

5 August 2004, at 9.00 am (EET)

ALDATA SOLUTION OYJ'S INTERIM REPORT JANUARY - JUNE 2004

- Net sales was 32.2 MEUR (2003 H1: 35.6 MEUR).
- Operating profit before goodwill amortization (EBITA) was -1.7 (1.8) MEUR and operating profit (EBIT) was -2.5 (1.0) MEUR.
- The order backlog stood at 17.8 (19.4) MEUR, including licence, maintenance and fixed price contracts to be recognized during the next 12 months.
- Supply Chain Management Software continued its international expansion. Several new projects and customers were won during the review period.
- In-Store Software continued to improve its profitability.
- Security Systems shows positive signs and the business climate has improved significantly.
- Net sales guidance for 2004: 72.0 -76.0 MEUR and EBIT will be positive in 2004.

Net sales, result and order backlog

Aldata Group's net sales in January - June 2004 totalled 32.2 (35.6) MEUR.

Software licenses and maintenance accounted for 22.6% (20.4%) of net sales in the reporting period, services for 61.2% (64.7%) and third party licences and hardware for 16.2% (14.9%).

The Group's gross profit in January - June 2004 was 24.0 (26.2) MEUR. The operating profit before goodwill amortization was -1.7 (1.8) MEUR, or -5.3% (5.1%) of net sales. The operating profit was -2.5 (1.0) MEUR, -7.8% (2.9%) of net sales, and the profit before extraordinary items was -2.5 (1.0) MEUR. Earnings per share (EPS) in the review period amounted to -0.034 (-0.005) EUR.

Lower net sales is a result of resource allocation from existing markets to new markets and a slow revenue generation from new geographical areas. Lower profitability in the review period is due to lower sales and investments related to the internationalization process, both set-up and marketing investments as well as localization of Aldata's product portfolio and partner training.

The order backlog stood at 17.8 MEUR (2004 Q1: 19.4 MEUR). The order backlog includes license and maintenance contracts and fixed price service contracts, which will be recognized during next 12 months.

Guidance for the year 2004

In May, when announcing first quarter results, Aldata informed the market that its net sales and operating profit for the full year 2004 will be higher than in 2003. The company now revises its guidance for the full year 2004.

Net sales guidance for the year 2004 is 72.0 – 76.0 MEUR. The main reasons for a lower net sales estimate are decreased revenues from the Casino project, due to a faster than expected implementation of the project and lower than planned revenues from new geographical areas.

On EBIT level the company expects to generate profit in the full year 2004. Operating profit is affected negatively by heavy investments in the internationalization of the Supply Chain Management Software business. New markets are entered both through own subsidiaries (USA, UK and Slovenia), and with customers and partners (Asia, Latin America, Middle-East and Russia). Aldata sees investments into new geographical areas crucial for the company's strategy and expects these investments to generate substantial revenues and profits starting 2005. Main part of costs related to the internationalization process will take place during the first three quarters of 2004.

Centralized Management Functions in Paris by the end of Q3/2004

In order to support and accelerate Aldata's internationalisation process, the Board of Directors decided on June 17, 2004 to centralize key management functions into Paris, France. This is a significant and logical step for Aldata and the new structure's main purpose is to better and faster support customers, partners, product development and subsidiaries. With the new structure the company will be better able to meet its long-term growth targets, increase profitability and to create added value for its customers and shareholders.

Business performance and prospects

Supply Chain Management Software

Net sales of Supply Chain Management Software in the period January - June 2004 was 22.1 (24.9) MEUR. The gross profit was 16.6 (18.8) MEUR. The operating profit was -2.4 (1.8) MEUR, or -10.7% (7.2%) of net sales.

During the review period the business area put efforts in starting up operations in new market areas. The largest investments have been made in the USA and the U.K.

International expansion of the Supply Chain Management Software continued during the review period and the company gained orders from four new countries. During the review period Aldata received 14 new customers; for example French Grand Marnier and Netto Marken-Discount (Spar) in Germany and Hungarian Match supermarket chain.

International operations are continuing to develop and a firm presence is now well established in the UK and USA. The Far East, Latin America and Eastern Europe are showing good signs of growth and Aldata is well-placed for additional development in these regions. Deliveries to Casino are declining as projects are being finalized and some additional deliveries have been concluded for the Middle East. Deliveries to Carrefour continue as planned.

The most important R&D projects in the current year are further development of Supply Chain Management Software and incorporation of new functions including traceability and mobility. A new version of G.O.L.D. Vocal was launched after the review period, in July 2004.

The profitability of Supply Chain Management Software will improve significantly towards the end of 2004.

In-Store Software

Net sales of In-Store Software in January - June 2004 totalled 6.5 (7.0) MEUR. The gross profit was 5.4 (5.4) MEUR. The operating profit was 0.0 (-0.9) MEUR, or 0.1% (-13.1%) of net sales.

