Glaston Interim Report 1 January - 30 June 2009

- Orders received in January-June totalled EUR 67.3 (136.8) million. During April-June orders received totalled EUR 40,5 million, a growth of 51% compared to the first quarter of the year.
- Glaston's order book on 30 June 2009 was EUR 37.1 (100.3) million.
- Consolidated net sales in January-June totalled EUR 84.4 (135.7) million.
- The operating result in January-June was a loss of EUR 19.5 (5.4 profit) million, representing -23.1 (+4.0)% of net sales.
- The operating result, excluding non-recurring items, was a loss of EUR 15.2 (5.4 profit) million.
- Return on capital employed (ROCE) was -19.7 (+8.3)%.
- January-June earnings per share were EUR -0.23 (+0.05).
- Due to a weak order book in early 2009 and exceptionally low demand, Glaston still expects 2009 net sales to fall short of the 2008 level. Due to the reduced order book in the first quarter, third quarter net sales are expected to be low, and the July-September operating result is expected to be a loss.

Chief Financial Officer Kimmo Lautanen:
"The glass processing machine market in the first half of the year was low. At the end of the second quarter, orders received developed positively compared with the first quarter.

The weak result was due to the sharp fall in net sales, for which the cost savings and efficiency measures under way did not compensate. The adjustment of the company's cost structure will continue.

Cost savings in January-June, excluding material costs, totalled EUR 10.6 million. The company's net debt began to fall during the second quarter. Cost savings from enhanced restructuring programmes are expected to rise during 2009 to EUR 20 million."

New segment information
On 22 April 2009, Glaston announced that it was changing its organisation and that the segments in future will be Machines, Services and Software Solutions.

The Pre-processing and Heat Treatment segments have been combined to form the new Machines segment. At the same time, maintenance and service business was separated from machine operations into its own Services segment.

The Machines segment comprises tempering, bending and laminating machines sold under the Tamglass and Uniglass brands, glass pre-processing machines sold under the Bavelloni brand, and tool manufacturing.

The Services segment consists of glass processing machine maintenance and service activity, sales of spare parts and tools, and the operation of the glass processing factory in Akaa, Finland, on behalf of a partner.

The Software Solutions segment remains as before. The segment's product offering covers enterprise resource planning systems for the glass industry and sold under the Albat+Wirsam

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seeing it through

brand, software for the needs of window and door glass manufacturers, and software for glass processors' integrated line solutions.

A reorganisation of Tools business is under way, and the net sales and operating result for Tools are still reported in this interim report as part of the Machines segment.

A change has also been made to the geographical segments reported quarterly. The former EMEA has been divided into the segments Europe and MEAI (Middle East, Africa, India, Pakistan and Bangladesh). The other reporting areas are Asia and America.

Markets
Glaston’s markets continued to be quiet compared with last year, with demand remaining on a low level. Some signs of a recovery, however, were perceived towards the end of the review period. Customers’ continued to be cautious with investments in the review period and the emphasis of machine sales was on individual machines. There was no demand for extensive One-Stop-Partner sales.

Machines
Demand for glass processing machines was weak in the review period. The continued market uncertainty impacted on customers’ willingness to invest. In the final weeks of the review period, however, tentative signs of a recovery in the market were perceptible. Particularly in the Asian market, demand picked up slightly due to local stimulus programmes. Demand in the South American market still continued to be good.

In the second quarter, Glaston received significant orders from Germany and China for architectural and solar energy glass production. The glass machines sold represent the latest glass processing technology. In the review period, the first Tamglass ProE Magnum 9633, Europe’s biggest flat tempering line, was also delivered.

Transfer of technology to China continued in the review period. The first continuously operating Tamglass CHF flat tempering machine manufactured in the Tianjin factory was delivered to the customer in June.

The Machines business area's January-June net sales totalled EUR 53.4 (92.7) million.

Services
A decline in the utilisation rates of customers’ machines influenced the service market situation and demand for Tamglass and Bavelloni spare parts was weak during the entire first half of the year. It was possible to compensate partly for low demand through upgrade products. Demand for ceramic rollers, introduced into the service product offering in 2008, remained good in the review period. At the end of the review period, a small growth in demand was perceptible in the North Asian market.

In the review period, maintenance of Uniglass machines became part of Glaston’s global service network. During the early part of the year, Services has brought to the market a number of new upgrade products for Bavelloni, Tamglass and Uniglass machines and equipment. Most of the upgrade products are solutions that improve production capacity, for example of Low-e machines. In addition, the service offering has been expanded with training packages directed at customers as well as with comprehensive consulting concepts for the customer’s production.

Demand for tools was weak in the period under review. As part of the Group restructuring programme, manufacturing of tools in the USA was discontinued.

Services business January-June net sales totalled EUR 20.4 (30.2) million.

Software Solutions
The economic downturn continued to impact on the activity of the Software Solutions business area. Demand in the USA and China continued to be very weak. The relatively stable Central European market, however, partly compensated for weakened demand in other market areas.

A higher degree of automation as well as systems integration have been the product development priorities for a couple of years now, and the present market situation has even accelerated this trend. The Panorama line control system was developed further in the review period.

The Software Solutions business area's January-June net sales totalled EUR 11.8 (13.7) million.

One-Stop-Partner
Demand for extensive One-Stop-Partner projects came to a halt during the final quarter of 2008 and demand continued to be weak during the second quarter of 2009.

The order intake for One-Stop-Partner deliveries was EUR 1.2 (14.3) million in January-June. The unit's earnings are included in Glaston's reporting segments.

A market for factory solutions related to solar energy still exists, and Glaston's position in this customer segment is strong. As the economic downturn continues, customers are postponing their investment decisions. On the other hand, the recession has accelerated the trend towards integrated solutions and a higher degree of automation.

Orders received
Glaston’s order intake in the first half of the year was EUR 67.3 (136.8) million. Of orders received, Machines accounted for 68%, Services 24% and Software Solutions 8%.

Order book
Glaston’s order book on 30 June 2009 was EUR 37.1 (100.3) million. Of the order book, the Machines business area accounted for EUR 30.8 million, Services for EUR 2.3 million and Software Solutions for EUR 4.0 million.

Order book, EUR million	**30.6.2009**	**30.6.2008**
Machines	30.8	78.0
Services	2.3	16.2
Software Solutions	4.0	6.0
Total	**37.1**	**100.3**

Net sales and result
January-June net sales totalled EUR 84.4 (135.7) million. The Machines business area’s net sales in January-June were EUR 53.4 (92.7) million, Services’ net sales EUR 20.4 (30.2) million and Software Solutions EUR 11.8 (13.7) million. The decline in net sales resulted from continued exceptionally weak demand.

Second-quarter net sales were EUR 45.2 (72.6) million and distributed across the business areas as follows: Machines EUR 29.8 (49.9) million, Services EUR 9.7 (16.9) million and Software Solutions EUR 5.9 (6.4) million.

