SRV GROUP PLC **INTERIM REPORT** 12 August 2009, 8.30 a.m. EET

INTERIM REPORT 1 JANUARY -30 June 2009

Reporting period 1 January 30 June 2009 in brief:

- SRV's revenue was EUR 180.6 million (EUR 288.8 million in January-June 2008), change 37.5% negative
- Operating profit was EUR 5.4 million (EUR 18.1 million), change 70.2% negative
- Profit before taxes was EUR 2.9 million (EUR 15.1 million), change 80.5% negative
- The order backlog at the close of the review period was EUR 458.4 million (EUR 521.1 million), change 12.0% negative
- The equity ratio was 40.4 per cent (44.9%)
- Earnings per share were EUR 0.03 (EUR 0.28)
- SRV adheres to the previous outlook for 2009

Second quarter 1 April – 30 June 2009 in brief:

- Revenue amounted to EUR 94.2 million (EUR 142.4 million in April – June 2008)
- Operating profit was EUR 3.5 million (EUR 9.2 million)
- Profit before taxes was EUR 2.5 million (EUR 6.8 million)
- Earnings per share were EUR 0.03 (EUR 0.12)

The interim report has been prepared in accordance with IAS 34. The disclosed information is unaudited.

“Decline in construction industry continued during the first half of the year. Compared with the corresponding period of 2008, the revenue and operating profit of SRV Group decreased clearly. Competition for new orders remained tight.

Revenue and operating profit for SRV’s Business Premises business area declined compared with the corresponding period last year. However, operational profitability remained on good level. Housing sales has picked up from the all-time low level at the end of the previous year. Weakening of the Russian economy has put both SRV’s and the clients’ projects on hold. The number of personnel has been adjusted to lower the cost level.

Establishing the fund and starting the cooperation with VTB Capital and Deutsche Bank in early summer is a step in implementing SRV's growth strategy in Russia. The concluded arrangement opens a chance for SRV to be the project management contractor in numerous significant construction projects in major Russian cities. The fund has good possibility to utilise the market situation in a country which has good economic growth potential in the long term

SRV's equity ratio is 40.4 per cent .The group’s financing position has remained solid. Good solvency and solid financing position give us possibility to utilise SRV's innovative project development know-how when the economic recovery starts", says Eero Heliövaara, president and CEO of SRV.

Group key figures (EUR million)	IFRS 1-6/ 2009	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	IFRS 1-12/ 2008
Revenue	**180.6**	288.8	-108.2	-37.5	94.2	142.4	**537.0**
Operating profit	**5.4**	18.1	-12.7	-70.2	3.5	9.2	**32.9**
Financial income and expenses, total	**-2.5**	-3.0	0.6		-1.0	-2.4	**-9.2**
Profit before taxes	**2.9**	15.1	-12.1	-80.5	2.5	6.8	**23.7**
Order backlog	**458.4**	521.1	-62.7	-12.0			**455.3**
Operating profit, %	**3.0**	6.3			3.7	6.4	**6.1**
Net profit, %	**0.7**	3.6			1.3	3.2	**2.8**
Equity ratio, %	**40.4**	44.9					**41.3**
Net interest bearing debt	**185.8**	122.4					**169.4**
Gearing, %	**115.6**	74.8					**101.7**
Return on investment, % [1)]	**3.8**	16.9					**12.9**
Return on equity, % [1)]	**1.5**	13.0					**9.4**
Earnings per share, EUR	**0.03**	0.28			0.03	0.12	**0.43**
Equity per share, EUR	**4.45**	4.40					**4.54**
Weighted average number of shares outstanding	**36.2**	36.7		-1.4			**36.5**

1) In calculating the key ratio only the profit for the period has been annualised

Consolidated revenue was EUR 180.6 million (EUR 288.8 million in January-June 2008). The share of revenue generated in Finland was 93 per cent (90%) whereas 7 per cent (10 %) came from Russia and the Baltic countries. Revenue in the Business Premises business area was EUR 100.9 million (EUR 197.0 million). Revenue in the Housing business area was EUR 66.3 million (EUR 63.1 million). Revenue in the International business area was EUR 13.3 million (EUR 28.8 million).

The Group's operating profit was EUR 5.4 million (EUR 18.1 million in January-June 2008). Operating profit margin was 3.0 per cent (6.3%). Operating profit in the Business Premises business area was EUR 10.6 million (EUR 18.1 million). Operating profit in the Housing business area was EUR 1.9 million (EUR 1.3 million). Operating loss in the International business area was EUR 4.4 million (a profit of EUR 1.1 million).

The Group's profit before taxes was EUR 2.9 million (EUR 15.1 million in January-June 2008). Net profit for the review period was EUR 1.2 million (EUR 10.4 million). Earnings per share were EUR 0.03 (EUR 0.28). Return on equity was 1.5 per cent (13.0%) and return on investment was 3.8 per cent (16.9%).

The Group’s revenue for the second quarter was EUR 94.2 million (EUR 142.4 million in April-June 2008) and operating profit EUR 3.5 million (EUR 9.2 million). Profit before taxes was EUR 2.5 million (EUR 6.8 million). Earnings per share were EUR 0.03 (EUR 0.12)

The order backlog was EUR 458.4 million on 30 June 2009 (EUR 521.1 million on 30 June 2008). The share of order backlog which has been sold (construction contracts and sold developer contracting production) amounted to EUR 303 million (EUR 358 million on 30 June 2008), and the unsold share amounted to EUR 155 million (EUR 163 million).

Key figures for the Segments

Revenue (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	**IFRS 1-12/ 2008**
Business Premises	**100.9**	197.0	-96.0	-48.7	46.1	92.2	**349.1**
Housing	**66.3**	63.1	3.2	5.1	40.5	37.1	**127.9**
International	**13.3**	28.8	-15.5	-53.7	7.6	13.1	**60.1**
Other Operations	**4.3**	5.7	-1.5	-25.3	2.1	2.8	**11.5**
Eliminations	**-4.3**	-5.8	1.4		-2.1	-2.9	**-11.6**
Group, total	**180.6**	288.8	-108.2	-37.5	94.2	142.4	**537.0**

Operating profit (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	IFRS **1-12/ 2008**
Business Premises	**10.6**	18.1	-7.6	-41.7	4.6	9.9	**27.8**
Housing	**1.9**	1.3	0.5	38.4	1.9	0.9	**0.7**
International	**-4.4**	1.1	-5.6		-1.9	-0.1	**9.2**
Other Operations	**-2.6**	-2.5	-0.1		-1.0	-1.6	**-4.9**
Eliminations	**0.0**	0.0	0.0		0.0	0.0	**0.1**
Group, total	**5.4**	18.1	-12.7	-70.2	3.5	9.2	**32.9**

Operating profit (%)	**IFRS 1-6/2009**	IFRS 1-6/2008	IFRS 4-6/2009	IFRS 4-6/2008	**IFRS 1-12/2008**
Business Premises	**10.5**	9.2	10.0	10.8	**8.0**
Housing	**2.8**	2.1	4.6	2.5	**0.6**
International	**-33.2**	3.9	-25.6	-0.9	**15.4**
Group, total	**3.0**	6.3	3.7	6.4	**6.1**

Order backlog (EUR million)	**IFRS 30.6.09**	IFRS 30.6.08	change, MEUR	change, %	**IFRS 31.12.08**
Business Premises	**224.3**	291.1	-66.8	-22.9	**265.7**
Housing	**203.3**	186.8	16.5	8.8	**154.0**
International	**30.7**	43.2	-12.4	-28.8	**35.6**
Group, total	**458.4**	521.1	-62.7	-12.0	**455.3**
- sold order backlog	**303**	358			280
- unsold order backlog	**155**	163			176

Earnings trends of the Segments

Business Premises (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	**IFRS 1-12/ 2008**
Revenue	**100,9**	197,0	-96,0	-48,7	46,1	92,2	**349,1**
Operating profit	**10,6**	18,1	-7,6	-41,7	4,6	9,9	**27,8**
Order backlog	**224,3**	291,1	-66,8	-22,9			**265,7**

The Business Premises business area comprises SRV Toimitilat Oy's retail, office, logistics and rock construction operations and property development.

Revenue in Business Premises business area was EUR 100.9 million (EUR 197.0 million). The decrease in revenue was due to volume of around EUR 35 million relating to the extension project of Stockmann not being recorded in SRV's revenue, and also due to the real estate transaction of EUR 12million during the period of comparison. Operating profit was EUR 10.6 million (EUR 18.1 million). Operating profit margin improved to 10.5 per cent (9.2%). Order backlog was EUR 224.3 million (EUR 291.1 million).