In-Store Software continued to improve its profitability. This was mainly due to a return into profitability in Sweden. The company expects that the net sales of In-Store Software will continue to grow and the profitability will improve towards the end of 2004.

During the review period, In-Store Software has signed contracts with the Russian retailer Uniland, the Swedish book store chain Bokia and home electronics chain Net on Net and with McDonald's Finland. Aldata has also launched a new product, Aldata Payment Platform (APP), which is a debit/credit card payment management application.

Security Systems

Net sales of Security Systems in January - June 2004 totalled 3.7 (3.7) MEUR. The gross profit was 2.0 (2.0) MEUR. The operating profit was -0.1 (0.1) MEUR, or -4.1% (3.7%) of net sales.

Even though the office construction is suffering from downturn, the second quarter showed positive signs for Security Systems and the business climate has improved significantly. However, new development projects and efforts in starting up the Smart Card business unit still have a negative affect on the profitability of Security Systems.

Financial position

Cash, cash equivalents and marketable securities amounted to 6.4 (5.8) MEUR at the end of June 2004. At the end of December 2003 the company's cash and cash equivalents and marketable securities were 9.0 MEUR. The balance sheet total stood at 44.9 (48.6) MEUR at the end of June. The balance sheet total in 2003 was 52.6 MEUR. The company's interest-bearing net liabilities totalled -3.1 (-4.8) MEUR.

At the end of June the Group's short-term receivables totalled 24.1 (27.3) MEUR and at the end of December 2003 28.2 MEUR. Short-term receivables include a receivable of 2.0 MEUR from Grand Vision S.A.

The Group's solvency ratio in the period was 51.3% (51.1%), gearing was -13.4 (-19.2), and shareholders' equity per share was 0.338 (0.354) EUR.

Capital expenditure

Gross capital expenditure by Aldata Group on hardware and software purchases amounted to 0.3 (4.1) MEUR during the review period.

Research and development

During 2004 Aldata continues its investments in R&D to maintain and strengthen the company's product and technology leadership. R&D activities take place in close cooperation with customers and partners.

During the review period 198 (175) employees were in R&D activities, which represent 37% of the Group's entire personnel. The Group's R&D costs are recorded as costs for the period in which they are incurred.

The most important efforts in R&D were localization of Aldata G.O.L.D. into new market areas and its language versions as well as new version of G.O.L.D. Vocal. G.O.L.D. Vocal is a warehouse management system for hands-free and eyes-free warehouse operations which utilises advanced voice recognition and speech synthesis technology. It provides a complete set of warehouse operations including picking, splitting and inventory under voice technology.

Personnel

Aldata Group had 535 (463) employees at the end of the review period. This represents a 16% increase compared to the previous year. The increase of personnel is partly caused by recruitments into the new geographical areas and partly by a replacement of subcontractors by own employees. The Group had on average 518 (456) employees between January and June 2004.

By business areas	End of H1 2004		End of H1 2003	
	Persons	%	Persons	%
SCM Software	365	68	304	66
In-Store Software	116	22	110	24
Security Systems	38	7	34	7
Corporate Administration	16	3	15	3
	535	100	463	100

At the end of the review period, approximately 23% of the personnel were employed by Aldata companies in Finland, 47% in France, 13% in Germany, 10% in Sweden, 4.2% in Slovenia, 1.4% in the UK and 1.4% in the USA. Approximately 13 % of the personnel were working in new geographical areas, Asia, North America, UK and Ireland, Latin-America, Middle-East and Russia.

Share performance and foreign ownership

The highest price of the Aldata Solution Oyj share between January and June was 2.24 EUR and the lowest price was 1.45 EUR. The average price was 1.97 EUR and the closing price was 1.65 EUR. The trading volume during the review period in Helsinki Exchanges was 42.9 MEUR and altogether 21.7 million shares changed hands.

A total of 35.2 % of Aldata Solution Oyj's shares was owned by foreigners at the end of June 2004. The amount of the shareholders was 8.331 and the free float of the shares was 99.8 % of the share capital at the end of review period.

Markets and prospects

Aldata received several orders from new customers during the review period. However, this has not been enough to fill the gap created by reduced deliveries to Casino.

Activities in new market areas have started, yet the process has been slower than expected. This will have an effect on the profitability in 2004.

Aldata's main focus is to gain strong presence in UK, USA and Eastern Europe through own operations. Other new areas are targeted together with global customers and partners.

Aldata has kept its market share and does not expect any significant changes in the demand for its products. No significant changes in the competitive situation have taken place during the first half of 2004.

Helsinki, 4 August 2004

Aldata Solution Oyj
Board of Directors

Further information:

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Aldata Solution Oyj, Thomas Hoyer, CFO, tel. +358 9 5422 5002, mobile +358 45 670 0491.