Net sales, EUR million	1-6/2009	1-6/2008	1-12/2008
Machines	53.4	92.7	181.1
Services	20.4	30.2	63.4
Software Solutions	11.8	13.7	28.2
Other and internal sales	-1.2	-1.0	-2.2
Total	**84.4**	**135.7**	**270.4**

The operating result in January-June was a loss of EUR 19.5 (5.4 profit) million, representing -23.1 (+4.0)% of net sales. The result includes EUR 4.3 million of non-recurring costs relating mainly to operational efficiency measures, which were recognised in the second quarter. Of the January-June operating loss, excluding non-recurring items, the Machines business area accounted for EUR -9.9 (+5.4) million, the Services business area for EUR -1.9 (+1.7) million and Software Solutions for EUR 0.1 (2.2) million.

The sharp decline in sales impacted on the Machines business area's profitability, which, despite substantial cost-cutting measures, weakened compared with the corresponding period of the previous year. Adjustment of operations and efficiency-improvement measures will be forcefully continued during the latter part of the year.

The second quarter operating loss, excluding non-recurring items, was EUR -6.2 (+3.8) million, of which the Machines business area accounted for EUR -4.6 (+3.3) million, the Services business area for EUR -0.2 (+1.3) million and Software Solutions for EUR 0.5 (1.2) million.

Operating result, EUR million	1-6/2009	1-6/2008	1-12/2008
Machines	-9.9	5.4	5.3
Services	-1.9	1.7	4.7
Software Solutions	0.1	2.2	3.7
Other and eliminations	-3.6	-3.8	-7.6
Operating result, excluding non-recurring items	**-15.2**	**5.4**	**6.2**
Non-recurring items	-4.3	-	-12.3
Operating result	**-19.5**	**5.4**	**-6.1**

The result for the review period was a loss of EUR 18.1 (3.7 profit) million. Return on capital employed was -19.7 (+8.3)% and earnings per share were EUR -0.23 (+0.05). Earnings per share in the second quarter were EUR -0.13 (0.04).

Efficiency programme
To improve profitability and adjust operations to the market situation, efficiency measures were initiated throughout the Group in September 2008, and these measures were continued in the review period.

The restructuring of machine operations proceeded during the second quarter, and the Pre-processing and Heat Treatment business areas were integrated into the Machine business area. At the end of the review period, the Machines business area's new global organisation had been appointed and was active. In the next stage, the Machines business area will focus on completing the integration and on further improving profitability by, among other things, rationalising the product portfolio and developing the global production structure.

Operational efficiency was enhanced by adjusting production, and the production unit located in Mexico was closed in March. The closure of the factory located in Cinnaminson, USA has proceeded according to plan and operations will cease at the end of September. In the review period, the transfer to Finland and China of tempering machine production in the USA was initiated.

In service operations, cost-cutting and operational adjustment measures continued and included the closure of a Japanese service location in April. In addition, tool production in USA was transferred to Italy. The number of employees engaged in service tasks declined in the review period by 30.

The Group has substantial temporary lay-off programmes under way in Finland and Italy. Working time has been shortened in Germany and the USA.

As a result of the efficiency and adjustment measures, the number of Glaston employees had at the end of the review period fallen by 259 compared with the end of 2008. In addition, temporary subcontracted workers were reduced nearly by 60.

The cost savings planned in the efficiency measures total nearly EUR 20 million and related non-recurring costs are EUR 4.3 million for 2009. The savings will be implemented mainly during 2009. The cost savings of the review period (excluding material expenses) totalled EUR 10.6 million compared with the corresponding period the previous year (in the second quarter 6.9 million).

Financing
The Group's financial position remained reasonable. Net debt declined in the second quarter compared with the end of the first quarter. In addition to dividends paid during the review period, the Group's financial position was affected mainly by changes in working capital and cash flow from operating activities as well as by a convertible bond issue (EUR 23.8 million). Working capital was reduced (EUR +15.2 million), but cash flow from operating activities, excluding the change in working capital, was negative (EUR -17.6 million) in the period under review. Cash flow from investing activities was EUR -5.4 (-7.1) million. Cash flow from financing activities in January-June was EUR 17.6 (15.1) million, including dividends paid in the review period of EUR 3.9 (7.8) million.

The equity ratio on 30 June 2009 was 41.9 (51.2)%.

The Group's liquid funds at the end of the period totalled EUR 21.4 (11.0) million. Interest-bearing net debt totalled EUR 63.9 (31.9) million and net gearing was 60.6 (23.6)%. To ensure liquidity, the Group has a EUR 65 million committed revolving credit facility. At the end of June, EUR 20 million of the facility was in use.

Capital expenditure, depreciation and amortisation
Glaston's gross capital expenditure totalled EUR 6.2 (7.0) million. The most significant capital expenditure was related to a joint venture founded in connection with the sale of the glass processing operations as well as to the global ERP project. The ERP system was introduced in a pilot company in Finland in the second quarter.

During the review period, depreciation, amortisation and impairment charges of property, plant and equipment and intangible assets totalled EUR 5.2 (4.1) million.

Group structural changes

As part of an efficiency programme initiated last year, operations of Uniglass Engineering Oy were transferred to Glaston's factory in Tampere, Finland. Operations at the Uniglass factory in Ylöjärvi, Finland, ended on 31 March 2009.

Glaston's subsidiary Tamglass Glass Processing Ltd. sold its insulation and architectural glass processing operations to INTERPANE Glass Oy in March. INTERPANE Glass Oy is a Glaston joint venture company. The net sales of the sold operations totalled around EUR 14 million in 2008. As of 1 April 2009, glass processing operations consist only of solar reflector production at Akaa, Finland. Glass processing operations belong to the Services segment.

Glaston's two companies in Mexico merged in the second quarter. Glaston UK Ltd. and Albat+Wirsam Software Ltd. in the UK merged at the beginning of the third quarter.

The Pre-processing and Heat Treatment business areas were merged in April to form the Machines business area.

Personnel

Henrik Reims was appointed Senior Vice President, Sales and Marketing as of 1 April 2009. The Senior Vice President, Sales and Marketing's area of responsibility includes One-Stop-Partner deliveries. Topi Saarenhovi was appointed Senior Vice President of the Machines business area as of 22 April 2009 and Manne Tiensuu as Glaston's Senior Vice President, Human Resources as of 15 May 2009.

On 30 June 2009, Glaston had a total of 1,282 (1,529) employees. Of the Group's employees, 24% worked in Finland and 51% elsewhere in Europe, 1% in the MEAI area, 10% in Asia and 14% in the Americas. The average number of employees was 1,402 (1,492).

Shares and share price

Glaston Corporation's paid and registered share capital on 30 June 2009 was EUR 12.7 million and the number of issued shares totalled 79,350,000. The company has one series of share. At the end of the review period, the company held 838,582 of the company's own shares (treasury shares), corresponding to 1% of the total number of issued shares and votes. The book counter value of treasury shares is EUR 134,173. Every share that the company does not hold itself entitles its owner to one vote at the Annual General Meeting. The share has no nominal value. The counter book value of each share is EUR 0.16.

