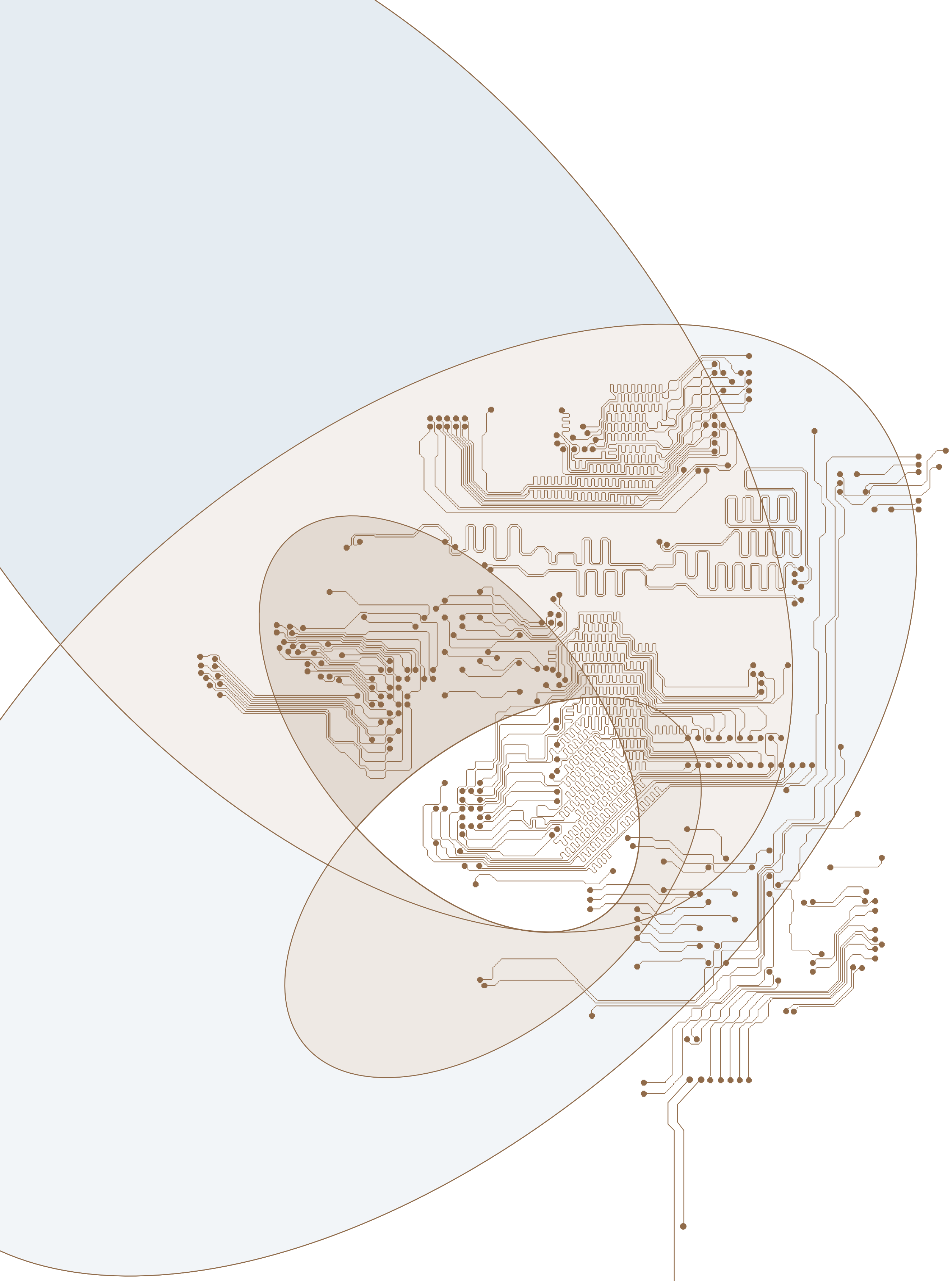


Annual Report 04

ASPOCOMP

ASPOCOMP Providing Design Flexibility

The Aspocomp Group provides high-tech electronic components and services for the design and manufacture of PCBs, mechanics and modules. Aspocomp's products are used in the electronics industry: in handheld devices, telecommunications networks, automobiles and in other industrial applications.