Aldata will arrange a conference for media and investment analysts in the Mansku cabinet of the Scandic Hotel Simonkenttä, Helsinki on 5 August 2004, starting at 13.00 (EET).

The presentation material used in the conference will be available at the same time on www.aldata-solution.com.

The company will publish its results for the period January - September on 29 October 2004, at 9.00 (EET).

Aldata Solution Oyj

Matti Hietala
President and CEO

Aldata in brief

Aldata Solution is a Finland based Corporation with global operations. The company is one of the leading providers of software solutions for the global retail industry. It develops integrated software that enables retailers to gather, manage and analyze their complex data to reduce costs and optimize returns. The product portfolio includes Supply Chain Management Software, In-Store Software and Security Systems. Aldata supplies its software through its own subsidiaries in Finland, Sweden, France, Germany, Slovenia, the UK and the USA, as well as through its global partner network.

Aldata is currently the 4th largest retail software provider in Europe and has installations in over 40 countries. Aldata's net sales in 2003 amounted to 75.3 MEUR and the personnel amounted to 535 in the end of Q2/2004. Aldata's shares are quoted on the Helsinki Exchanges with the identifier ALD1V. More information at www.aldata-solution.com.

Distribution:
HEX Helsinki Exchanges
Principal media

APPENDICES

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All quarterly figures are unaudited.

APPENDIX 1

INCOME STATEMENT	MEUR Jan-Jun 2004	MEUR Jan-Jun 2003	Change %	MEUR Jan-Dec 2003
Net sales	32.2	35.6	-9.3	75.3
Other operating income	0.3	0.1	99.0	0.4
Operating costs	-33.7	-33.3	-1.2	-69.5
Depreciation on fixed assets and other long- term expenditure	-0.5	-0.5	7.1	-1.2
Operating profit before goodwill amortization	-1.7	1.8	-194.7	5.1
Goodwill amortization	-0.8	-0.8	0.8	-1.6
Operating profit	-2.5	1.0	-348.1	3.4
Financial items	0.0	0.0	233.4	-1.1
Profit before extraordinary items	-2.5	1.0	-350.4	2.3
Extraordinary items	0.0	0.0	0.0	0.0
Profit before taxes	-2.5	1.0	-350.4	2.3
Income taxes	0.2	-1.1	117.3	-1.9
Minority interest	0.0	-0.2	93.9	-0.1
Profit for the financial period	-2.3	-0.3	-626.7	0.3

APPENDIX 2

BALANCE SHEET

	MEUR 30 Jun 2004	MEUR 30 Jun 2003	MEUR 31 Dec 2003
ASSETS			
Non-current assets			
Intangible assets	9.1	9.3	10.0
Tangible assets	1.2	1.3	1.3
Investments	0.4	1.2	0.4
Non-current assets total	10.7	11.9	11.8
Current assets			
Inventories	0.9	1.5	1.2
Deferred tax assets	2.8	2.1	2.5
Short-term receivables	24.1	27.3	28.2
Cash and cash equivalents	6.4	5.8	9.0
Current assets total	34.2	36.7	40.9
Assets total	44.9	48.6	52.6
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	22.8	23.5	25.1
Minority interest	0.2	1.3	0.3
Provisions	0.6	0.4	0.8

Liabilities	21.3	23.3	26.4
Shareholders' equity and liabilities total	44.9	48.6	52.6

APPENDIX 3

CASH FLOW

	MEUR Jan-Jun 2004	MEUR Jan-Jun 2003	MEUR Jan-Dec 2003
Cash flow from operating activities	-1.8	1.6	3.4
Cash flow from investing activities	-0.3	-4.1	-6.4
Cash flow before financing	-2.1	-2.5	-3.0
Cash flow from financing activities	-0.5	-0.1	3.5
Net cash flow, total	-2.6	-2.6	0.5

APPENDIX 4

CONTINGENT LIABILITIES

	MEUR 30 Jun 2004	MEUR 30 Jun 2003	MEUR 31 Dec 2003
Loans from financial institutions	3.0	0.9	3.4
Mortgages for the above	5.4	5.4	5.4
Rent and leasing liabilities	5.3	6.8	6.9
Guarantees on behalf of Group company debt	0.0	0.5	0.0
Guarantees on behalf of others	2.7	2.7	2.7

APPENDIX 5

KEY FIGURES

	Jan-Jun 2004	Jan-Jun 2003	Total 2003
Scope of operations			
Net sales, MEUR	32.2	35.6	75.3
Average number of personnel	518	456	470
Profitability			
Operating profit before goodwill amortization, MEUR	-1.7	1.8	5.1
Operating profit before			

goodwill amortization, % of net sales	-5.3	5.1	6.7
Operating profit, MEUR	-2.5	1.0	3.4
Operating profit, % of net sales	-7.8	2.9	4.6
Return on equity, % (ROE)	-19.0	-1.1	1.5
Return on investment, % (ROI)	-16.7	8.9	13.8