On 30 June 2009, the market capitalisation of the company's shares, treasury shares excluded, was EUR 83.2 (243.5) million.

During the six months of the year, a total of around 3.9 million of the company's shares were traded, representing 5.0% of the average number of shares. The lowest price paid for a share was EUR 0.92 and the highest price EUR 1.44. The volume-weighted average price of shares traded during the period under review was EUR 1.18. The closing price on 30 June 2009 was EUR 1.06.

The equity per share attributable to the owners of the parent was EUR 1.34 (1.72).

Decisions of the Annual General Meeting

The Annual General Meeting of Glaston Corporation was held in Helsinki on 17 March 2009.

The Annual General Meeting approved the financial statements and consolidated financial statements for 2008 and released the President & CEO and the Board of Directors from liability for the fiancial period 1 January-31 December 2008.

The Annual General Meeting approved a dividend of EUR 0.05 per share, representing a maximum total sum of around EUR 4.0 million.

The Annual General Meeting confirmed that the following will continue on the Board of Directors for a year-long term of office: Claus von Bonsdorff, Klaus Cawén, Jan Lång, Carl-Johan Rosenbröijer, Christer Sumelius and Andreas Tallberg. The Annual General Meeting decided to maintain the Chairman of the Board's annual remuneration at EUR 40,000 and the Deputy Chairman's annual remuneration at EUR 30,000. It was also decided to maintain the remuneration of the other Members of the Board at EUR 20,000 euros per year. On 17 March 2009, the Board of Directors elected Andreas Tallberg to continue as the Chairman of the Board and Christer Sumelius to continue as the Deputy Chairman of the Board.

The Annual General Meeting re-elected as auditor the authorised public accounting firm KPMG Oy Ab, with the responsible auditor being Sixten Nyman APA. Annual General Meeting approved amendments to the Articles 2, 11 and 12 of the Articles of Association.

Authorisations given by the Annual General Meeting
The Annual General Meeting of Glaston Corporation held on 17 March 2009 authorised the Board of Directors to decide on the acquisition of the company's own shares up to a maximum of 7,000,000 shares. The shares may be acquired to improve the capital structure of the company and/or to be used as consideration in future acquisitions or other arrangements that are part of company's business or as part of the company's share-based incentive scheme, or to finance investments. The shares acquired for the company may be held, cancelled or conveyed. The authorisation is valid for 18 months from the decision of the Annual General Meeting.

The Annual General Meeting also authorised the Board of Directors to decide on the issue of new shares and/or the conveyance of own shares held by the company. The authorisation applies to maximum of 7,800,000 shares. The new shares may be issued and own shares held by the company conveyed either against payment or without payment. The shares may be issued and/or conveyed to the company's shareholders in proportion to their existing shareholdings in the company or in exemption to the pre-emptive subscription right of shareholders. Shares can be issued or conveyed without payment in exception to the pre-emptive subscription right of shareholders only if there is an especially weighty financial reason for the company to do so, taking the interests of all shareholders into account.

The Board of Directors may decide on the issue of shares without payment also to the company itself. The number of shares to be issued to the company combined with the number of shares acquired for the company under the share acquisition authorisation may not exceed 1/10 of the total number of shares of the company.

The subscription price of new shares issued and the consideration paid for the conveyance of the company's own shares shall be credited to the reserve for invested unrestricted equity. By virtue of the share issue authorisation, the Board of Directors shall decide on other matters relating to the issuing and conveyance of shares. The authorisation was valid until the end of the 2011 Annual General Meeting.

Decisions of the Extraordinary Meeting of Shareholders
The Extraordinary Meeting of Shareholders of Glaston Corporation, held on 8 June 2009, authorised the Board of Directors to decide of the issuing of shares and the issuing of special

rights granting entitlement to shares, referred to in Chapter 10 Section 1 of the Companies Act.

The number of shares to be issued under the authorisation may not exceed a total of 25,000,000 shares. If all shares that may be issued under the authorisation were issued, the number of shares issued would correspond to approximately 24% of all the shares in the company.

The Board of Directors shall decide on the conditions of the issuing of shares and of special rights granting entitlement to shares. The authorisation concerns both the issuing of new shares as well as the conveyance of treasury shares. The issuing of shares and of special rights granting entitlement to shares may be carried out in exception to shareholders' pre-emptive rights.

The authorisation is effective until the next Annual General Meeting, however no longer than 30 June 2010, and it cancelled the authorisation to decide on the issuing of shares given by the Annual General Meeting on 17 March 2009.

Convertible bond

On 16 June 2009, the Board of Directors decided, based on the authorisation granted by the Extraordinary Meeting of Shareholders, to issue a convertible bond up to a maximum principal of EUR 30,000,000, divided into negotiable promissory notes of nominal value EUR 50,000. The bond was issued in exception to the shareholders' pre-emptive subscription rights to investors selected by the Board of Directors. The bond was subscribed to a total of EUR 23,750,000 and the Board of Directors approved the subscriptions on 17 June 2009. The bond strengthens the company's financial position, optimises the capital structure and facilitates investments. The terms and conditions of the convertible bond were presented in a stock exchange release dated 16 June 2009.

Uncertainties and risks in the near future

Due to the global financial crisis, Glaston's market has changed. The economic recession has aversely affected customers' investment opportunities. The impact has been particularly strong on One-Stop-Partner orders.

Owing to the recession, demand for glass processing machines will continue to be weak. Customers' financing difficulties mean that orders will be postponed and those already confirmed may be cancelled. Customers' financial situation also impacts on the collection of receivables and on credit losses.

Risks relating to raw materials have decreased. Raw material prices have levelled off and subcontracting capacity problems have nearly disappeared.

If the international financial crisis is extended and the recover of the sector delayed, it is possible that Glaston's recoverable amounts will, despite the savings arising from efficiency measures, be insufficient to cover the carrying amounts of assets, particularly goodwill. If this happens, it will be necessary to recognise an impairment loss, which when implemented will weaken the result and shareholders' equity.

A more detailed review of Glaston's risks has been presented in the 2008 financial statements.

Events after the review period

On 5 August 2009, Glaston Corporation's Board of Directors appointed Arto Metsänen, M.Sc.

Mining Engineering and Mineral Processing, as the company's new President & CEO. Metsänen will assume his new position on 1 September 2009. Mika Seitovirta resigned from the post of President & CEO on 5 August 2009. Chief Financial Officer Kimmo Lautanen will handle the duties of the company's President & CEO tasks in the period 6 August–31 August 2009.

Outlook

The quiet market will continue to impact strongly on Glaston's business, and adjustment of operations to the market situation will continue. The cornerstones of Glaston's business remain the architectural glass segment and the solar energy markets.

