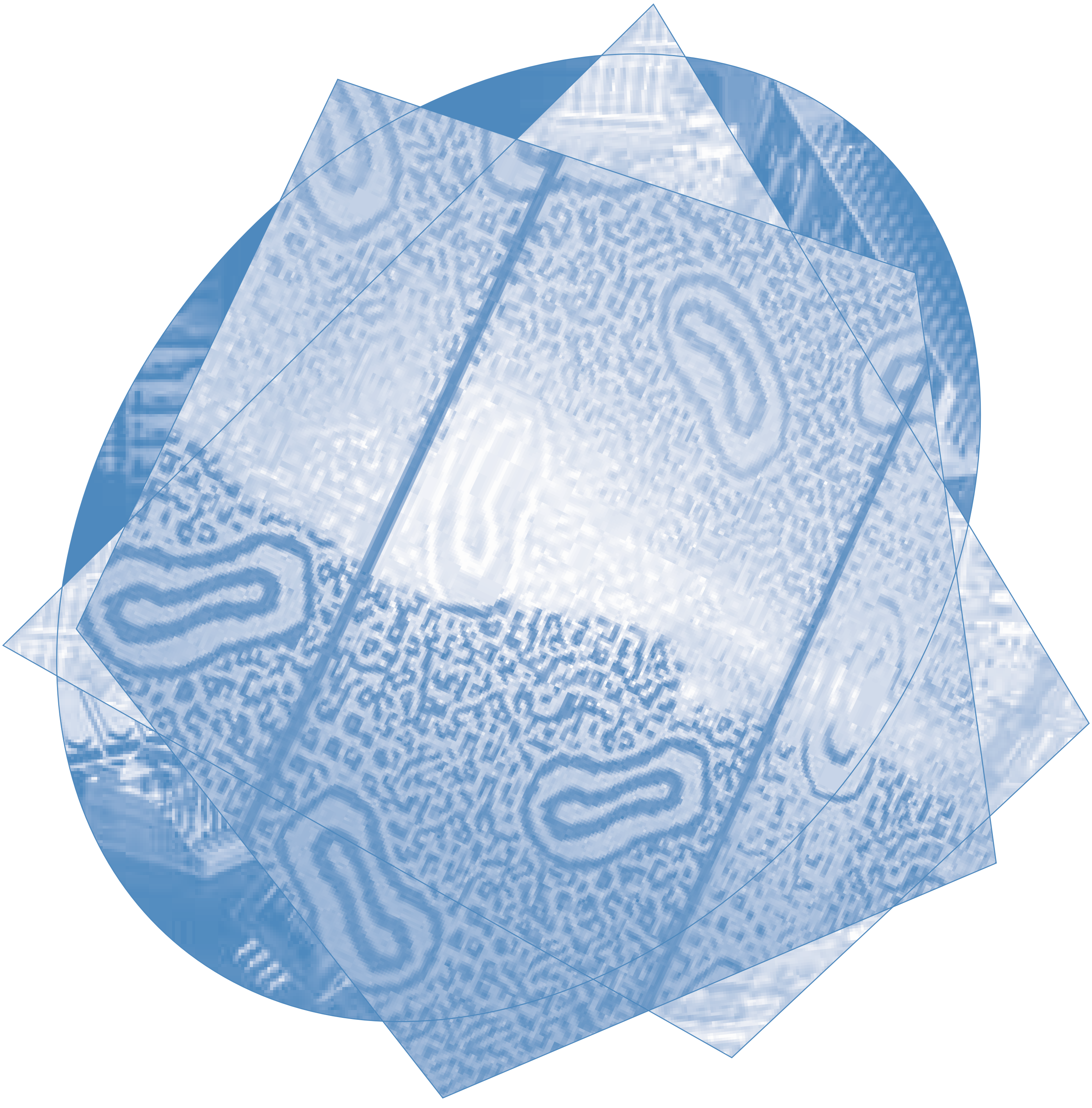

Interim Report 2006

Review by the Chief Executive

The beginning of the year for the GWS Group showed a loss the same as last year. The profit trend did not meet expectations, either.

The result of the associated company, Perlos, was weakened by a major non-recurring cost of 15 million euros charged to a production rationalisation programme. The positive effects of this programme will only become visible in the future.

The result of the associated company, Kyro, was at the same level as that of the previous year. Kyro's order book for 2006 is good even though investments decisions on safety-glass machinery have been deferred in some market areas. In addition, an efficiency programme is being carried out in the Kyro Group, which is already expected to have an effect during 2006.

The most significant event of the review period was the acquisition of a majority stake in Detection Technology (DT). GWS's shareholding rose to about 61 per cent through this transaction.

DT is a growth company, which is rapidly turning into a company engaged in production activities. It is also heavily focused on developing its operations in China. The ongoing structural change is placing hard challenges on corporate management and control. However, these are areas in which GWS also has the most to offer with its long-standing, solid background in industry.

We firmly believe in DT's future. The company operates in the growing medical and security sectors. Technological know-how at the company is top class and it has as its customers a considerable amount of leading firms in their respective fields. GWS will do all it can to ensure that DT's vigorous, profitable growth will continue and that the investments required for growth in product development, marketing and production can be realised.