2004 In Brief

—• Maija-Liisa Friman becomes President and CEO. —• Updated growth strategy published. —• Embedding of resistive components into production. Alµ™-type (Any Layer Microvia) PCBs also now being produced. —• Net sales up by 8% thanks to increased volume, even though sales dipped temporarily at the end of the year. —• Profit for the whole year turned positive.

CONTENTS

Greetings from the CEO

Year 2004 was a good year for the telecommunications market. Mobile phone sales were record-breaking, and the network markets also picked up. This was reflected in the PCB markets' healthy growth, with Aspocomp maintaining its share. As a result, we produced a profit-making result.

The progress made by our Chinese subsidiary ACP Electronics stands out as a particularly positive development in 2004. Its production capacity for high-tech HDI PCBs was increased in summer 2004, allowing ACP Electronics to considerably boost its sales and profits. Besides enabling volume growth, this well-timed investment also resulted in further increasing the relative share of high-tech PCBs in Aspocomp Group's sales. In Finland, we invested in further elevating our level of technology and in increasing operational flexibility.

Securing sustainable and profitable growth is our major challenge for the future. One of our major objectives is to reinforce our status as a recognized technology leader, and we are investing plenty of effort in attaining this. In order to be able to better respond to our customers' expectations, we must have a genuine understanding of their rapidly changing and ever more complex supply chain needs and provide innovative solutions to their requirements. We also must seek to become involved in customers' product design processes at an as early stage as possible. We believe that increased flexibility in product design is a source of added value to our existing customers, and the key for winning new customers.

In interconnection solutions, the trend is clear: ever greater insistence will be placed on performance. During the past year, we have reached several milestones in our product development, and are even better placed than before to anticipate the need to manufacture smaller and smaller devices with more and more functionalities. Among the most important achievements were component embedding and the development of technically demanding Any Layer Microvia PCBs containing multiple HDI layers. During 2004, we were able to advance these development products to production stage, in addition to which we committed to the volume production of flexible PCBs.

The minimum targets set by the Aspocomp's Board of Directors for the balance sheet structure are an equity ratio of at least 40% and a debt-to-equity ratio not exceeding 100%. Operating within this framework, we can implement sizeable growth and development projects without jeopardizing sustainable profitability and the target set for dividends. The decision we took in February 2004 regarding the expansion of production in China was a logical next step in implementing our strategy. We intend to continue with our active approach by investing in products, services and global platforms which have well-founded prospects for satisfactory return on investment.

I wish to thank all Aspocomp's customers for their stimulating business co-operation, as well as each and every employee for

their important contribution during the year. We can look forward to busy and challenging years ahead. Together with our competent and committed professionals, we are fully engaged on our chosen path with confidence and with every intention of meeting our customers' and shareholders' expectations.

Maija-Liisa Friman
President and CEO

Aspocomp Today

PRINTED CIRCUIT BOARDS

The PCB segment designs and manufactures high-tech printed circuit boards for handheld devices, telecommunications networks, and automotive and industrial applications. Printed circuit boards produced by Aspocomp are application-specific products which are always designed to match each customer's individual requirements.

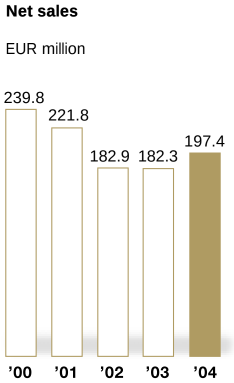
PCBs for handheld devices represent more than half of the company's sales. This group of applications includes mobile phones. We intend to increase the proportion of products delivered to the automotive industry and telecommunications networks in total sales by this segment.