Market prospects for the early part of the year were poor. The first signs of a recovery of the market were perceptible at the end of the second quarter. Demand for glass processing machines in the latter part of the year is, however, very difficult to forecast in the present uncertain economic climate. Any possible recovery is not expected to influence Glaston's financial performance in the current year.

Due to a weak order book in early 2009 and exceptionally low demand, Glaston still expects 2009 net sales to fall short of the 2008 level. Due to the reduced order book in the first quarter, third quarter net sales are expected to be low, and the July-September operating result is expected to be a loss.

Helsinki, 11 August 2009

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Glaston Corporation
Glaston Corporation is a growing, international glass technology company. Glaston is the global market leader in glass processing machines, and a comprehensive One-Stop-Partner supplier to its customers. Its product range and service network are the widest in the industry. Glaston's well–known brands are Bavelloni in pre-processing machines and tools, Tamglass and Uniglass in safety glass machines, and Albat+Wirsam Software in glass industry software.

Glaston's share (GLA1V) is quoted on the NASDAQ OMX Helsinki Mid Cap List.

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GLASTON CORPORATION

CONDENSED INTERIM FINANCIAL STATEMENTS AND NOTES 1 JANUARY - 30 JUNE 2009

These condensed interim financial statements are not audited.
As a result of rounding differences, the figures presented in the tables may not add up to the total.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	30.6.2009	30.6.2008	31.12.2008
Assets			
Non-current assets			
Property, plant and equipment	28.5	34.4	35.0
Goodwill	66.2	67.6	66.2
Other intangible assets	23.6	20.3	22.5
Joint ventures and associates and loan receivables from joint ventures	1.4	0.8	0.9
Available-for-sale assets	0.3	0.1	0.3
Deferred tax assets	9.8	3.6	7.9
Total non-current assets	**129.8**	**126.8**	**132.9**
Current assets			
Inventories	41.3	57.0	53.9
Receivables			
Trade and other receivables	67.5	89.4	83.3
Assets for current tax	4.0	2.4	4.4
Total receivables	71.5	91.8	87.6
Cash equivalents	21.4	11.0	11.5
Assets held for sale	-	0.2	-
Total current assets	**134.1**	**160.1**	**153.1**
Total assets	**263.9**	**286.9**	**285.9**
Equity and liabilities			
Equity			
Share capital	12.7	12.7	12.7
Share premium account	25.3	25.3	25.3
Other reserves	0.0	-	-
Reserve for invested unrestricted equity	0.2	0.2	0.2
Treasury shares	-3.5	-3.5	-3.5
Fair value reserve	0.0	0.0	0.0
Hedging reserve	-	-0.1	-
Retained earnings and exchange differences	88.4	96.9	98.2
Net result attributable to owners of the parent	-18.1	3.7	-9.1
Equity attributable to owners of the parent	**105.0**	**135.1**	**123.7**

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Non-controlling interest	**0.4**	**0.1**	**0.0**
Total equity	**105.4**	**135.2**	**123.8**
Non-current liabilities			
Non-current interest-bearing liabilities	33.0	4.5	16.4
Non-current interest-free liabilities and provisions	7.4	8.8	8.0
Deferred tax liabilities	8.7	9.0	8.4
Total non-current liabilities	**49.0**	**22.3**	**32.9**
Current liabilities			
Current interest-bearing liabilities	52.3	38.4	53.0
Current provisions	6.2	2.0	10.6
Trade and other payables	49.9	85.6	63.8
Liabilities for current tax	1.1	3.3	1.9
Total current liabilities	**109.5**	**129.4**	**129.3**
Total liabilities	**158.5**	**151.7**	**162.2**
Total equity and liabilities	**263.9**	**286.9**	**285.9**

CONDENSED CONSOLIDATED INCOME STATEMENT

EUR million	**4-6/ 2009**	**4-6/ 2008**	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
Net sales	**45.2**	**72.6**	**84.4**	**135.7**	**270.4**
Other operating income	0.1	0.3	0.5	0.4	0.4
Expenses	-52.8	-67.0	-98.8	-126.6	-265.8
Share of associates and joint ventures' result	-0.4	0.0	-0.4	0.0	0.0
Depreciation, amortization and impairment	-2.6	-2.1	-5.2	-4.1	-11.2
Operating result	**-10.5**	**3.8**	**-19.5**	**5.4**	**-6.1**
Gains from assets held for sale	-	0.1	-	0.1	0.1
Other financial items, net	-0.7	1.7	-0.8	1.2	-2.1
Result before income taxes	**-11.3**	**5.6**	**-20.3**	**6.7**	**-8.1**
Income taxes	1.2	-2.5	2.1	-3.0	-1.1
Profit / loss for the period	**-10.0**	**3.1**	**-18.1**	**3.7**	**-9.2**
Attributable to:					
Non-controlling interests	0.0	0.0	0.0	0.0	0.0
Owners of the parent	-10.0	3.1	-18.1	3.7	-9.1
Total	**-10.0**	**3.1**	**-18.1**	**3.7**	**-9.2**

Earnings per share, EUR, basic	**-0.13**	**0.04**	**-0.23**	**0.05**	**-0.12**
Earnings per share, EUR, diluted	**-0.13**	**0.04**	**-0.23**	**0.05**	**-0.12**
Operating result, as % of net sales	-23.3	5.2	-23.1	4.0	-2.3
Profit / loss for the period, as % of net sales	-22.2	4.2	-21.4	2.7	-3.4
Non-recurring items included in operating result	-4.3	-	-4.3	-	-12.3
Operating result, non-recurring items excluded	-6.2	3.8	-15.2	5.4	6.2
Operating result, non-recurring items excluded, as % of net sales	-13.7	5.2	-18.0	4.0	2.3

CONSOLIDATED STATEMENT OF COMPEREHENSIVE INCOME

	4-6/ 2009	4-6/ 2008	1-6/ 2009	1-6/ 2008	1-12/ 2008
Profit / loss for the period	**-10.0**	**3.1**	**-18.1**	**3.7**	**-9.2**
Other comprehensive income					
Total exchange differences on translating foreign operations	-0.8	0.4	-0.1	-0.6	0.7
Effective portion of fair value changes of cash flow hedges	-	-0.2	-	-0.2	-
Fair value changes of cash flow hedges reclassified in profit or loss	-	-	-	-	0.0
Fair value changes of available-for-sale shares	0.0	0.0	0.0	0.0	0.0
Other reclassifications	0.0	0.0	0.0	0.0	0.0
Income tax on other comprehensive income	0.0	0.1	0.0	0.0	0.0
Other comprehensive income for the reporting period, net of tax	**-0.8**	**0.3**	**-0.1**	**-0.7**	**0.7**
Total comprehensive income for the reporting period	**-10.8**	**3.4**	**-18.2**	**3.0**	**-8.5**
Attributable to					
Non-controlling interest	7.4	0.4	0.0	0.0	-8.5
Owners of the parent	-18.3	3.0	-18.2	3.0	0.0
Total comprehensive income for the reporting period	**-10.8**	**3.4**	**-18.2**	**3.0**	**-8.5**