Financial standing

Quick ratio	1.5	1.4	1.4
Current ratio	1.6	1.6	1.6
Equity ratio, %	51.3	51.1	48.2
Interest-bearing net debt, MEUR	-3.1	-4.8	-5.4
Gearing, %	-13.4	-19.2	-21.2

Per share data

	EUR	EUR	EUR
Earnings per share (EPS)	-0.034	-0.005	0.004
Earnings per share (EPS) adjusted for dilution effect	-0.034	-0.005	0.004
Equity per share	0.338	0.354	0.372

APPENDIX 6

QUARTERLY FIGURES, MEUR

INCOME STATEMENT

	Q2/ 2004	Q1/ 2004	Q4/ 2003	Q3/ 2003	Q2/ 2003
Net sales	16.3	15.9	22.0	17.7	19.0
Other operating income	0.1	0.1	0.2	0.1	0.1
Operating costs	-17.4	-16.3	-20.2	-16.0	-17.8
Depreciation on fixed assets and other long- term expenditure	-0.3	-0.3	-0.3	-0.3	-0.3
Operating profit before goodwill amortization	-1.2	-0.5	1.7	1.5	1.0
Goodwill amortization	-0.4	-0.4	-0.4	-0.4	-0.4
Operating profit	-1.6	-0.9	1.3	1.1	0.6
Financial items	0.0	0.0	-1.1	0.0	0.0
Profit before extraordinary items	-1.6	-0.9	0.2	1.1	0.6
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Profit before taxes	-1.6	-0.9	0.2	1.1	0.6
Income taxes	0.2	-0.1	-0.2	-0.6	-0.6
Minority interest	0.0	0.0	0.0	0.0	-0.1
Profit for the financial					

period	-1.3	-1.0	0.0	0.6	-0.1
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BALANCE SHEET

	30 Jun 2004	31 Mar 2004	31 Dec 2003	30 Sep 2003	30 Jun 2003
ASSETS					
Non-current assets					
Intangible assets	9.1	9.6	10.0	11.4	9.3
Tangible assets	1.2	1.3	1.3	1.3	1.3
Investments	0.4	0.4	0.4	1.4	1.2
Non-current assets total	10.7	11.3	11.8	14.1	11.9
Current assets					
Inventories	0.9	0.9	1.2	1.1	1.5
Deferred tax assets	2.8	2.5	2.5	2.1	2.1
Short-term receivables	24.1	27.0	28.2	26.8	27.3
Cash and cash equivalents	6.4	6.6	9.0	8.7	5.8
Current assets total	34.2	37.1	40.9	38.6	36.7
Assets total	44.9	48.4	52.6	52.7	48.6

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity	22.8	24.1	25.1	26.0	23.5
Minority interest	0.2	0.3	0.3	0.4	1.3
Provisions	0.6	0.8	0.8	0.4	0.4
Liabilities	21.3	23.2	26.4	25.9	23.3
Shareholders' equity total	44.9	48.4	52.6	52.7	48.6

APPENDIX 7

QUARTERLY KEY FIGURES

	Q2/ 2004	Q1/ 2004	Q4/ 2003	Q3/ 2003	Q2/ 2003
Profitability					
Operating profit before goodwill amortization, MEUR	-1.2	-0.5	1.7	1.5	1.0
Operating profit before goodwill amortization, % of net sales	-7.2	-3.4	7.8	8.6	5.0
Operating profit MEUR	-1.6	-0.9	1.3	1.1	0.6
Operating profit, % of net sales	-9.6	-5.9	5.9	6.3	3.1
	Jan-Jun 2004	Jan-Mar 2004	Jan-Dec 2003	Jan-Sep 2003	Jan-Jun 2003
Return on equity, % (ROE)	-19.0	-15.7	1.5	2.0	-1.1

Return on investment, % (ROI)	-16.7	-11.3	13.8	11.1	8.9
Financial standing					
Quick ratio	1.5	1.5	1.4	1.4	1.4
Current ratio	1.6	1.6	1.6	1.5	1.6
Equity ratio, %	51.3	50.6	48.2	50.0	51.1
Interest-bearing net debt, MEUR	-3.1	-3.3	-5.4	-5.0	-4.8
Gearing, %	-13.4	-13.6	-21.2	-19.2	-19.2
Per share data					
	EUR	EUR	EUR	EUR	EUR
Earnings per share (EPS)	-0.034	-0.015	0.004	0.004	-0.005
Earnings per share (EPS) adjusted for dilution effect	-0.034	-0.015	0.004	0.004	-0.005
Equity per share	0.338	0.357	0.372	0.391	0.354