We expect that the GWS Group's profit from operations for the year will be better than for previous years. Our outlook is predicated on the consensus of forecasts among analysts concerning Perlos and Kyro and sales estimates from customers and the company's order book with respect to DT. The sell-off of Perlos' Health Care business is also expected to realise a substantial sales profit on completion of the deal.

Heikki Mairinoja
Chief Executive

Financial Review

At the end of June 2006 the GWS Group comprised the parent company; the associated companies, the Kyro Corporation and the Perlos Corporation, and the subsidiary, Detection Technology, Inc. GWS held a 33.1% stake in the Kyro Corporation, a 29.1% stake in the Perlos Corporation and a 61.4% stake in Detection Technology, Inc. at the end of June.

The profit information and outlook statements concerning the listed associated companies presented below are based on stock exchange releases and interim reports issued by the companies themselves.

Associated Company the Kyro Corporation

The turnover of the Kyro Corporation for the period under review amounted to EUR 126.8m (EUR 124.5m). Comparable consolidated operating profit came to EUR 9.2m (EUR 10.8m) and net profit for the review period to EUR 7.4m (EUR 6.5m). Kyro's financial position remains good. Group equity ratio stands at approximately 62 per cent (60 per cent). The order book at the end of June amounted to about EUR 130m (EUR 145m).

The main business sector, Glaston Technologies, is the technological and market leader in a growing sector. The most extensive service network in the field, the widest product range and the One-Stop-Partner concept give Glaston Technologies outstanding possibilities to even better meet customer needs.

The Kyro Group's order book for 2006 is at a good level even though investment decisions on safety-glass machinery have been deferred in some market areas. In addition, an efficiency programme is being carried out in the Kyro Group, which is already expected to have an effect during 2006. Consequently, Kyro is aiming at a growth in turnover and comparable operating profit for 2006.

The GWS Group's six-month interim result includes the share of Kyro's profit totalling EUR 1.2m. Dividends paid out by Kyro to the GWS Group amount to about EUR 4.5m during 2006.

Associated Company the Perlos Corporation

The Perlos Group's turnover for the first half year grew by 44 per cent year-on-year, amounting to EUR 380.4m (EUR 264.8m). Half-year profit came to EUR -3.4m (EUR -14.8m), including non-recurring costs related to the rationalisation of operations in Finland and the USA as well as costs incurred in the divestment of the Health Care business sector, together totalling EUR 15.2m.

Net cash flow from operations came to EUR 28.1m (EUR -9.2m). The Perlos Group's liquid assets at the end of the review period amounted to about EUR 25m (EUR 17m). The Group equity ratio fell slightly to 35 per cent (36 per cent).

On account of market growth, greater variety in the mechanical structure of mobile phones and the company's good market position, Perlos expects a growth in turnover for 2006 at least in line with volume growth in the mobile-phone market.

Comparable operating result, not including non-recurring items, is forecast to grow over the previous year, but return on investment is, nevertheless, expected to be under the long-term target.

After the review period a joint venture between Perlos and Ratos AB has signed a final sales and purchase contract concerning the entire business activities of Perlos' health care customer sector. Perlos is investing a maximum of EUR 9m in the new company, representing a minority stake of some 20 per cent.

The GWS Group's six-month interim result includes the share of Perlos' profit totalling EUR -1.0m. Dividends paid out by Perlos to the G.W. Sohlberg Corporation amounted to EUR 1.5m during 2006.

Subsidiary Detection Technology, Inc.

The turnover of Detection Technology, Inc. (DT) grew slightly over the previous year to EUR 5.1m (EUR 4.8m) for the review period. Operating profit fell from the previous year to EUR -0.3m (EUR 1.3m).

The company's turnover is expected to grow substantially during the second half-year and profit for the year to rise to that of the previous year.

GWS Group

The GWS Group's first-half result was unsatisfactory. The six-month result came to EUR -2.6m (EUR -3.7m). In the present corporate structure the GWS Group's financial result is most affected by the share in the profits of the associated companies, Perlos and Kyro.

Figures for the Detection Technology Group have been entered as a subsidiary in the GWS consolidated accounts from 1.4.2006. The Group has not sold shares during the review period. The Group result includes the share in the profits of the associated companies amounting to EUR 0.2m (EUR -3.1m).

The Group's financial position remains good. Interest-bearing net liabilities came to EUR 103.2m (EUR 84.1m) at the end of the review period, including the Detection Technology Group's debts. Net liabilities have also increased through the acquisition of DT shares. The GWS Group's official equity ratio is in the region of 42 per cent (48 per cent).

Ari Saarenmaa
CFO

GWS Group

EUR m (unless otherwise indicated)		**1-6/2006**	1-6/2005	1-12/2005
Turnover		**2.5**	8.5	14.2
Share in profit of associated companies		**0.2**	-3.1	7.6
Operating profit		**-1.3**	-3.3	6.9
Net profit		**-2.6**	-3.7	7.6
Equity ratio	%	**41.7**	47.7	53.7
Shareholders' equity		**87.7**	87.7	99.7
Interest-bearing net liabilities		**103.2**	84.1	77.1
Balance sheet total		**214.7**	184.0	185.6
Share value/Pro Value EUR		**61.49**	60.10	69.50