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	1-6/ 2009	1-6/ 2008	1-12/ 2008
Cash flows from operating activities			
Cash flow before change in net working capital	-17.6	4.6	7.2
Change in net working capital	15.2	-12.5	-30.4
Net cash flow from operating activities	**-2.4**	**-7.9**	**-23.3**
Cash flow from investing activities			
Business combinations	-0.5	-0.5	0.7
Other purchases of non-current assets	-4.5	-7.0	-14.5
Investment in joint ventures	-1.8	-	-
Other	0.1	-	-
Proceeds from sale of non-current assets	1.2	0.3	0.4
Net cash used in investing activities	**-5.4**	**-7.1**	**-13.4**
Cash flow before financing	**-7.8**	**-15.0**	**-36.7**
Cash flow from financing activities			
Changes in non-current liabilities (increase + / decrease -)	21.0	1.9	17.5
Changes in non-current loan receivables (increase - / decrease +)	0.0	0.3	0.3
Short-term financing, net (increase + / decrease -)	-0.8	20.2	27.9
Dividends paid	-3.9	-7.8	-7.8
Other financing	1.2	0.5	0.0
Net cash used in financing activities	**17.6**	**15.1**	**37.8**
Effect of exchange rate changes	**0.1**	**-0.5**	**-1.0**
Net change in cash and cash equivalents	**9.8**	**-0.4**	**0.1**
Cash and cash equivalents at the beginning of period	11.5	11.4	11.4
Cash and cash equivalents at the end of period	21.4	11.0	11.5

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Share capital	Share premium account	Other reserves	Reserve for invested unrest. equity	Treasury shares	Fair value reserve
Equity at 1 January, 2008	**12.7**	**25.3**	**-**	**0.3**	**-3.9**	**-**
Total comprehensive income for the period	-	-	-	-	-	0.0
Disposal of treasury shares	-	-	-	-0.1	0.4	-
Tax effect of net income recognized directly in equity	-	-	-	0.0	-	-
Equity at 30 June, 2008	**12.7**	**25.3**	**-**	**0.2**	**-3.5**	**0.0**

EUR million	Share capital	Share premium account	Other reserves	Reserve for invested unrest. equity	Treasury shares	Fair value reserve
Equity at 1 January, 2009	**12.7**	**25.3**	**-**	**0.2**	**-3.5**	**0.0**
Total comprehensive income for the period	-	-	0.0	-	-	0.0
Other changes in treasury shares	-	-	-	0.0	0.0	-
Equity at 30 June, 2009	**12.7**	**25.3**	**0.0**	**0.2**	**-3.5**	**0.0**

EUR million	Hedging reserve	Retained earnings	Exch. diff.	Equity attrib. to owners of the parent	Non-controll ing interest	Total equity
Equity at 1 January, 2008	**0.0**	**106.8**	**-1.2**	**139.9**	**0.0**	**139.9**

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Total comprehensive income for the period	-0.1	3.6	-0.6	2.9	0.0	3.0
Disposal of treasury shares	-	-	-	0.3	-	0.3
Tax effect of net income recognized directly in equity	-	-	-	0.0	-	0.0
Share-based incentive plan	-	-0.2	-	-0.2	-	-0.2
Share-based incentive plan, tax effect	-	0.0	-	0.0	-	0.0
Dividends paid	-	-7.8	-	-7.8	-	-7.8
Equity at 30 June, 2008	**-0.1**	**102.4**	**-1.8**	**135.1**	**0.1**	**135.2**

EUR million	**Hedging reserve**	**Retained earnings**	**Exch. diff.**	**Equity attrib. to owners of the parent**	**Non-controlling interest**	**Total equity**
Equity at 1 January, 2009	**-**	**89.6**	**-0.5**	**123.7**	**0.0**	**123.8**
Total comprehensive income for the period	-	-18.1	-0.1	-18.2	0.0	-18.2
Other changes in non-controlling interest	-	-	-	-	0.4	0.4
Other changes in treasury shares	-	-	-	-	-	-
Share-based incentive plan	-	0.0	-	0.0	-	0.0
Share-based incentive plan, tax effect	-	0.0	-	0.0	-	0.0
Equity part of convertible bond	-	3.4	-	3.4	-	3.4
Dividends paid	-	-3.9	-	-3.9	-	-3.9
Equity at 30 June, 2009	**-**	**71.0**	**-0.7**	**105.0**	**0.4**	**105.4**

KEY RATIOS

	30.6.2009	30.6.2008	31.12.2008
EBITDA, as % of net sales [1]	-16.9	7.0	1.9
Operating profit / loss (EBIT), as % of net sales	-23.1	4.0	-2.3
Net result, as % of net sales	-21.4	2.7	-3.4
Gross capital expenditure, EUR million	6.2	7.0	18.4
Gross capital expenditure, as % of net sales	7.3	5.2	6.8
Equity ratio, %	41.9	51.2	45.8
Gearing, %	80.9	31.7	56.1
Net gearing, %	60.6	23.6	46.8
Net interest-bearing debt, EUR million	63.9	31.9	57.9
Capital employed, end of period, EUR million	190.7	178.1	193.2
Return on equity, %, annualized	-31.6	5.3	-7.0
Return on capital employed, %, annualized	-19.7	8.3	-2.3
Number of personnel, average	1,402	1,492	1,519
Number of personnel, end of period	1,282	1,529	1,541

[1] EBITDA = Operating profit / loss + depreciation, amortization and impairment.

PER SHARE DATA

	30.6.2009	30.6.2008	31.12.2008
Number of shares, end of period, treasury shares excluded (1,000)	78,511	78,540	78,540
Number of shares, average, treasury shares excluded (1,000)	78,533	78,474	78,507
Number of shares, diluted, average, (1,000)	81,379	78,474	78,507
EPS, basic, EUR	-0.23	0.05	-0.12
EPS, diluted, EUR	-0.23	0.05	-0.12
Equity attributable to owners of the parent per share, EUR	1.34	1.72	1.58
Price per earnings per share (P/E) ratio	-4.6	66.1	-7.8
Price per equity attributable to owners of the parent per share	0.79	1.80	0.58
Market capitalization, EUR million	83.2	243.5	71.5
Share turnover, % (number of shares traded, % of the average number of shares)	5.0	1.9	5.1
Number of shares traded, (1,000)	3,921	1,512	3,965

Closing price of the share, EUR	1.06	3.10	0.91
Highest quoted price, EUR	1.44	3.33	3.33
Lowest quoted price, EUR	0.92	2.70	0.87
Volume-weighted average quoted price, EUR	1.18	3.09	2.07

DEFINITIONS OF KEY RATIOS

Financial ratios

EBITDA = Profit / loss before depreciation, amortization and impairment, share of joint ventures' and associates' results included