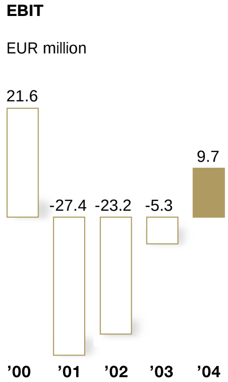
The majority of our production consists of multilayer PCBs produced using HDI/Microvia technology. Aspocomp is the second-largest manufacturer of HDI PCBs in Europe. We have production facilities in Finland, China and Thailand.

Aspocomp's strengths in this segment are state-of-the-art technologies, active R&D, global production capacity, extensive experience in PCB production and environmentally-friendly production.

Key figures for the Group

	2004	2003
Net Sales, EUR milllion	197.4	182.3
EBIT, EUR milllion	9.7	-5.3
Net Profit, EUR milllion	6.0	-0.9
Earnings per Share, EUR	0.30	-0.04
Return on Equity, %	6.7	-2.4
Equity ratio, %	62.9	57.1





MECHANICS AND MODULES

The Mechanics and Modules segment provides customer specific contract manufacturing services for the telecommunications and other industries. The segment designs and produces mechanical and electronic solutions for its customers.

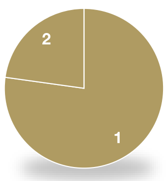
The service package offered by Mechanics and Modules includes the design of electronic and mechanical parts, the procurement or in-house production of materials and components, testing and final assembly, and packaging in accordance with customer specifications.

Aspocomp has a strong position in the Nordic market for thick-film hybrids. These are customer-specific components that are designed for each application together with the client. Production activities in the Mechanics and Modules segment takes place in Finland.

Strengths in this segment are the utilization of high-tech production methods and excellent logistical services. High-quality final-assembly allows the products produced to be seamlessly integrated into each customer's production chain with very short lead time.

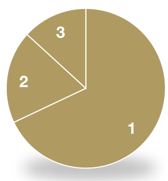
Net sales by segment in 2004

1 PCB 77%
2 Mechanics and Modules 23%



Net sales by geographical area in 2004

1 Europe 68%
2 Asia 19%
3 Americas 13%



Strategy

STRATEGY

Flexibility in product design

For its customers in the electronics industry, Aspocomp offers and designs innovative interconnection solutions that allow increased flexibility in our customer's own product design. Our extensive product range and innovative approach create a competitive edge for our customers who operate in quickly-evolving markets. Printed Circuit Boards and Modules are Aspocomp's core businesses.

Balancing selected segments

Aspocomp supplies components for handheld devices and aims to further strengthen its position as a supplier to the automotive industry and telecommunications networks. We are concentrating on these rapidly-growing segments and intend to increase our market share in them.

Recognition as a provider of innovative interconnection technologies

Aspocomp's position as a component supplier is strong and widely-recognized. We provide our customers with added value through innovative interconnection solutions which offer an effective response to the growing challenges encountered in electronics design. These challenges are related to the ever-diminishing size of devices, increased functionality and longer service intervals.

A fast and cost-efficient channel to volume production for new technologies

We offer our global customers a fast track to volume production via the flexible and cost-efficient application of new technologies. As end-product lifecycles become shorter and shorter, the significance of this advantage will continue to increase. Aspocomp's balanced production structure in Europe and Asia is well suited to this purpose.

Growth faster than the market average

Our strong balance sheet and cash flow allow significant growth and development initiatives in our core businesses. Aspocomp's target is a return on equity that is clearly above the market average in the mid-term while maintaining a solid financial position.

