transferred.

GWS Trade Oy

The Parent Company has capital loan receivables to the sum of EUR 59 million. The capital loan matures on 31.12.2015. Neither interest nor any other compensation is charged on the capital loan. The capital loan is repaid to the lender or a party stipulated by the lender or to the party to whom the promissory note has been transferred.

Detection Technology, Inc.

The Parent Company had capital loan receivables to the sum of EUR 2.3 million at the beginning of the accounting period. The capital loan was converted into 541,177 new shares in Detection Technology, Inc. on 19.11.2009. Outstanding interest to the sum of EUR 1,130,333.24 has accrued on the loan. The interest on the loan is paid at lower priority to other debts in the event of the company going into receivership or bankruptcy. The interest is only paid when the amount of the company's unrestricted shareholders' equity and that of all capital loans at the time of payment exceed the amount of the company's unrestricted shareholders' equity from the company's last completed accounting period or the amount of unrestricted shareholders' equity according to the balance sheet in more recent financial statements. A pledge is not given for payment of interest. If the interest cannot be paid, it will be deferred for payment based on the first financial statements, on the basis of which it can be paid. Accrued interest debt does not accrue compound interest.

GWS Staff Oy

The Parent Company has capital loan receivables to the sum of EUR 300,000. The loan matures on 22.11.2014. 9 per cent interest per annum is charged on the capital loan. Accrued income is capitalised per annum. Interest accrued at 31.12.2009 amounts to EUR 9,024.66. The capital loan is repaid to the lender or to a party stipulated by the lender or to a party to whom the promissory note has been transferred.

	<u>2009</u>	<u>2008</u>
2.3. Short-term receivables from Group companies		
Accounts receivable	121	113
Other receivables (Group)	1	930
Prepaid expenditure and accrued income	-	4
Total	122	1 047

2.4. Prepaid expenditure and accrued income

<i>Short-term</i>		
Tax credit receivables	1 882	2 308
Interest receivables	-	35
Tyel pension allocations	-	2
Other	-	2
Total	1 882	2 347

3. NOTES TO BALANCE SHEET LIABILITIES

	<u>2009</u>	<u>2008</u>
3.1. Restricted shareholders' equity		
<i>Share capital</i>		
Share capital	18 900	18 900
Share premium	<u>1 648</u>	<u>1 648</u>
Other restricted equity total	1 648	1 648
Restricted shareholders' equity total	20 548	20 548

3.2. Unrestricted shareholders' equity		<u>2009</u>	<u>2008</u>
Invested unrestricted equity reserve		1 959	-
Accumulated profit from previous years	1.1.	78 173	81 178
Distributed as dividend 2008/2007		-	-1 539
Accumulated profit from previous years	31.12.	78 173	79 639
Net loss/profit for the year		-1 486	-1 466
Unrestricted shareholders' equity total		78 647	78 173
Shareholders' equity total		99 195	98 722
Distributable funds from unrestricted shareholders' equity		78 647	78 173

Total number of shares 2,974,000.

A share has no par value.

3.3. Deferred tax liabilities

Difference in depreciation	<u>20</u>	<u>32</u>
Total	20	32

Deferred tax liabilities are not entered on the Parent Company balance sheet on the income statement for 1997.

3.4. Compulsory reserves

Environmental liability reserve	477	477
Reserve for deferred rental costs	<u>202</u>	<u>202</u>
Other compulsory reserves total	679	679

The Environmental liability reserve has been entered under extraordinary expenditure

The Parent Company has a commitment that the real estate, owned by Hansa-Mertens N.V. at Terbekenhofdreef 51-53, Wilrijk, Belgium, does not constitute an environmental hazard. To cover the commitment, an environmental liability reserve of EUR 477k has been set up and entered under extraordinary expenditure on the income statement for 1997.

The reserve for deferred rental costs has been entered under extraordinary expenditure in 1994 at EUR 126k and in 1999 at EUR 76k.

3.5. Debt to Group companies

Long-term

Other long-term liabilities	15	15
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Short-term

Capital loan	-	3 400
Other liabilities (Group)	10 563	10 279
Prepaid income and deferred expenditure	-	<u>33</u>
Total	10 563	13 712

	<u>2009</u>	<u>2008</u>
3.6. Prepaid income and deferred expenditure		
Unpaid wages and salaries incl. social costs	119	115
Deferred interest	225	555
Other	-	<u>4</u>
Total	344	674

4. PLEDGES AND CONTINGENT LIABILITIES

4.1. Debt with securities as pledge

Loans from financial institutions	38 626	46 861
Book value of collateralised securities	48 692	48 692

4.2. Other pledges

Bank deposits	5 873	8 815
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4.3. Other contingent liabilities

Rental liabilities	910	1 017
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4.4. Interest rate swaps

Interest rate swaps have been taken out for the purpose of hedging, that is, to hedge future interest rate expenditure on floating interest rate loans.