Operating profit (EBIT) = Profit / loss after depreciation, amortization and impairment, share of joint ventures' and associates' results included

Cash and cash equivalents = Cash + other financial assets

Net interest-bearing debt = Interest-bearing liabilities – cash and cash equivalents

Financial expenses = Interest expenses of financial liabilities + fees of financing arrangements + foreign currency differences of financial liabilities

Equity ratio, % = Equity (Equity attributable to owners of the parent + non-controlling interest) x 100 / Total assets - advance payments received

Gearing, % = Interest-bearing liabilities x 100 / Equity (Equity attributable to owners of the parent + non-controlling interest)

Net gearing, % = Net interest-bearing debt x 100 / Equity (Equity attributable to owners of the parent + non-controlling interest)

Return on investments, % (ROCE) = Profit / loss before taxes + financial expenses x 100 / Equity + interest-bearing liabilities (average of 1 January and end of the reporting period)

Return on equity, % (ROE)= Profit / loss for the reporting period x 100 / Equity (Equity attributable to owners of the parent + non-controlling interest)
(average of 1 January and end of the reporting period)

Per share data

Earnings per share (EPS) = Net result attributable to owners of the parent / Adjusted average number of shares

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Diluted earnings per share = Net result attributable to owners of the parent adjusted with the result effect of convertible bond / Adjusted average number of shares, dilution effect of the convertible bond taken into account

Equity attributable to owners of the parent per share = Equity attributable to owners of the parent at end of the period / Adjusted number of shares at end of the period

Average trading price = Shares traded (EUR) / Shares traded (volume)

Price per earnings per share (P/E) = Share price at end of the period /
Earnings per share (EPS)

Price per equity per share = Share price at period end / Equity attributable to owners of the parent per share

Share turnover = The proportion of number of shares traded during the period to average number of shares

Market capitalization = Number of shares at end of the period x share price at end of the period

Number of shares at period end = Number of issued shares - treasury shares

ACCOUNTING POLICIES

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting as approved by the European Union. They do not include all of the information required for full annual financial statements.

The accounting principles applied in these condensed interim consolidated financial statements are the same as in the previous financial statements, with the exception of the following new or revised or amended standards and interpretations, which have been applied from 1 January, 2009:

- IAS 23 (revised) Borrowing Costs
- IFRS 8 Operating Segments
- IFRIC 13 Customer Loyalty Programs

- Amendments to IFRS 2 Share-based Payments: Vesting Conditions and Cancellations
- Amendments to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation
- IFRIC 15 Agreements for the Construction of Real Estate
- Amendment to IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
- Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards and IAS 27 Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate.
- Amendments to IFRS 7 Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
- Amendments to IFRIC 9 and IAS 39: Embedded Derivatives

In addition, Glaston applies the annual Improvements to IFRSs issued in May 2008.

Applying revised IAS 23 Borrowing Costs changed Glaston’s accounting principles from 1 January 2009. From that date on the borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized to the acquisition cost of the asset. The capitalization will apply mainly to property, plant and equipment and intangible assets.

Applying IFRS 8 Operating Segments did not have any material effect on the financial information of Glaston.

Other new or amended standards or interpretations are not material for Glaston Group.

DIVESTMENTS

Glaston’s subsidiary Tamglass Glass Processing Ltd. sold in March its
insulated and architectural glass processing operations to INTERPANE Glass Oy. INTERPANE Glass Oy began its operations on 1 April, 2009. The divested operations had net sales of approximately EUR 14 million in 2008 and 93 employees at the end of March. The personnel were transferred to INTERPANE Glass Oy.

The transaction was an asset deal, consisting of, among others, tangible assets and inventory. The deal was financed mainly through vendor financing given by Glaston. Glaston also invested EUR 1.8 million in the equity of INTERPANE Glass Oy. In addition, Glaston is committed to invest additional EUR 1.0 million in INTERPANE’s equity. Also the other party of the transaction is committed to make additional investments in INTERPANE’s equity.

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INTERPANE Glass Oy is a company owned jointly by Georg F. Hesselbach through his company A A A Glass & Design Finland Oy, and a subsidiary of Glaston Corporation. The shareholders of INTERPANE Glass Oy have entered into a shareholders' agreement which incorporates put and call options enabling the shareholders to rearrange their ownership shares in the company in the future.

The transaction has no material effect on Glaston’s result.

INTERPANE Glass Oy is a joint venture of Glaston, and it is consolidated in Glaston’s consolidated financial statements using the equity method.

Glaston continues its production of solar reflectors in Akaa, Finland, employing approximately 30 persons.

CHANGES IN JOINT VENTURES

The Chinese company Sanhe AAA Tools Co. was consolidated in 2008 as a joint venture using the equity method and not as a subsidiary despite of the 70 per cent ownership of Glaston, because Glaston was not considered to have control of the company. From 1 January, 2009, Sanhe AAA Tools Co. has been consolidated as a subsidiary as Glaston has gained control of the company.

INTERPANE Glass Oy became a joint venture of Glaston on 31 March, 2009.

SEGMENT INFORMATION

Machines segment includes glass tempering, bending and laminating machines sold under Tamglass and Uniglass brands and glass pre-processing machines sold under the Bavelloni brand as well as tools manufacturing.

Services segment includes maintenance and service of glass processing machines, sale of spare parts and tools as well as operating of glass processing factory in Akaa, Finland, on behalf of a customer.

The formation of the organization in accordance of the new segment structure is still partly under process relating to tools business. For that reason the net sales and operating result of the tools business are still included in the Machines segment and not in the Services segment. Net sales of tools business was in January – June 2009 EUR 5.1 (6.4) million, and in 2008 EUR 12.6 million. Operating result excluding non-recurring items was in January – June EUR -0.2 (0.5) million (in 2008 EUR 0.4 million). Net sales and part of the operating result will be included in the Services segment during the third quarter.

Software Solutions segment’s product offering, sold under the Albat+Wirsam brand, covers enterprise resource planning systems for the glass industry, software for window and door glass manufacturers, and software for glass processor’s integrated line solutions.