Second-quarter revenue amounted to EUR 46.1 million (EUR 92.2 million) and operating profit to EUR 4.6 million (EUR 9.9 million). Competition for new contracts remained tight.

Among others, the renovation of the office building Hakaniemenranta 6 for Senate Properties, new production premises for Caternet in Kivikko and HTC office buildings in the Keilaniemi district in Espoo were completed during the review period. A retail centre of 20,000 cubic meters was completed in the northern wing of Porvoo's King's Gate. In the city of Vantaa, an office and warehouse building for SGN and a logistics centre for Transphere were completed. In Kerava, the new timber crushing plant for Lassila & Tikanoja was completed. The main contract for interior construction of the Helsinki City Service Tunnel, with total volume of 120,000 cubic metres, was also brought to completion.

The underground car park built by SRV was completed in the Kamppi district of Helsinki, and was opened for public in May. The operator of the P-City car park is Europark Finland Oy. In January, SRV and Mutual Pension Insurance Company Varma signed a contract concerning the Vierumäki Congress & Resort Hotel project. SRV acts as main contractor with overall responsibility being in charge of construction and planning. In addition to 191 hotel rooms, the four-storey hotel building includes meeting facilities, six restaurants, fitness room, bowling alley with 10 lanes, and a wellness-area. The hotel will be opened in spring 2010.

In February, property and contract agreements concerning the Anttila logistics centre to be built in Kerca were signed. Kesko pension fund bought a plot of 40,000 square metres from the city of Kerava, where a high-bay warehouse of approximately 19.000 gross square metres for Anttila will be built. The volume of the building is 300,000 cubic metres. Preconstruction on the plot is completed and the construction works will be completed in August 2010.

In January, SRV and the city of Kerava agreed on a contract package concerning the development of the Kerca logistics area and concluded a contract for a real estate transaction of four hectares of land and a preliminary contract for an area of 22 hectares. On the first plot, SRV plans to build a GCC (Grand Cargo Center) logistics building with about 20,000 square metres of floor space. Kerca occupies an area of 160 hectares on the Kerava-Vantaa border.

SRV signed a contract with Varma Mutual Pension Insurance Company in June to build a production and logistics center for Primula bakery in Järvenpää. The center includes production, logistics, sales and administration premises as well as a luncheonette, cafeteria and bakery shop. The total floor area of the project is 13,000 square meters. Production in the premises will start in early fall 2010.

During the review period, contracts were also concluded to build a service tunnel for the University of Helsinki in the heart of Helsinki and an equestrian center for the Primus riding center in Espoo. The preliminary works for the extension and renovation of Malmi Hospital in Helsinki were started, as was the construction and renovation of the Mercuria Business College in Vantaa.

The office building in Hakaniemenranta was selected as the construction project of the year 2008 of Senate Properties. With this reward Senate Properties wants to encourage and highlight skilful designers and builders. The recognition is based on general quality factors and social responsibility as well as solutions that support the clients and innovations.

Housing (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	**IFRS 1-12/ 2008**
Revenue	**66.3**	63.1	3.2	5.1	40.5	37.1	**127.9**
Operating profit	**1.9**	1.3	0.5	38.4	1.9	0.9	**0.7**
Order backlog	**203.3**	186.8	16.5	8.8			**154.0**

The Housing business area comprises housing construction in the Helsinki Metropolitan Area and the neighbouring municipalities as well as the operations of the regional subsidiaries. Besides housing, the regional business operations include commercial, business premises and logistics construction projects.

Revenue in the Housing business area for the review period amounted to EUR 66.3 million (EUR 63.1 million) and operating profit was EUR 1.9 million (EUR 1.3 million). Order backlog was EUR 203.3 million (EUR 186.8). The increase in operating profit was achieved by focusing the housing sales on completed projects and by the executed savings measures.

Second-quarter revenue amounted to EUR 40.5 million (EUR 37.1 million) and operating profit to EUR 1.9 million (EUR 0.9 million). The increase in operating profit was attributable to the revived housing sales during the second quarter and focusing the housing sales on completed projects as well as to the executed savings measures.

Resources were allocated to contracting and, during the review period, contracts worth EUR 109.1 million were concluded with external clients. EUR 63.4 million of the concluded contracts were negotiation contracts, where SRV has acted also as developer. SRV builds a S-Group's Kodin Terra hardware and home decor department store and ABC service station for Pirkanmaan Osuuskauppa in Nokia. The Pakkalanrinne day care centre will be built for lease to the City of Vantaa, the investor in the project is Ilmarinen Mutual Pension Insurance Company. A contract was signed with Scan-Auto to build a Scania centre in Jyväskylä which services large vehicles. Provisional premises for the Cygnaeus school centre in Jyväskylä and Valintatalo market in Nokia are also being built.

During the review period, 206 housing units were sold to investors under negotiation contracts. A construction contract was signed with Sato to build two housing blocks with a total of 74 units on a property previously owned by SRV in the Vallikallio district in Espoo. In the Rekola district in Vantaa, 50 units are being built for Asuntosäätiö. 40 housing units are being built for Tampereen YH in Ylöjärvi and 42 units in the Henneri area in Tampere on a property previously owned by SRV.

Contracts worth EUR 45.7 million were won through bidding competition. Most important of these were a high-rise project of 104 apartments for HOAS (Foundation for Student Housing in the Helsinki Region) in the Viikki district of Helsinki, two apartment houses for the city of Joensuu, a well-being centre for the municipality of Tarvasjoki, Logicity terminal for Varsinis-Suomen Kaukokiito and piping renovation of two housing companies in the Haaga district of Helsinki.

During the review period a terraced house with four apartments reached sales condition in Oulu. The most significant project under construction is Helsingin Oscar (65 units).

Housing sales revived clearly compared with the first quarter, but it still fell behind from last year's level. During the review period, 78 (96) units were sold. The demand focused still on completed production. At the end of the period 118 (247) units were under construction, of these 100 (227) units were unsold. Number of completed, unsold units was 185 (128), of which 37 were rented at the end of the period. During the period 151 (229) developer contracting units were completed.

Pre-marketing has started in some projects on prime locations and whose planning has been taken further. Their start-ups will be considered depending on the results of the pre-marketing. Due to the market situation, strict criteria have been set for start-ups of new developer contracting housing projects.

Developer contracting housing production in Finland	**1-6/ 2009**	1-6/ 2008	change, units	4-6/ 2009	4-6/ 2008	**1-12/ 2008**
Start-ups	**4**	61	-57	0	53	**110**
Sold	**78**	96	-18	51	63	**141**
Completed	**151**	229	-78	93	104	**260**
Completed and unsold 1)	**185**	128	57			**133**
Under construction 1)	**118**	247	-129			**265**
- of which unsold	**100**	227	-127			**226**

1) at the end of the period

Moreover, 206 (76) housing units were sold under negotiation contracts.

International Operations (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	**IFRS 1-12/ 2008**
Revenue	**13.3**	28.8	-15.5	-53.7	7.6	13.1	**60.1**
Operating profit	**-4.4**	1.1	-5.6		-1.9	-0.1	**9.2**
Order backlog	**30.7**	43.2	-12.4	-28.8			**35.6**

International Operations comprises the business activities of the SRV International subgroup in Russia and the Baltic countries.

Revenue in the International business area was EUR 13.3 million (EUR 28.8 million). Decline in revenue was affected by the small number of projects under construction. Operating loss was EUR 4.4 million (profit of EUR 1.1 million). In addition to the small number of projects under construction, the development costs of developer contracting projects and the fixed costs of business operations affected the decline in operating profit. Order backlog was EUR 30.7 million (EUR 43.2 million).

Second-quarter revenue amounted to EUR 7.6 million (EUR 13.1 million) and operating loss EUR 1.9 million (a loss of EUR 0.1 million). Decline in revenue was affected by the small number of projects under construction. In addition to this, decline in operating profit was affected by the development costs of developer contracting projects and the fixed costs of business operations.

Russia

The Etmia II office and parking facility project in the heart of Moscow is nearly completed and the registration of the ownership was concluded during the review period. Negotiations with potential tenants are on the way, and the interior works started in early summer. SRV's role in the project is to act as the project management contractor and as co-owner with a 50 per cent stake. SRV's objective is to sell the project to investors in 2009.

