

The company has published a stock exchange release on 28th of February, 2017 and this is a partial translation of it. In case of any discrepancies between the Finnish text and the English translation, the Finnish text shall prevail.

SIILI'S FULL YEAR EBITDA GROWS 19 % Y/Y AND H2 EBITDA 32 % Y/Y

January – December 2016:

- Net sales 48 415 (41 895) thousand euro – an increase of 15,6 %
- EBITDA 4 770 (4 018) thousand euro – an increase of 18,7 %
- EBITDA 9,9 % of net sales (9,6 %)
- Operating profit (EBIT) 4 144 (3 504) thousand euro – an increase of 18,3 %
- Profit for the period 3 180 (2 459) thousand euro – an increase of 29,3 %
- Earnings per share 0,48 (0,42) – an increase of 15,4 %
- Cash flow from operations 5 156 (4 089) thousand euro – an increase of 26,1 %
- Balance sheet total 30 596 (23 817) thousand euro
- The Board of Directors proposes a dividend of 0,30 (0,23) euro per share – an increase of 28,6 %
- The company's market capitalization grew by 18,2 %
- The annual general meeting decided on 23.3.2016 to increase the share amount through a share split, where each share entitled the holder to two new shares.
- The company listed on Nasdaq Helsinki main list 20.4.2016
- The company organized three share issues during the period. The total effect on equity after transaction costs was 4 936 thousand euro.
- The board approved an option program for key personnel. The maximum amount of options is 337 thousand.
- A subsidiary was established in the USA in August.

July – December 2016:

- Net sales 24 551 (7-12/2015: 21 014) thousand euro – an increase of 16,8 %
- EBITDA 2 906 (2 205) thousand euro – an increase of 31,8 %
- EBITDA 11,8 % of net sales (10,5 %)
- Operating profit (EBIT) 2 541 (1 929) thousand euro – an increase of 31,7 %
- Profit for the period 2 014 (1 414) thousand euro – an increase of 42,4 %
- Earnings per share 0,29 euro (0,23) – an increase of 24,4 %
- Cash flow from operations 6 197 (3 855) thousand euro – an increase of 60,8 %

Outlook for 2017

Net sales in 2017 estimated to reach 53–60 million euro and EBITDA 5,3–6,3 million euro.

CEO Seppo Kuula:

Siili is known for its strong, profitable growth, and 2016 was the sixth consecutive year of growth for us. By doing the right things right, we once again succeeded in improving our EBITDA, which increased by 18,7% and reached its target level of 9,9%. Our organic net sales grew by 15,6% year-on-year. After overcoming our project management challenges, we had a particularly strong second half of the year. Over the second half, our EBITDA grew by 31,8% year-on-year and was 11,8% of net sales.

Amidst the digital disruption, leading companies in various sectors are turning to Siili for insight and expertise, ensuring demand for our services. We are also one of the most attractive employers in our

field. During 2016, we recruited more than 150 experts in response to strong demand. Our personnel increased by 20% from the end of the previous year. At this rate of growth, competence management – from information management to design and software development using various technologies – is challenging for our organization of nearly 500 people, but I daresay that our many years of experience in tool and process development make us the best in the country in this respect.

In 2016, we introduced the Master and Apprentice program for employees with less than five years of work experience, to train new experts in creative software development in particular. We are still the respected home of experienced experts, and this program aims to ensure that our competence stays up to date, while turning new rising stars into the best designers, developers and data specialists in the country.

We succeeded, even though we did not have an easy year. We have invested significantly in agile project management, which is an essential part of our value creation. We suffered setbacks in this respect during the first half of 2016, but we were able to respond rapidly and adjust our processes. Our values include honesty and openness, and we took responsibility for our miscalculations even though there were no direct contractual obligations to our customers. In addition to expertise and processes, we sell trust – but trust cannot be produced; it must be earned.

We were listed on the Nasdaq Helsinki main list last spring, and we carried out a share issue to prepare for future inorganic growth. We are grateful for our investors' trust, which was manifested in the issue being oversubscribed over a short period of time. After the share issue, our first foreign institutional investor joined our shareholders, which aptly reflects the international scope of our operations. Our transit to the main list tied up all management resources beyond those of operational steering, which allowed us to evaluate potential acquisition candidates only during H2.

We are now stronger than ever, in terms of both competence and organization. Our stock and balance sheet are strong and our organization is capable of acquisitions and integrations, as shown by our long acquisition history. Our equity ratio continued to improve and was 61,2% at the end of the period. Our cash flow remained strongly positive. We expect to return to the path of inorganic growth during this year.

Our international operations are off to a good start after we found a rapidly growing market for our services in the automotive segment, first in Germany and then in the United States. In these markets, we are designing digital cockpits for cars, and we see further potential for our offering in transportation related data management. In 2017, our target is for 10 % of our net sales to come from outside Finland. However, the real benefit in our internationalization efforts is the chance to apply new digital technologies, process and design thinking in pioneering industries and markets.

Our themes for this year are data-driven design and design-driven development. The latter has been part of our company for years, but we want to stress that the solution must be based on value created for the customer. With digital services, the value lies in the data being utilized. In addition, robotic process automation and machine learning create opportunities in ever growing data utilization for years to come. The demand for our services is at a good level, both in Finland, which is our main market, and in international markets. For this reason, I am confident about 2017. We are stronger and more competent than ever. We are focusing on our competence and processes, and our customers trust us. We believe our growth will continue according to our long term vision. 2017 net sales are expected to reach 53-60 million euro and EBITDA 5,3-6,3 million euro.