EUR million

Machines	**4-6/ 2009**	**4-6/ 2008**	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
External sales	30.1	49.6	53.0	92.3	180.2
Intersegment sales	-0.3	0.3	0.4	0.4	0.9
Net sales	**29.8**	**49.9**	**53.4**	**92.7**	**181.1**
Share of associates’ and joint ventures’ results	0.0	0.0	0.0	0.0	0.0
EBITDA excluding non-recurring items	-3.7	4.1	-8.1	7.1	10.2
EBIT excluding non-recurring items	**-4.6**	**3.3**	**-9.9**	**5.4**	**5.3**
EBIT-%, excl. non-recurring items	-15.4	6.6	-18.5	5.8	2.9
Non-recurring items	-3.8	-	-3.8	-	-9.5
EBIT	-8.4	3.3	-13.6	5.4	-4.2
EBIT-%	-28.1	6.6	-25.6	5.8	-2.3
Net working capital			50.4	58.4	69.6
Number of personnel, average			781	799	825
Number of personnel, end of period			718	842	861

Services	**4-6/ 2009**	**4-6/ 2008**	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
External sales	9.2	16.6	19.6	29.7	62.2
Intersegment sales	0.6	0.3	0.8	0.5	1.2
Net sales	**9.7**	**16.9**	**20.4**	**30.2**	**63.4**
EBITDA excluding non-recurring items	0.1	1.9	-0.9	2.7	8.5
EBIT excluding non-recurring items	**-0.2**	**1.3**	**-1.9**	**1.7**	**4.7**
EBIT-%, excl. non-recurring items	-1.7	7.5	-9.2	5.6	7.4
Non-recurring items	-0.3	-	-0.3	-	-2.2
EBIT	-0.4	1.3	-2.1	1.7	2.5
EBIT-%	-4.5	7.5	-10.5	5.6	3.9
Net working capital			13.3	16.7	17.1
Number of personnel, average			323	419	413
Number of personnel, end of period			258	405	393

Software Solutions	**4-6/ 2009**	**4-6/ 2008**	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
External sales	5.9	6.4	11.8	13.7	28.1
Intersegment sales	0.0	0.0	0.0	0.0	0.0
Net sales	**5.9**	**6.4**	**11.8**	**13.7**	**28.2**
Share of associates' and joint ventures' results	-	-	-	-	0.0
EBITDA excluding non-recurring items	1.0	1.7	1.4	3.1	5.5
EBIT excluding non-recurring items	**0.5**	**1.2**	**0.1**	**2.2**	**3.7**
EBIT-%, excl. non-recurring items	8.7	19.3	1.3	16.0	13.3
Non-recurring items	-0.3	-	-0.3	-	-0.6
EBIT	0.2	1.2	-0.1	2.2	3.2
EBIT-%	4.1	19.3	-1.0	16.0	11.3
Net working capital			6.3	5.0	5.8
Number of personnel, average			269	249	255
Number of personnel, end of period			277	252	262

In segment reporting net working capital consists of inventory, external trade receivables and trade payables and advances received.

Non-recurring items of 2009 consist mainly of expenses arising from Machines segment restructuring. In addition, non-recurring items include expenses arising from rationalization measures.

Non-recurring items of 2008 consist of expenses arising from rationalization measures as well as non-recurring costs for agreements and doubtful receivables from previous years.

Glaston Group

EUR million

Net sales	**4-6/ 2009**	**4-6/ 2008**	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
Machines	29.8	49.9	53.4	92.7	181.1
Services	9.7	16.9	20.4	30.2	63.4
Software Solutions	5.9	6.4	11.8	13.7	28.2
Other and intersegment sales	-0.2	-0.6	-1.2	-1.0	-2.2
Glaston Group total	**45.2**	**72.6**	**84.4**	**135.7**	**270.4**

EBIT	**4-6/ 2009**	**4-6/ 2008**	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**

Machines	-4.6	3.3	-9.9	5.4	5.3
Services	-0.2	1.3	-1.9	1.7	4.7
Software Solutions	0.5	1.2	0.1	2.2	3.7
Other and eliminations	-1.9	-2.0	-3.6	-3.8	-7.6
EBIT excluding non-recurring items	**-6.2**	**3.8**	**-15.2**	**5.4**	**6.2**
Non-recurring items	-4.3	-	-4.3	-	-12.3
EBIT	**-10.5**	**3.8**	**-19.5**	**5.4**	**-6.1**
Net financial items	-0.7	1.8	-0.8	1.3	-2.0
Result before income taxes and non-controlling interest	**-11.3**	**5.6**	**-20.3**	**6.7**	**-8.1**
Income taxes	1.2	-2.5	2.1	-3.0	-1.1
Net result	**-10.0**	**3.1**	**-18.1**	**3.7**	**-9.2**
Number of personnel, average			1,402	1,492	1,519
Number of personnel, end of period			1,282	1,529	1,541

Net working capital	**30.6.2009**	**30.6.2008**	**31.12.2008**
Machines	50.4	58.4	69.6
Services	13.3	16.7	17.1
Software Solutions	6.3	5.0	5.8
Other	-0.7	-1.3	-0.4
Total Glaston Group	**69.2**	**78.7**	**92.1**

Order intake has been restated to include also order intake of the tools business.

Order intake	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
Machines	45.7	95.7	156.9
Services	16.3	35.5	59.7
Software Solutions	5.3	5.5	13.9
Total Glaston Group	**67.3**	**136.8**	**230.5**

Net sales by geographical areas	**1-6/ 2009**	**1-6/ 2008**	**1-12/ 2008**
Europe	42.4	64.6	130.0
MEAI	11.3	26.7	48.0
Asia	11.0	18.5	36.5
America	19.7	25.9	56.0
Total	**84.4**	**135.7**	**270.4**

MEAI = Middle East, Africa, India, Pakistan, Bangladesh

NET SALES, OPERATING RESULT AND ORDER BOOK BY QUARTER
EUR million

Machines	**4-6/ 2009**	**1-3/ 2009**	**10-12/ 2008**	**7-9/ 2008**	**4-6/ 2008**	**1-3/ 2008**
External sales	30.1	22.8	46.5	41.4	49.6	42.7
Intersegment sales	-0.3	0.7	0.3	0.2	0.3	0.2
Net sales	**29.8**	**23.6**	**46.8**	**41.6**	**49.9**	**42.9**
Share of associates' and joint ventures' results	0.0	-	0.0	0.0	0.0	0.0
EBITDA	-3.7	-4.3	2.5	0.6	4.1	2.9
EBIT excluding non-recurring items	**-4.6**	**-5.3**	**0.3**	**-0.4**	**3.3**	**2.0**
EBIT-%, excl. non-recurring items	-15.4	-22.3	0.7	-0.9	6.6	4.8
Non-recurring items	-3.8	-	-9.5	-	-	-
EBIT	-8.4	-5.3	-9.1	-0.4	3.3	2.0
EBIT-%	-28.1	-22.3	-19.5	-0.9	6.6	4.8

Services	**4-6/ 2009**	**1-3/ 2009**	**10-12/ 2008**	**7-9/ 2008**	**4-6/ 2008**	**1-3/ 2008**
External sales	9.2	10.4	15.8	16.6	16.6	13.1
Intersegment sales	0.6	0.3	0.5	0.2	0.3	0.1
Net sales	**9.7**	**10.7**	**16.4**	**16.8**	**16.9**	**13.3**
EBITDA	0.1	-1.0	2.9	2.8	1.9	0.9
EBIT excluding non-recurring items	**-0.2**	**-1.7**	**1.0**	**2.0**	**1.3**	**0.4**
EBIT-%, excl. non-recurring items	-1.7	-16.0	6.2	12.0	7.5	3.2
Non-recurring items	-0.3	-	-2.2	-	-	-
EBIT	-0.4	-1.7	-1.2	2.0	1.3	0.4
EBIT-%	-4.5	-16.0	-7.5	12.0	7.5	3.2