In Moscow area, design, preparations for the construction and the search for tenants continued during the review period in the Mytischi shopping centre project which has been developed by SRV. The majority owner of the project is the Finnish real estate investment company Vicus with a 75 per cent stake. Due to the global financing situation, negotiations concerning the financing of the project have not been successful. The site organisation has been temporarily moved to other projects to wait for the final investment decision. The final investment decisions will be made after the financing of the project and negotiations with the tenants have been concluded. SRV owns 25 per cent of the shopping centre project and has invested EUR 6.9 million in it.

SRV continued the development of the roughly 8.5 hectare land area in St Petersburg. The plans include the construction of office and retail space, as well as hotel, restaurant and entertainment premises. Moreover, facilities will be built for the IBI university. The aim is to conclude the development of the overall concept in 2009, which would enable starting up the construction of the first phase during 2010. SRV had invested about EUR 50 million in land and properties as of 30 June 2009. Further investment in the project by SRV is estimated at EUR 10 million. At the moment, SRV owns 87.5% of the project, but the ownership will decline to 77.5 per cent when all land-owning arrangements have been completed according to the cooperation contract.

Phase II of the renovation works of the Pulkovskaya and Pribaltiskaya hotels operated by the Rezidor Group continued in St Petersburg.

The development of the Eurograd logistics area in St Petersburg continued. SRV has a 40 per cent ownership of the Russian company who possesses a plot of 24.9 hectares located north of St Petersburg, in the close vicinity of the Ring Road. Over 100,000 square metres of logistics facilities are planned for the site, in several stages during the next few years. The zoning of the area for logistics is completed. Site planning has begun and negotiations with potential tenants for phase I are underway.

The handing over process of the apartments to the tenants in the Papula residential area in the city of Vyborg commenced during the review period. 30 of the first-phase units had been sold to a Russian company, who was not able to arrange financing for the transaction. During the review period, the cancellation process of the transaction was initiated. The sales situation of the Vyborg apartments has remained weak, and no new deals have been made. At the end of the period, 31 (31) units were unsold.

During the review period, SRV concluded the establishment of a real estate fund together with VTB Capital and Deutsche Bank. The fund will invest mainly in office, retail and hotel projects as well as in construction of top end residential projects in Moscow and in St Petersburg. The fund can also invest in operating completed properties. SRV acts in the fund both as investor and project management contractor.

SRV's share of the investment commitments in the first phase is EUR 20 million. VTB Capital and Deutsche Bank are also investors in the fund. Other investors are pension insurance companies Ilmarinen and Etera. The final target for the investment commitments of the fund is at least EUR 300 million, which can equal as much as EUR 1 billion in investment volume. VTB Capital and Deutsche Bank will act, in a partnership, as sponsor and general partner of the fund. Their task will be, among others, to identify investments and to arrange debt financing for the projects. SRV acts as project management contractor in the fund. Through the fund, the company expects to receive at least EUR 200 million worth of construction contracts.

Baltic countries

Volume in the Baltic business operation was low. No new residential projects are scheduled to be started in the present market situation. In Estonia, 4 (6) residential units were sold during the period and, all in all, 37 (41) units were up for sale in already-completed projects at the end of the period. The number of staff in Estonia was adjusted to the market situation.

On 9 April 2009, SRV and the International School of Latvia signed a contract agreement concerning the construction of international school in Riga.

Other Operations (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	**IFRS 1-12/ 2008**
Revenue	**4.3**	5.7	-1.5	-25.3	2.1	2.8	**11.5**
Operating profit	**-2.6**	-2.5	-0.1		-1.0	-1.6	**-4.9**

Other Operations comprise mainly the SRV Group Plc and SRV Kalusto Oy businesses.

The revenue of Other Operations during the review period was EUR 4.3 million (EUR 5.7 million) and operating loss EUR 2.6 million (loss of EUR 2.5 million). Decrease in revenue and operating profit was caused by lower operation volume. Second quarter revenue amounted to EUR 2.1 million (EUR 2.8 million) and operating loss to EUR 1.0 million (loss of EUR 1.6 million). Decrease in revenue was affected by lower operating volume. Smaller operating loss resulted from executed cost savings measures.

Financing and financial position

The net operational cash flow improved and amounted to a loss of EUR 9.0 million (a loss of EUR 53.0 million in January – June 2008). The improvement of cash flow resulted from the clear decrease in growth of equity and release of other net current assets during the review period. The Group's equity amounted to EUR 160.7 million (EUR 163.7 million on 30 June 2008). The group's inventories were EUR 300.9 million (EUR 249.9 million), the share of land areas and plot-owning companies being EUR 149.2 million (EUR 118.7 million). The Group's invested capital amounted to EUR 353.1 million (EUR 296.2 million).

The Group's financing reserves were EUR 90.5 million at the end of the review period, of which the Group's cash assets at the end of the review period amounted to EUR 6.7 million and the committed undrawn financing reserves amounted to EUR 84.8 million .The Group's net interest-bearing liabilities were EUR 185.8 million on 30 June 2009 (EUR 122.4 million). Net financing expenses totalled EUR 2.5 million (EUR 3.0 million).

Investments in SRV's developer contracting housing projects in Finland, including completed, unsold projects, total around EUR 82 million. SRV estimates that completion of these projects demands another EUR 8 million, which is financed mainly using the undrawn housing corporate loans worth EUR 7 million. Investments in uncompleted developer contracting business premise projects in Finland amount to EUR 33 million. To complete the projects another EUR 4 million is estimated to be invested. Investments in international developer contracting projects amount to EUR 41 million, of which EUR 2.6 million is in unsold residential projects in Estonia, EUR 3.9 million in unsold housing project in Vyborg and EUR 34.1 million in Etmia office project and Mytischi shopping centre project.

The equity ratio was 40.4 per cent (44.9%). The change in the equity ratio and net liabilities was impacted by increase in inventories, in particular. The return on investment was 3.8 per cent (16.9%) and the return on equity 1.5 per cent (13.0%).

Investments

The Group's investments totalled EUR 2.3 million (EUR 21.6 million) and they were mainly related to acquisition of shares of subsidiaries. In the reference period, EUR 18.2 million of the investments were related to the IBI project.

Unbuilt land areas, land acquisition commitments and land development agreements

Land reserve 30.6.2009	Business Operations	Housing	International Operations	Total
Unbuilt land areas and land acquisition commitments				
Building rights*, m^2	**238 000**	**279 000**	**859 000**	**1 376 000**
Capital invested incl. commitments, EUR million	**45**	**70**	**106**	**222**
Land development agreements				
Building rights*, m^2	**481 000**	**225 000**	**100 000**	**806 000**

* Building rights also include the estimated building rights/construction volume of unzoned land reserves and land areas covered by agreements in projects that are wholly or partly owned by SRV

In March, the City of Oulu granted SRV the planning reservation for an approximately 5 hectare land area in the immediate vicinity of Oulu harbour. SRV aims to develop logistics facilities and business premises in the area together with the Port of Oulu and companies operating in the area.

Group structure

SRV is Finland's leading project management contractor. The Group builds and develops commercial and business premises, residential units as well as infrastructure and logistics projects. Apart from Finland, the company operates in Russia and the Baltic countries. SRV Group Plc is the Group's parent company, and it is responsible for the Group's management, treasury, finance and administrative functions. The Property Development and Building Systems units support and serve all the Group's business operations.

SRV's business areas are Business Premises, Housing and International as well as Other Operations. The Business Premises business area comprises the operations of SRV Toimitilat Oy. Housing comprises the operations of SRV Asunnot Oy and the regional subsidiaries. The SRV International subgroup carries on international operations. Other Operations consist primarily of the SRV Group Plc and SRV Kalusto Oy businesses.

Changes in Group structure

In June 2009, SRV acquired 100 per cent ownership of Pirkanmaan Projektitoimi Oy. To intensify the business structure and operation, SRV started the process to merge the company into SRV Asunnot Oy in July 2009. Pirkanmaan Projektitoimi continues its operation under the business name SRV Pirkanmaa.

Rationalising measures

On 19 January, SRV started negotiations to adjust the number of employees to the market situation. The codetermination negotiations concerning the Group's Finnish companies were concluded on 26 March, and as a result SRV will lay-off 60 persons during 2009. In addition to lay-offs, the company agreed with the Finnish employees that the additional holiday pays will be traded for time off. Similar process has been started in the Group's companies abroad. Savings of EUR 6 million in 2009 are sought by these and other savings measures.