Fair value	-681
Value of underlying instruments	15 000

SHAREHOLDINGS IN OTHER COMPANIES

Note page 26.

G.W. SOHLBERG CORPORATION
GWS GROUP

SHARES AND HOLDINGS HELD BY THE COMPANY IN 2009

	GROUP STAKE	GROUP VOTING RIGHTS	GROUP STAKE IN EQUITY CAPITAL	SHARES HELD BY THE PARENT COMPANY		BOOK VALUE
				STAKE %	NOMINAL VALUE	
GROUP COMPANIES						
KIINT.OY TYÖNJOHTAJANK.1, HELSINKI	100 %	100 %	EUR k 17 539	100 %	EUR k 10 091	EUR k 10 091
AS OY HGIN EHRENSVARDINT.25, HKI	100 %	100 %	3 678	100 %	2 943	2 943
PAKOPAikka OY, HELSINKI	100 %	100 %	137	100 %	103	154
GWS TRADE OY, HELSINKI	100 %	100 %	4963	100 %	8	8
GWS INVEST OY, HELSINKI	100 %	100 %	-189	100 %	8	8
GWS ASSETS OY, HELSINKI	100 %	100 %	6	100 %	8	8
GWS STAFF OY, HELSINKI	69,13 %	69,13 %	13309	69,13 %	123466	12 502
DETECTION TECHNOLOGY, INC.	86,12 %	86,12 %	-9648	32,68 %	541177	2 300
TOTAL						28 014
ASSOCIATED COMPANIES						
GLASTON CORPORATION, TAMPERE *	33,10 %	33,10 %	22 971	16,16 %	4 203	35 657
OTHER SHARES						46
OTHER SHARES AND HOLDINGS TOTAL						46
SHARES AND HOLDINGS TOTAL						63 717

* The shares in the Glaston Corporation have been valued on the basis of their original acquisition cost for future income expectations.

G.W. SOHLBERG CORPORATION

Signatures of the members of the Board of Directors and of the Chief Executive

Espoo, 4 March 2010

Tuomo Vähäpassi
Chairman

Jan Hasselblatt
Vice Chairman

Tua-Maria Lidman

Andreas Tallberg
Chief Executive

G.W. SOHLBERG CORPORATION

SIGNATURES OF THE AUDITORS

The report on the audit performed has been issued on this day

Espoo, 15 March 2010

ERNST & YOUNG OY
Authorised Public Accountants

Pekka Luoma
Authorised Public Accountant

Marko Tiilikainen
Authorised Public Accountant

G.W. SOHLBER CORPORATION

1. LIST OF ACCOUNTING BOOKS USED

Day ledger	ADP
General ledger	ADP
Sales ledger	ADP
Purchase ledger	ADP
Cash journal	ADP
Balance sheet book	Bound book

2. VOUCHER TYPES

	No.
Sales invoices	500000...
Accounts receivable vouchers	3000...
Purchasing invoices	100000...
Accounts payable vouchers	5000...
Cash vouchers	1...
Memo vouchers	90000...

3. STORAGE OF VOUCHERS

The vouchers are stored in their original form

AUDITORS' REPORT

To the Annual General Meeting of the G.W. Sohlberg Corporation

We have audited the accounting records, the financial statements, the report by the Board of Directors and the administration of the G.W. Sohlberg Corporation for the accounting period 1.1.-31.12.2009. The financial statements comprise the balance sheet, the income statement, the source and application of funds and notes to the financial statements of both the Group and the Parent Company.

Responsibility of the Board of Directors and the CEO

The Board of Directors and the CEO are responsible for the preparation of the financial statements and the report by the Board of Directors and for the true and fair presentation of the financial statements and the report by the Board of Directors in accordance with the laws and regulations governing the preparation of the financial statements and the report by the Board of Directors in Finland. The Board of Directors are responsible for the appropriate arrangement of the control of the company's accounts and finances, and the CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's responsibility

Our responsibility is to perform an audit in accordance with good auditing practice in Finland and to express an opinion on the Parent Company's financial statements, on the consolidated financial statements and on the report by the Board of Directors based on our audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements and the report by the Board of Directors are free from material misstatements and whether the members of the Board of Directors of the Parent Company and the CEO have complied with the Limited Liability Companies Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report by the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate to the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements and the report by the Board of Directors.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the report by the Board of Directors give a true and fair view of both the Group's and the Parent Company's operational performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and report by the Board of Directors in Finland. The information in the report by the Board of Directors is consistent with the information in the financial statements.

Espoo, 15 March 2010

Ernst & Young
Authorised Public Accountants

Pekka Luoma
Authorised Public Accountant

Marko Tiilikainen
Authorised Public Accountant