Software Solutions	**4-6/ 2009**	**1-3/ 2009**	**10-12/ 2008**	**7-9/ 2008**	**4-6/ 2008**	**1-3/ 2008**
External sales	5.9	6.0	6.6	7.8	6.4	7.3
Intersegment sales	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**5.9**	**6.0**	**6.6**	**7.8**	**6.4**	**7.3**
Share of associates' and joint ventures' results	-	-	0.0	-	-	-
EBITDA	1.0	0.4	0.5	1.9	1.7	1.4
EBIT excluding non-recurring items	**0.5**	**-0.4**	**0.1**	**1.4**	**1.2**	**1.0**
EBIT-%, excl. non-recurring items	8.7	-6.0	1.8	18.1	19.3	13.2
Non-recurring items	-0.3	-	-0.6	-	-	-
EBIT	0.2	-0.4	-0.4	1.4	1.2	1.0
EBIT-%	4.1	-6.0	-6.5	18.1	19.3	13.2

Net sales	4-6/ 2009	1-3/ 2009	10-12/ 2008	7-9/ 2008	4-6/ 2008	1-3/ 2008
Machines	29.8	23.6	46.8	41.6	49.9	42.9
Services	9.7	10.7	16.4	16.8	16.9	13.3
Software Solutions	5.9	6.0	6.6	7.8	6.4	7.3
Other and intersegment sales	-0.2	-1.0	-0.8	-0.4	-0.6	-0.4
Glaston Group total	**45.2**	**39.2**	**68.9**	**65.8**	**72.6**	**63.1**

EBIT	4-6/ 2009	1-3/ 2009	10-12/ 2008	7-9/ 2008	4-6/ 2008	1-3/ 2008
Machines	-4.6	-5.3	0.3	-0.4	3.3	2.0
Services	-0.2	-1.7	1.0	2.0	1.3	0.4
Software Solutions	0.5	-0.4	0.1	1.4	1.2	1.0
Other and eliminations	-1.9	-1.6	-1.8	-2.0	-2.0	-1.8
EBIT excluding non-recurring items	**-6.2**	**-9.0**	**-0.3**	**1.1**	**3.8**	**1.6**
Non-recurring items	-4.3	-	-12.3	-	-	-
EBIT	**-10.5**	**-9.0**	**-0.3**	**1.1**	**3.8**	**1.6**

Order book	30.6. 2009	31.3. 2009	31.12. 2008	30.9. 2008	30.6. 2008	31.3. 2008
Machines	30.8	38.2	47.3	64.8	78.0	79.8
Services	2.3	4.0	11.6	15.0	16.2	7.5
Software Solutions	4.0	3.7	3.5	4.5	6.0	9.5
Total Glaston Group	**37.1**	**45.9**	**62.5**	**84.4**	**100.3**	**96.9**

CONTINGENT LIABILITIES

EUR million	30.6.2009	30.6.2008	31.12.2008
Mortgages			
On own behalf	0.2	0.2	0.2
Guarantees			
On own behalf	0.7	4.6	0.8
On behalf of others	0.1	-	0.1
Lease obligations	16.4	12.5	19.3
Repurchase obligations	0.4	1.5	0.5
Other obligation on own behalf	0.1	-	0.3
Capital commitments in relation to interests in joint ventures	1.0	-	-

A customer of the US subsidiary Glaston USA, Inc. had made a claim of approximately USD 22 million due to a sale of a machine in 2004. The arbitration proceeding initiated by the customer against the US subsidiary Glaston USA, Inc. was concluded in April. Majority of the customer's claim were denied. The matter has no material effect on Glaston's 2009 result, because it was included in 2008 result, but the compensation paid by Glaston has affected Glaston's cash flow.

The Group recognized a tax refund of approximately EUR 2 million in 2006 after having received an affirmative decision according to which the expenses arising from the management incentive scheme of the Group are deductible in taxation. The tax authorities of the Tax Office for Major Corporations appealed against the decision to the Administrative Court of Helsinki. Administrative Court of Helsinki decided the case on Glaston's favour in January 2009. The decision is final, since no appeal was made.

Glaston Group has international operations and can be a defendant or plaintiff in a number of legal proceedings incidental to those operations. The Group does not expect the outcome of any unmentioned legal proceedings currently pending, either individually or in the aggregate, to have material adverse effect upon the Group's consolidated financial position or results of operations.

DERIVATIVE INSTRUMENTS

EUR million	30.6.2009		30.6.2008		31.12.2008	
	Nominal value	Fair value	Nominal value	Fair value	Nominal value	Fair value
Currency derivatives						
Currency forwards	2.1	0.1	12.9	0.3	6.2	-0.1

Derivative instruments are used only for hedging purposes. Nominal values of derivative instruments do not necessarily correspond with the actual cash flows between the counterparties and do not therefore give a fair view of the risk position of the Group. The fair values are based on market valuation on the date of reporting.

PROPERTY, PLANT AND EQUIPMENT

EUR million

Changes in property, plant and equipment	**1-6/ 2009**	**1-6/ 2008**
Carrying amount at beginning of the period	35.0	32.5
Additions	1.0	4.2
Disposals	-5.4	0.0
Depreciation and amortization	-2.2	-2.3
Impairment losses and reversals of impairment losses	-0.2	-
Reclassification and other changes	0.3	0.0
Exchange differences	0.0	0.0
Carrying amount at end of the period	28.5	34.4

At the end of the review period, Glaston Group did not have contractual commitments to acquire property, plant and equipment.

RELATED PARTY TRANSACTIONS

Glaston Group’s related parties include the parent, subsidiaries, associates and joint ventures. Related parties also include the members of the Board of Directors and the Group's Executive Management Group, the CEO and their family members.

Glaston follows the same commercial terms in transactions with associates and joint ventures and other related parties as with third parties.

During the review period Glaston’s related party transactions included sales to joint ventures. In addition, the Group has leased premises from companies owned by individuals belonging to the management. The lease payments were in January – June EUR 0.3 (0.3) million.

During the review period there were no related party transactions whose terms would differ from the terms in transactions with third parties.

Transactions with joint ventures and associates

In January – June 2009 or 2008 Glaston had no material transactions with the joint venture. Glaston did not have transactions with the associate.

EUR million

Transactions with joint ventures	1-6/ 2009	1-6/ 2008	1-12/ 2008
Sales to joint ventures	-	0.0	0.0
Other operating income from joint ventures	0.1	-	-
Interest income from joint ventures	0.1	-	-

Receivables/payables from/to joint ventures	1-6/ 2009	1-6/ 2008	1-12/ 2008
Current receivables	0.4	-	0.0
Non-current loan receivables	5.4	-	-
Trade payables	0.0	-	-

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