Personnel

SRV had an average payroll of 796 (836) employees, of whom 562 (596) were white-collar. The parent company had an average staff of 58 (64) white-collar employees. At the close of the review period, the Group had 784 (961) employees, of whom 54 (68) were employed by the parent company. An average of 17 per cent (13.4) of the employees work at subsidiaries and representative offices abroad. At the end of the review period, SRV had a total of 44 (127) trainees working in the Group's operations in Finland (in summer jobs and in work training as well as students working on their thesis or diploma).

Personnel by business area	**30.6.2009**	30.6.2008	Share of Group personnel, 30.6.2009, %
Business Premises	**291**	351	37.1
Housing	**240**	325	30.6
International	**169**	187	21.6
Other Operations	**84**	98	10.7
Group, total	**784**	961	100.0

The share-based incentive plan for 2009 includes about 70 employees and the reward is based mainly on consolidated and partly on business area performance. The rewards to be paid for earning period 2009 correspond to the approximate value of a total maximum of 380 000 SRV Group Plc shares and a sum of money corresponding to this amount of shares, at the most, for taxes.

Outlook for construction

After the rapid recession, signs of stabilisation can be seen in global economy. However, the possible recovery is slow and the situation in real-estate and construction market continues to be challenging. The Finnish economy is estimated to shrink by 4.5 to 6 per cent in 2009.

The total number of building permits has further decreased in all building types, except for public construction. The falling construction input prices seem to be levelling off. The availability of subcontracting and materials is good.

In the first half of the year, the development in the housing market has been more favourable than in the latter part of last year, and the consumer confidence has somewhat improved. The number of residential start-ups has been small. In the short term, the weakening employment trend hits the residential market as well.

There are still numerous commercial and business premise projects under construction but start-ups have declined significantly. Vacancy rates in office premises will increase due to the completion of new premises during the ongoing year. Construction of logistics facilities is still brisk near the main thoroughfares, in particular.

Growth in renovation continues during the ongoing year, and growth of building stock, its ageing and the need to improve technical quality maintain growth also in the long term. Government support measures will have a positive impact on both renovation and civil engineering.

Deterioration of the Baltic economy continues. Gross production in Estonia and Latvia will reduce significantly this year. Property market has clearly cooled down and construction has slowed down. In the short term, the economic situation in the Baltic countries continues to be difficult.

Russian economy has diminished rapidly in the first half of the year. The poor development of investments has reflected strongly on construction, reducing it significantly. It is still difficult to get credit. During the last few months, inflation has remained on quite high level, and it is predicted to go below 10 per cent in 2010, at the earliest.

Risks, risk management and corporate governance

General economic trends and changes in customers' operating environments have an immediate effect on the construction and property markets. A change in the general interest level has a direct impact on both SRV's cash flow from operating activities and financing costs. The general economic situation has deteriorated considerably and reduces the volume of property investments. Interest rates have fallen sharply, but availability of credit from the banks has weakened and loan margins have risen clearly. The international financial crisis makes it more difficult also for SRV's customers to obtain financing and hampers the functioning of property markets in all SRV's operating regions and in Russia in particular. Property values face pressures and the number of property transactions and start-ups of new projects is decreased due to difficulties in getting financing. The financial crisis adds SRV's risk to be forced to tie up capital in projects longer than intended.

SRV's revenue is generated by construction projects, and the company's result depends on the profitability of individual projects as well as their progress. The recognition date of the developer contracting projects depends on the percentage of sold premises in projects. Among other things, availability of financing for the buyer and occupancy rate have an effect on the selling of the project. When sales are delayed, the recognition of revenue and operating profit is delayed correspondingly. Postponed start-ups of developer contracting projects increase the amount of development expense, which are recorded as costs. Housing sales have slowed down sharply in Finland, and have come to a practical standstill in Estonia. The slowdown in housing sales will increase sales and marketing costs and interest expenses in developer contracting housing production.

Construction is subject to significant cost risks relating to subcontracting and deliveries, and their control underlines the need for long-term planning. In poor economic situation, the financing risks relating to subcontractors will also increase (including labour market disturbances, bankruptcies and grey economy). SRV's contracting model requires skilled and competent personnel. Construction projects face also other case-specific risks relating to design and construction of projects (including new and difficult planning solutions, thermal insulation and waterproofing, occupational safety). Warranty and liability obligations related to construction can span up to ten years.

Besides land acquisition risks, property projects face, among other things, risks relating to outcome of zoning, soil, financing, commercialisation of projects, partners, geographical location and type of project. In accordance with its strategy, SRV focuses on developer contracting projects and has increased its land acquisition in Finland and in Russia, in particular. The crisis in the international financial market has substantially weakened the availability of financing in property projects for property development and investments. It has also put project start-ups on hold.

The financial risks connected with SRV's operations are interest rate, currency, liquidity and contractual party risks, which are discussed in more detail in the Notes to the 2008 Financial Statements. Currency risks are divided into transaction risks and translation risks. Transaction risks are related to currency-denominated business and financing cash flows. Translation risks encompass investments made in foreign subsidiaries, the accounting effects of which are recorded in the translation differences of equity in the consolidated figures.

Liquidity risks may have an effect on the Group's earnings and cash flow if the Group is unable to ensure sufficient financing for its operations. SRV maintains adequate liquidity by means of efficient management of cash flows and solutions linked to it, such as binding lines of credit that are valid until further notice. The company has a long-term liquidity arrangement (EUR 100 million), which shall fall due in 2012. The company's financing agreements contain customary terms and conditions. The financial terms and conditions of the agreements concern the equity ratio.

The Group's risk management is carried out in line with the Group's operations system and control is exercised in accordance with the Group strategy approved by the Board of Directors of the Group's parent company. SRV also makes every effort to cover operational risks by means of insurance and contractual terms. A more detailed account of SRV's risks, risk management and corporate governance policies has been disclosed in the 2008 Annual Report and Financial Statements.

SRV estimates that no other essential changes have occurred in company's risks.

Corporate governance and resolutions of general meetings

The Annual General Meeting was held on 25 March 2009. The AGM adopted the financial statements for 2008 and granted release from liability to the members of the Board of Directors and the president and CEO. A dividend of EUR 0.12 per share was declared. The date of payment of dividend was set at 3 April 2009. Mr Ilpo Kokkila was elected chairman of the Board of Directors and Mr Jukka Hienonen, Mr Lasse Kurkilahti, Mr Hannu Leinonen and Mr Matti Mustaniemi were elected to seats on the Board. The firm of public accountants Ernst & Young Oy was elected as the company's auditor. Mikko Rytilahti, authorised public accountant, will act as the principal auditor.

The Annual General Meeting authorised the Board of Directors to resolve on the acquisition of the company's own shares (treasury shares). The authorisation is in force for 18 months from the decision of the Meeting. A maximum of 3,676,846 own shares, or a lower amount that, in addition to the shares already owned by the company and its subsidiaries, is less than 10 per cent of all shares, may be acquired on the basis of the authorization. The Annual General Meeting authorised the Board of Directors to resolve on the transfer of treasury shares against payment or without consideration. The authorisation is in force for two years from the decision of the Meeting.

In its organisational meeting on 25 March 2009 the Board of Directors elected Lasse Kurkilahti vice chairman of the Board, Matti Mustaniemi chairman of the Audit Committee, Lasse Kurkilahti member of the Audit Committee , Jukka Hienonen and Hannu Leinonen members of the Nomination and Remuneration Committee and Ilpo Kokkila chairman of the Nomination and Remuneration Committee.

Shares and shareholders

SRV Group Plc's share capital is EUR 3, 062,520. The share has no nominal value and the number of shares outstanding is 36,768,468. The company has one class of shares. SRV had a total of 5,980 shareholders at 30 June 2009. SRV did not receive any flagging notifications during the review period.

The closing rate in Nasdaq OMX Helsinki at the end of the review period was EUR 4.18 (EUR 3.47 on 31 December 2008). The highest share price in the review period was EUR 4.79 and the lowest was EUR 2.75. The change in the all-share index of the Helsinki Stock Exchange (OMX Helsinki) during the same period was 3.8% positive and the OMX Industrial and Services index 30.4 per cent positive.

At the end of the review period, the company had a market capitalisation of EUR 150.4 million, excluding the Group's own shares. 6.0 million shares were traded during the review period and the trade volume was EUR 20.2 million.

On 13 May 2009 the Board of Directors of SRV Group Plc decided to use the authorisation to acquire the company's own shares. The share acquisition started on 25 May 2009. At the end of the review period, SRV Group Plc's subsidiary SRV Kalusto Oy had 215,562 of SRV Group Plc's shares. The shares were acquired in accordance with the conditions of the merger plan of SRV Group Plc and SRV Henkilöstö Oy. On 30 June 2009, SRV Group Plc and SRV Kalusto Oy had a total of 787,000 of SRV Group Plc's shares, representing 2.1 per cent of the total number of the company's shares and combined number of votes. On 11 August 2009, the Group had a total of 864,000 shares (2.3 per cent of the total number of the company's shares and combined number of votes).

Financial targets

The Board of Directors has set the aim of SRV in the medium term to achieve annual average growth of approximately 15 per cent in Group revenue and annual average growth of 30 per cent in revenue in International Operations. SRV aims to increase the level of operating profit and, in the medium to long term, to achieve an operating margin of 8 per cent. Also, the company aims to maintain an equity ratio of 30 per cent.

The international economic and financing crisis has hindered the growth outlook for business operations. The realisation of the sales of developer contracting projects has an essential effect on the development of profitability. The set financial targets cannot be met during in the present economic situation. The company endeavours to maintain the profitability by rationalising operations and cutting costs.

Events after the end of the reporting period

SRV Terbelat Sia, a subsidiary of SRV Group Plc has been engaged as claimant in international arbitration proceedings in Berlin concerning a power plant construction contract in Latvia with a Latvian customer SIA Juglas Jauda. SRV suspended the work because of the customer's breach of the contract and terminated the contract in autumn 2007.

The arbitration tribunal has confirmed SRV's right to terminate the contract, and ordered the defendant to pay SRV approximately EUR1.4 million for costs and interest. The enforcement of the arbitration tribunal's decision has to be applied in Latvian local court, where the customer has also started proceedings based on the same contract against SRV.

Outlook for 2009 reiterated

The international financial crisis has complicated the financing of property investments and weakened the economic outlook. Start-up decisions and housing sales, in particular, face uncertainties.

The trend in revenue, operating profit and earnings in 2009 will be affected by success of the sales of developer contracting sites and the volume of new work orders. Costs will be cut to improve profitability.

Revenue and operating profit in 2009 are estimated to be below the previous year’s figures, but profit before taxes is estimated to be clearly positive.

Espoo 12 August, 2009

Board of Directors

All forward-looking statements in this review are based on the management's current expectations and beliefs about future events, and actual results may differ materially from the expectations and beliefs such statements contain.

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Key figures:

		IFRS 1-6/ 2009	IFRS 1-6/ 2008	IFRS 4-6/ 2009	IFRS 4-6/ 2008	IFRS 1-12/ 2008
Revenue	EUR million	180.6	288.8	94.2	142.4	537.0
Operating profit	EUR million	5.4	18.1	3.5	9.2	32.9
Operating profit, % of revenue	%	3.0	6.3	3.7	6.4	6.1
Profit before taxes	EUR million	2.9	15.1	2.5	6.8	23.7
Profit before taxes, % of revenue	%	1.6	5.2	2.7	4.8	4.4
Net profit attributable to equity holders of the parent company	EUR million	1.2	10.1	1.0	4.4	15.7
Return on equity [1)]	%	1.5	13.0			9.4
Return on investment [1)]	%	3.8	16.9			12.9
Invested capital	EUR million	353.2	296.2			339.4
Equity ratio	%	40.4	44.9			41.3
Net interest-bearing debt	EUR million	185.8	122.4			169.4
Gearing ratio	%	115.6	74.8			101.7
Order backlog	EUR million	458.4	521.1			455.3
Personnel on average		796	836			871
Property, plant and equipment investments	EUR million	2.3	21.6	2.2	20.9	16.8
Property, plant and equipment investments, % of revenue	%	1.3	7.5	2.3	14.7	3.1
Earnings per share, share issue adjusted	EUR	0.03	0.28	0.03	0.12	0.43
Equity per share, share issue adjusted	EUR	4.45	4.40	-	-	4.54
Dividend per share, share issue adjusted	EUR	-	-	-	-	0.12
Dividend payout ratio	%	-	-	-	-	27.9
Dividend yield	%	-	-	-	-	3.5
Price per earnings ratio		-	-	-	-	8.1
Share price development						
Share price at the end of the period	EUR	4.18	5.28	-	-	3.47
Average share price	EUR	3.52	5.61	-	-	5.05
Lowest share price	EUR	2.75	4.67	-	-	2.82
Highest share price	EUR	4.79	6.60	-	-	6.60
Market capitalisation at the end of the period	EUR million	150.4	193.1	-	-	125.7
Trading volume	1,000	6 004	9 328	-	-	13 543
Trading volume	%	16.6	25.4	-	-	37.1
Weighted average number of shares outstanding	1,000	36 169	36 672	36 137	36 626	36 526
Number of shares outstanding at the end of the period	1,000	35 981	36 575	35 981	36 575	36 210

1) In calculating the key ratio only the profit for the period has been annualised

Calculation of key figures:

Gearing ratio, %	=	100 x	$\frac{\text{Net interest-bearing debt}}{\text{Total equity}}$
Return on equity, %	=	100 x	$\frac{\text{Profit before taxes - income taxes}}{\text{Total equity, average}}$
Return on investment, %	=	100 x	$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Invested capital, average}}$
Equity ratio, %	=	100 x	$\frac{\text{Total equity}}{\text{Total assets - advances received}}$
Invested capital	=		Total assets - non-interest bearing debt - deferred tax liabilities – provisions
Net interest bearing debt	=		Interest bearing debt - cash and cash equivalents
Earnings per share, share issue adjusted	=		$\frac{\text{Net profit for the period attributable to equity holders of the parent company}}{\text{Weighted average number of shares outstanding}}$
Equity per share, share issue adjusted	=		$\frac{\text{Shareholders' equity attributable to equity holders of the parent company}}{\text{Number of shares outstanding at the end of the period, share issue adjusted}}$
Price per earnings ratio	=		$\frac{\text{Share price at the end of the period}}{\text{Earnings per share, share issue adjusted}}$
Dividend payout ratio, %	=	100 x	$\frac{\text{Dividend per share. share issue adjusted}}{\text{Earnings per share, share issue adjusted}}$
Dividend yield, %	=	100 x	$\frac{\text{Dividend per share. share issue adjusted}}{\text{Share price at the end of the period, share issue adjusted}}$
Average share price	=		$\frac{\text{Number of shares traded in euros during the period}}{\text{Number of shares traded during the period}}$
Market capitalisation at the end of the period	=		Number of shares outstanding at the end of the period x share price at the end of the period
Trading volume	=		Number of shares traded during the period and in relation to the weighted average number of shares outstanding

SRV Group Plc Interim Report 1.1. - 30.6.2009: TABLES

Appendixes
1) Condensed consolidated financial statements: income statement, balance sheet, statement of changes in equity, cash flow statement, commitments and contingent liabilities, derivative contracts liabilities
2) Quarterly development
3) Segment information
4) Events after the reporting period

1. Group financials 1.1. - 30.6.2009

IFRS standards and operating segments

SRV Group (SRV) adopted International Financial Reporting Standards (IFRS) on 1 January 2006. In preparing interim condensed consolidated financial statement information, SRV has applied the same accounting principles as in its year-end financial statements for 2008. The figures in the tables have been rounded which should be noted when counting the total sums. The interim condensed consolidated financial statement information has been prepared in accordance with the accounting policies set out in the IAS 34 standard and the information disclosed is unaudited.

SRV's reporting segments comprise Business Premises, Housing, International Operations and Other Operations. The operating segment figures are disclosed in accordance with IFRS 8, following the accounting principles applied in the consolidated financial statements.

The following new or revised standards and interpretations are effective from January 1, 2009:

– IAS 23 Borrowing costs. Borrowing costs attributable to construction projects starting in 2009 or later shall be capitalized in inventory and recognized in the income statement as the revenue from the construction project is recognized. This amendment has an impact both on the Group’s financial position and reporting. During the period 1.1.-31.3.2009 the impact of this amendment to Group’s financial position was minor.
– IAS 1 Presentation of financial statements. Starting from 2009 Group shall present income statement and the statement of comprehensive income. Statement of comprehensive income includes changes in equity that relate to transactions with non-owners.

Estimate of the future impacts of the interpretations:

– IFRIC 15 Agreements for the construction of real estate. The interpretation specifies when the revenue relating to construction contracts may be recognized using the Percentage of Completion method and when Completed Contract method should be used instead. The application of this interpretation will have an impact primarily on revenue recognition of the housing developer contracting and it will have an impact both on the Group’s financial position and reporting. Currently Group applies Percentage of Completion method on housing developer contracting. According to the interpretation the Completed Contract method should be applied instead. EU enforced the interpretation on 22 July of 2009 and the interpretation shall be applied on the financial year starting January 1, 2010.

Consolidated income statement (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	change, MEUR	change, %	IFRS 4-6/ 2009	IFRS 4-6/ 2008	**IFRS 1-12/ 2008**
Revenue	**180.6**	**288.8**	**-108.2**	-37.5	**94.2**	**142.4**	**537.0**
Other operating income	1.1	0.6	0.5	90.3	0.7	0.2	1.4
Change in inventories of finished goods and work in progress	10.3	13.7	-3.5	-25.2	2.7	12.3	53.5
Use of materials and services	-156.4	-252.5	96.2	-38.1	-79.1	-128.6	-495.3
Employee benefit expenses	-23.2	-23.8	0.5	-2.3	-11.7	-12.5	-46.3
Depreciation and impairments	-1.8	-1.4	-0.4	31.6	-0.9	-0.8	-3.2
Other operating expenses	-5.2	-7.3	2.1	-29.3	-2.3	-3.9	-14.1
Operating profit	**5.4**	**18.1**	**-12.7**	-70.2	**3.5**	**9.2**	**32.9**
Financial income	1.3	2.9	-1.6	-56.6	0.6	1.7	4.2
Financial expenses	-3.7	-5.9	2.2	-37.2	-1.6	-4.1	-13.4
Financial income and expenses, total	-2.5	-3.0			-1.0	-2.4	-9.2
Profit before taxes	**2.9**	**15.1**	**-12.1**	-80.5	**2.5**	**6.8**	**23.7**
Income taxes	-1.7	-4.6	2.9	-63.0	-1.3	-2.2	-8.5
Net profit for the period	**1.2**	**10.4**	**-9.2**	-88.3	**1.2**	**4.5**	15.3
Attributable to							
Equity holders of the parent company	1.2	10.1			1.0	4.4	15.7
Minority interest	0.1	0.3			0.2	0.2	-0.4
Earnings per share calculated on the profit attributable to equity holders of the parent company (undiluted and diluted)	0.03	0.28		-89.3	0.03	0.12	0.43

Statement of comprehensive income (EUR million)	**IFRS 1-6/ 2009**	IFRS 1-6/ 2008	**IFRS** 4-6/ 2009	IFRS 4-6/ 2008	IFRS 1-12/ 2008
Net profit for the period	**1.2**	**10.4**	**1.2**	**4.5**	**15.3**
Items recognised directly in equity:					
Exchange differences on translating foreign operations	0.0	-0.1	0.0	-0.1	-0.1
Available for sale financial assets	0.0	0.0	0.0	0.0	-0.1
Net gain (loss) on cash flow hedges	0.0	0.0	0.0	0.0	0.0
Deferred tax	0.0	0.0	0.0	0.0	0.0
Income (loss) recognised directly in equity net of tax	**0.0**	**-0.1**	**0.0**	**0.0**	**-0.1**
Total comprehensive income for the period	**1.2**	**10.4**	**1.2**	**4.5**	**15.1**
Profit for the period attributable to:					
Equity holders of the parent company	1.1	10.1	1.2	4.5	15.6
Minority interest	0.1	0.3	0.0	0.0	-0.4

Consolidated balance sheet (EUR million)	IFRS 30.6.09	IFRS 30.6.08	change, %	IFRS 31.12.08
ASSETS				
Non-current assets				
Property, plant and equipment	17.5	26.1	-33.2	19.0
Goodwill	1.7	1.8	-1.2	1.7
Other intangible assets	0.5	0.7	-27.8	0.5
Other financial assets	4.3	3.7	18.1	4.3
Receivables	7.4	5.0	49.4	6.6
Deferred tax assets	1.9	1.3	44.5	1.7
Non-current assets, total	**33.3**	**38.5**	-13.5	**33.8**
Current assets				
Inventories	300.9	249.9	20.4	294.8
Trade and other receivables	71.6	89.0	-19.5	86.7
Current tax receivables	5.6	6.5	-14.2	5.1
Cash and cash equivalents	6.7	10.1	-33.5	3.4
Current assets, total	**384.9**	**355.5**	8.3	**390.0**
ASSETS, TOTAL	**418.1**	**393.9**	6.1	**423.8**

Consolidated balance sheet (EUR million)	IFRS 30.6.09	IFRS 30.6.08	change, %	IFRS 31.12.08
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent company				
Share capital	3.1	3.1	0.0	3.1
Invested free equity fund	87.3	87.3	0.0	87.3
Translation differences	-0.1	-0.1	2.0	-0.1
Fair value reserve	-0.1	0.0		-0.1
Retained earnings	70.0	70.4	-0.6	74.1
Equity attributable to equity holders of the parent company, total	**160.3**	**160.8**	-0.3	**164.3**
Minority interest	**0.4**	**2.9**	-84.8	**2.3**
Equity, total	**160.7**	**163.7**	-1.8	**166.6**
Non-current liabilities				
Deferred tax liabilities	0.2	0.4	-51.3	0.3
Provisions	4.9	6.0	-19.4	5.6
Interest-bearing liabilities	83.0	50.8	63.3	69.7
Other liabilities				
Non-current liabilities, total	**88.1**	**57.3**	53.8	**75.6**
Current liabilities				
Trade and other payables	53.7	83.0	-35.2	66.8
Current tax payables	2.4	4.3	-43.7	8.0
Provisions	3.7	4.1	-8.9	3.8
Interest-bearing liabilities	109.5	81.7	34.0	103.1
Current liabilities, total	**169.3**	**173.0**	-2.1	**181.6**
Liabilities, total	**257.4**	**230.3**	11.8	**257.2**
EQUITY AND LIABILITIES	**418.1**	**393.9**	6.1	**423.8**

Consolidated cash flow statement (EUR million)	IFRS 1-6/2009	IFRS 1-6/2008	IFRS 1-12/2008
Cash flows from operating activities			
Net profit for the period	**1,2**	**10,4**	**15,3**
Adjustments:			
Depreciation and impairments	1,8	1,4	3,2
Non-cash transactions	-1,0	-0,2	-0,5
Financial income and expenses	2,5	3,0	9,2
Capital gains on sales of tangible and intangible assets	0,0	0,0	0,0
Income taxes	1,7	4,6	8,5
Adjustments, total	**5,0**	**8,9**	**20,3**
Changes in working capital:			
Change in loan receivables	0,0	-6,3	-12,6
Change in trade and other receivables	15,2	8,1	14,9
Change in inventories	-5,6	-53,2	-98,8
Change in trade and other payables	-11,5	-15,2	-31,9
Changes in working capital, total	**-1,9**	**-66,7**	**-128,3**
Interest paid	-6,4	-5,7	-13,0
Interest received	1,1	5,0	6,7
Dividends received	0,0	0,0	0,0
Income taxes paid	-8,0	-4,9	-4,2
	-13,3	**-5,6**	**-10,5**
Net cash flow from operating activities	**-9,0**	**-53,0**	**-103,2**
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash	-2,0	-1,3	-1,3
Property, plant and equipment	-0,2	-19,3	-13,7
Intangible assets	0,0	-0,2	-0,3
Other financial assets	-0,1	-0,8	-1,5
Sale of property, plant and equipment and intangible assets	0,0	0,1	0,1
Sale of financial assets	0,0	0,0	0,0
Net cash used in investing activities	**-2,3**	**-21,5**	**-16,7**
Cash flows from financing activities			
Proceeds from share issue	0,0	0,0	0,0
Proceeds from loans	14,1	18,4	68,9
Repayments of loans	-17,2	-9,2	-10,1
Change in loan receivables	0,0	0,0	0,0
Change in housing corporation loans	2,8	16,0	30,6
Change in credit limits	20,1	42,8	18,8
Purchase of treasury shares	-0,7	-0,4	-1,9
Dividends paid	-4,4	-4,4	-4,4
Net cash from financing activities	**14,7**	**63,2**	**101,8**
Net change in cash and cash equivalents	**3,4**	**-11,3**	**-18,0**
Cash and cash equivalents at the beginning of period	3,4	21,4	21,4
Cash and cash equivalents at the end of period	**6,7**	**10,1**	**3,4**

Inventories (EUR million)	IFRS 30.6.09	IFRS 30.6.08	change, %	IFRS 31.12.08
Raw materials and consumables	**0.0**	0.1	-84.6	**0.0**
Work in progress	**91.6**	73.8	24.1	**100.8**
Land areas and plot-owning companies	**149.2**	118.7	25.7	**142.1**
Shares in completed housing corporations and real estate companies	**41.8**	37.7	10.8	**34.0**
Advance payments	**4.0**	6.2	-35.4	**3.7**
Other inventories	**14.3**	13.4	7.2	**14.2**
Inventories, total	**300.9**	249.9	20.4	**294.8**

Statement of changes in Group equity 1.1. - 30.6.2009

IFRS (EUR million)	Equity attributable to the equity holders of the parent company								
	Share capital	Share premium reserve	Invested free equity fund	Translation differences	Fair value reserve	Retained earnings	Total	Minority interest	Total equity
Equity on 1.1.2009	**3.1**	**0.0**	**87.3**	**-0.1**	**-0.1**	**74.1**	**164.3**	**2.3**	**166.6**
Translation differences				0.0	0.0		**0.0**		
Other changes						-0.2	**-0.2**		
Net income recognised directly in equity	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-0.2**	**-0.2**		
Net profit for the financial year						1.2	**1.2**		
Total income and expenses for the financial year	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**1.2**	**1.2**		
Dividends paid						-4.3	**-4.3**		
Share based incentive plan						0.0	**0.0**		
Purchase of treasury shares						-0.7	**-0.7**		
Equity on 30.6.2009	**3.1**	**0.0**	**87.3**	**-0.1**	**-0.1**	**70.0**	**160.3**	**0.4**	**160.7**

Statement of changes in Group equity 1.1. - 30.6.2008

IFRS (EUR million)	Equity attributable to the equity holders of the parent company								
	Share capital	Share premium reserve	Invested free equity fund	Translation differences	Fair value reserve	Retained earnings	Total	Minority interest	Total equity
Equity on 1.1.2008	**3.1**	**0.0**	**87.3**	**0.0**	**0.0**	**64.7**	**155.1**	**3.2**	**158.3**
Translation differences				-0.1	0.0		**-0.1**		
Other changes			0.0			0.2	**0.2**		
Net income recognised directly in equity	**0.0**	**0.0**	**0.0**	**-0.1**	**0.0**	**0.2**	**0.1**		
Net profit for the financial year						10.1	**10.1**		
Total income and expenses for the financial year	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**10.1**	**10.1**		
Dividends paid						-4.4	**-4.4**		
Purchase of treasury shares						-0.2	**-0.2**		
Equity on 30.6.2008	**3.1**	**0.0**	**87.3**	**-0.1**	**0.0**	**70.4**	**160.8**	**2.9**	**163.7**

Statement of changes in Group equity 1.1. - 31.12.2008

IFRS (EUR million)	Equity attributable to the equity holders of the parent company								
	Share capital	Share premium reserve	Invested free equity fund	Translation differences	Fair value reserve	Retained earnings	Total	Minority interest	Total equity
Equity on 1.1.2008	**3.1**	**0.0**	**87.3**	**0.0**	**0.0**	**64.7**	**155.1**	**3.2**	**158.3**
Translation differences				-0.1	-0.1	0.1	**-0.1**		
Other changes			0.0			0.0	**0.0**		
Net income recognised directly in equity	**0.0**	**0.0**	**0.0**	**-0.1**	**-0.1**	**0.0**	**-0.2**		
Net profit for the financial year						15.7	**15.7**		
Total income and expenses for the financial year	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**15.7**	**15.7**		
Dividends paid						-4.4	**-4.4**		
Purchase of treasury shares						-1.9	**-1.9**		
Equity on 31.12.2008	**3.1**	**0.0**	**87.3**	**-0.1**	**-0.1**	**74.1**	**164.3**	**2.3**	**166.6**

Commitments and contingent liabilities EUR million	**IFRS 30.6.09**	IFRS 30.6.08	change, %	**IFRS 31.12.08**
Collateral given for own liabilities				
Real estate mortgages given	**118.3**	95.3	24.2	**114.7**
Pledges given	0.0	0.0		0.0
Other commitments				
Guarantees given for liabilities on uncompleted projects	**0.0**	23.4	-100.0	**0.4**
Investment commitments given	**22.3**	4.0	456.7	**2.7**

Fair and nominal values of derivative instruments	**IFRS 30.6.09**		IFRS 30.6.2008		**IFRS 31.12.08**	
(EUR million)	Fair Values		Fair Values		Fair Values	
	Positive	Negative	Positive		Positive	Negative
Hedge accounting not applied						
Foreign exchange forward contracts	**0.0**	**0.0**	0.2	0.0	**0.0**	**0.0**
Interest rate swaps	**0.1**	**0.1**	0.0	0.0	**0.0**	**0.0**

Nominal values of derivative instruments	**IFRS 30.6.09**	IFRS 30.6.08	**IFRS 31.12.08**
Foreign exchange forward contracts	**0.0**	8.1	**0.0**
Interest rate swaps	**63.4**	11.2	**18.8**

The fair values of derivative instruments are based on market prices at the end of the reporting period.
Open foreign exchange forward contracts are hedging the financing cash flow.

2. Group and Segment information by quarter

SRV Group (EUR million)	IFRS 4-6/09	IFRS 1-3/09	IFRS 10-12/08	IFRS 7-9/08	IFRS 4-6/08	IFRS 1-3/08
Revenue	**94.2**	86.4	121.4	126.7	142.4	146.4
Operating profit	**3.5**	1.9	0.7	14.1	9.2	8.9
Financial income and expenses, total	**-1.0**	-1.5	-3.3	-2.9	-2.4	-0.6
Profit before taxes	**2.5**	0.4	-2.6	11.2	6.8	8.3
Order backlog [1)]	**458.4**	453.9	455.3	455.2	521.1	451.3
Earnings per share, eur	**0.03**	0.00	-0.06	0.21	0.12	0.16
Equity per share, eur [1)]	**4.45**	4.42	4.54	4.61	4.40	4.38
Share price, eur [1)]	**4.18**	3.00	3.47	4.19	5.28	5.55
Equity ratio, % [1)]	**40.4**	40.9	41.3	45.9	44.9	52.1
Net interest bearing debt [1)]	**185.8**	170.6	169.4	127.9	122.4	76.1
Gearing, % [1)]	**115.6**	105.3	101.7	75.2	74.8	46.3

Revenue (EUR million)	IFRS 4-6/09	IFRS 1-3/09	IFRS 10-12/08	IFRS 7-9/08	IFRS 4-6/08	IFRS 1-3/08
Business Premises	**46.1**	54.8	77.9	74.3	92.2	104.8
Housing	**40.5**	25.8	33.3	31.4	37.1	26.0
International	**7.6**	5.8	10.2	21.0	13.1	15.7
Other Operations	**2.1**	2.2	3.0	2.7	2.8	2.9
Eliminations	**-2.1**	-2.2	-3.1	-2.7	-2.9	-2.9
Group, total	**94.2**	**86.4**	**121.4**	**126.7**	**142.4**	**146.4**

Operating profit (EUR million)	IFRS 4-6/09	IFRS 1-3/09	IFRS 10-12/08	IFRS 7-9/08	IFRS 4-6/08	IFRS 1-3/08
Business Premises	**4.6**	5.9	6.0	3.7	9.9	8.2
Housing	**1.9**	0.0	-1.2	0.5	0.9	0.4
International	**-1.9**	-2.5	-2.7	10.8	-0.1	1.2
Other Operations	**-1.0**	-1.6	-1.4	-1.0	-1.6	-0.9
Eliminations	**0.0**	0.0	0.0	0.0	0.0	0.0
Group, total	**3.5**	**1.9**	**0.7**	**14.1**	**9.2**	**8.9**

Operating profit (%)	IFRS 4-6/09	IFRS 1-3/09	IFRS 10-12/08	IFRS 7-9/08	IFRS 4-6/08	IFRS 1-3/08
Business Premises	**10.0**	10.8	7.8	4.9	10.8	7.8
Housing	**4.6**	0.0	-3.6	1.7	2.5	1.6
International	**-25.6**	-43.3	-26.5	51.5	-0.9	7.9
Group, total	**3.7**	2.2	0.6	11.1	6.4	6.1

Order backlog (EUR million)	IFRS 30.6.09	IFRS 31.3.09	IFRS 31.12.08	IFRS 30.9.08	IFRS 30.6.08	IFRS 31.3.08
Business Premises	224.3	252.8	265.7	228.8	291.1	235.2
Housing	203.3	169.6	154.0	186.3	186.8	182.4
International	30.7	31.5	35.6	40.2	43.2	33.7
Group, total	**458.4**	**453.9**	**455.3**	**455.2**	**521.1**	**451.3**
- sold order backlog	303	286	280	279	358	281
- unsold order backlog	155	168	176	176	163	170

Invested capital (EUR million)	**IFRS 30.6.09**	IFRS 31.3.09	IFRS 31.12.08	IFRS 30.9.08	IFRS 30.6.08	IFRS 31.3.08
Business Premises	**77.0**	69.2	63.9	63.5	51.2	43.7
Housing	**135.9**	134.9	138.9	115.9	105.3	97.0
International	**152.6**	151.0	138.6	143.9	145.1	115.1
Other and eliminations	**-12.2**	-14.0	-2.0	-16.6	-5.4	4.0
Group, total	**353.2**	**341.1**	**339.4**	**306.6**	**296.2**	**259.8**

Residential production in Finland (units)	**4-6/09**	1-3/09	10-12/08	7-9/08	4-6/08	1-3/08
Start-ups	**0**	4	0	49	53	8
Sold	**51**	27	13	32	63	33
Completed [1)]	**93**	58	0	31	104	125
Completed and unsold [1)]	**185**	156	133	140	128	105
Under construction [1]	**118**	211	265	251	247	298
- of which unsold [1)]	**100**	180	226	232	227	260

1) at the end of the period

3. Segment information

Assets (EUR million)	**IFRS 30.6.09**	IFRS 30.6.08	change, MEUR	change, %	**IFRS 31.12.08**
Business Premises	**90.2**	111.7	-21.6	-19.3	**116.9**
Housing	**160.2**	127.3	32.8	25.8	**158.4**
International	**157.7**	157.8	-0.1	-0.1	**158.6**
Other Operations	**194.1**	187.8	6.3	3.3	**185.1**
Eliminations	**-184.0**	-190.7	6.7		**-195.2**
Group, total	**418.1**	393.9	24.2	6.1	**423.8**

Liabilities (EUR million)	**IFRS 30.6.09**	IFRS 30.6.08	change, MEUR	change, %	**IFRS 31.12.08**
Business Premises	**46.6**	82.0	-35.3	-43.1	**81.7**
Housing	**143.9**	113.8	30.0	26.4	**141.5**
International	**163.3**	149.9	13.4	8.9	**147.2**
Other Operations	**90.6**	76.7	13.9	18.2	**65.7**
Eliminations	**-187.0**	-192.1	5.1		**-178.9**
Group, total	**257.4**	230.3	27.1	11.8	**257.2**

Invested capital (EUR million)	**IFRS 30.6.09**	IFRS 30.6.08	change, MEUR	change, %	**IFRS 31.12.08**
Business Premises	**77.0**	51.2	25.8	50.5	**63.9**
Housing	**135.9**	105.3	30.6	29.0	**138.9**
International	**152.6**	145.1	7.5	5.2	**138.6**
Other and eliminations	**-12.2**	**-5.4**	-6.9		**-2.0**
Group, total	**353.2**	296.2	57.0	19.3	**339.4**

Inventories (MEUR)	**IFRS 30.6.09**	IFRS 30.6.08	change, MEUR	**IFRS 31.12.08**
Land areas and plot-owning companies	**149.2**	**118.7**	**30.5**	**142.1**
Business Premises	25.0	22.6	2.5	24.6
Housing	45.5	36.0	9.5	41.6
International	78.4	60.1	18.3	76.0
Work in progress	**91.6**	**73.8**	**17.6**	**100.8**
Business Premises	32.9	20.1	12.8	30.0
Housing	43.0	38.8	4.1	57.3
International	15.7	14.9	0.7	13.6
Shares in completed housing corporations and real estate companies	**41.8**	**37.7**	**4.1**	**34.0**
Business Premises	0.0	0.0	0.0	0.0
Housing	39.1	28.8	10.3	30.6
International	2.6	8.9	-6.3	3.3
Other inventories	**18.6**	**19.7**	**-1.1**	**17.9**
Business Premises	5.1	5.2	-0.1	5.0
Housing	5.1	6.1	-1.1	4.6
International	9.5	9.4	0.1	9.3
Inventories, total	**300.9**	**249.9**	**51.0**	**294.8**
Business Premises	63.0	47.9	15.1	59.6
Housing	132.6	109.7	22.9	134.0
International	106.0	93.2	12.8	102.1

Business Premises (EUR million)	**IFRS 1-6/2009**	IFRS 1-6/2008	change, MEUR	change, %	**IFRS 2008**
Revenue	**100.9**	197.0	-96.0	-48.7	**349.1**
Operating profit	**10.6**	18.1	-7.6	-41.7	**27.8**
Segment's assets					
Non-current assets	**0.9**	0.9	-0.1	-6.0	**0.9**
Current assets	**89.3**	110.8	-21.5	-19.4	**116.0**
Total assets	**90.2**	111.7	-21.6	-19.3	**116.9**
Segment's liabilities					
Non-current liabilities	**11.3**	1.1	10.1	882.2	**1.1**
Current liabilities	**35.4**	80.8	-45.4	-56.2	**80.6**
Total liabilities	**46.6**	82.0	-35.3	-43.1	**81.7**
Invested capital at end of period	**77.0**	51.2	25.8	50.5	**63.9**
Return on investment, % [1)]	**30.5**	91.6			**60.8**
Order backlog at end of period	**224.3**	291.1	-66.8	-22.9	**265.7**

Housing (EUR million)	**IFRS 1-6/2009**	IFRS 1-6/2008	change, MEUR	change, %	**IFRS 2008**
Revenue	**66.3**	63.1	3.2	5.1	**127.9**
Operating profit	**1.9**	1.3	0.5	38.4	**0.7**
Segment's assets					
Non-current assets	**1.7**	2.2	-0.5	-24.2	**1.9**
Current assets	**158.5**	125.1	33.4	26.7	**156.5**
Total assets	**160.2**	127.3	32.8	25.8	**158.4**
Segment's liabilities					
Non-current liabilities	**59.5**	44.4	15.2	34.2	**58.3**
Current liabilities	**84.3**	69.5	14.9	21.4	**83.2**
Total liabilities	**143.9**	113.8	30.0	26.4	**141.5**
Invested capital at end of period	**135.9**	105.3	30.6	29.0	**138.9**
Return on investment, % 1)	**2.7**	2.9			**0.7**
Order backlog at end of period	**203.3**	186.8	16.5	8.8	**154.0**

International Operations (EUR million)	**IFRS 1-6/2009**	IFRS 1-6/2008	change, MEUR	change, %	**IFRS 2008**
Revenue	**13.3**	28.8	-15.5	-53.7	**60.1**
Operating profit	**-4.4**	1.1	-5.6		**9.2**
Segment's assets					
Non-current assets	**16.5**	22.8	-6.3	-27.7	**16.2**
Current assets	**141.2**	135.0	6.2	4.6	**142.4**
Total assets	**157.7**	157.8	-0.1	-0.1	**158.6**
Segment's liabilities					
Non-current liabilities	**14.1**	13.3	0.8	6.2	**12.7**
Current liabilities	**149.2**	136.6	12.5	9.2	**134.6**
Total liabilities	**163.3**	149.9	13.4	8.9	**147.2**
Invested capital at end of period	**152.6**	145.1	7.5	5.2	**138.6**
Return on investment. % 1)	**-4.8**	6.5			**9.3**
Order backlog at end of period	**30.7**	43.2	-12.4	-28.8	**35.6**

1) In calculating the key ratio only the profit for the period has been annualised

4) Events after the end of the reporting period

SRV Terbelat Sia, a subsidiary of SRV Group Plc has been engaged as claimant in international arbitration proceedings in Berlin concerning a power plant construction contract in Latvia with a Latvian customer SIA Juglas Jauda. SRV suspended the work because of the customer's breach of the contract and terminated the contract in autumn 2007. The arbitration tribunal has confirmed SRV's right to terminate the contract, and ordered the defendant to pay SRV approximately EUR1.4 million for costs and interest. The enforcement of the arbitration tribunal's decision has to be applied in Latvian local court, where the customer has also started proceedings based on the same contract against SRV.