FINANCIAL GOALS

Growth faster than the industry average

- 90% of investments in the PCB business
- annual maintenance investments 4-6% of net sales

Financial solidity maintained

- gearing a maximum of 100%
- equity ratio a minimum of 40%

Dividend policy

- the Board of Directors has set a target of EUR 0.30 per share

ASPOCOMP'S SUCCESS FACTORS

Unique, customer-oriented range of products and services

We work in co-operation with customers leading in their industries and we understand their needs. We offer a comprehensive range of products and services to customers who operate in growing segments of the electronics industry.

Even though we are experts in interconnection technology, we are determined to offer more – the best service possible. We participate in the early stages of product design, offer alternatives, and facilitate flexible product development.

International offering, local service

Aspocomp has operations in Europe and Asia. As we work in the locations where our customers operate, they benefit from cost-efficient production and local service.

Solid technological expertise

We employ competitive technologies and methods in our design and production. We constantly search for new opportunities, improving our processes and developing new interconnection solutions. Aspocomp welcomes companies that have significant expertise in product development as partners.

Committed and competent personnel

As we operate in a constantly-changing environment, we change with it by correctly identifying the required competences. We create, develop and commit. We learn quickly. We look forward to the future with confidence.

Strong customers

Our customers include recognized industry leaders who know their markets well, have a vision for the future and deploy an extensive range of applications. We grow and develop together with our customers.

Balanced growth strategy

We reduce the cyclic nature of the business in which we operate by finding the balance between selected customer segments. To secure our position in the ever-changing electronics industry value chain, we make selective investments in new technologies. Further development of existing operations, expansion of capacity, corporate acquisitions, new production plants – we select the methods that suit each situation. The crucial factor is correct timing.

OPERATING ENVIRONMENT

Growth Segments in a Steadying Market

In 2004, global PCB markets grew by slightly less than 10% to approximately EUR 28 billion by the end of the year. The largest consumer of PCBs is currently the telecommunications industry, in which the primary applications are mobile phones and base station networks. More than 70% of the market is located in Asia.

Mobile phones is the application sector in which growth was highest in 2004. Some estimates indicate that the mobile phone market will weaken in 2005, and price competition between PCB manufacturers will increase as production capacity increases.

The growth in demand for high-tech HDI (High Density Interconnection) PCBs is expected to be strong in the next few years, totaling some 10% on an annual basis. Growth estimates are based on increasing performance requirements for end products and reductions in available physical space.

Best growth potential for base stations

In the medium term, the strongest increase in demand will be experienced in applications for the automotive industry, data processing and telecommunications. Aspocomp's focus will be the market for PCBs used in base stations: average annual growth in this sector in 2005–2008 is expected to be slightly above 10%. This estimate arises from factors such as the introduction of new network technologies and new hardware.

The information given here is based on forecasts issued by Prismark and Decision.

GROWTH PRIMARILY IN ASIA

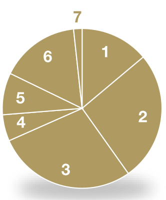
Growth in PCB markets will take place mainly in China and South-East Asia where the markets for end products are large. Production costs in this area are also relatively low. Labor costs in Asia can be several tens of per cent lower than they are in Europe. In the future, it is quite probable that an increasing number of PCBs will be imported into Europe from Asia. In such a scenario, Europe will be left with the role of developing new technologies and taking them to the production stage.

As much of the assembly work for electronic devices is becoming concentrated in China and South-East Asia, expansion of PCB production capacity over the next few years will mainly occur in this region

PCB markets by industry (2004 E)
PCB markets approx.
EUR 28 billion

1 Audio and video 14%
2 Data processing 26%
3 Telecommunications 28%
4 Aerospace and defence 5%
5 Automotive 8%
6 Industry and medical electronics 16%
7 Home appliances 2%

Source: Decision

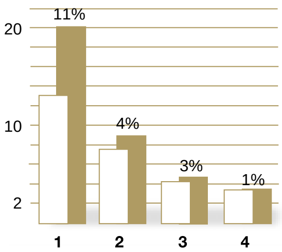


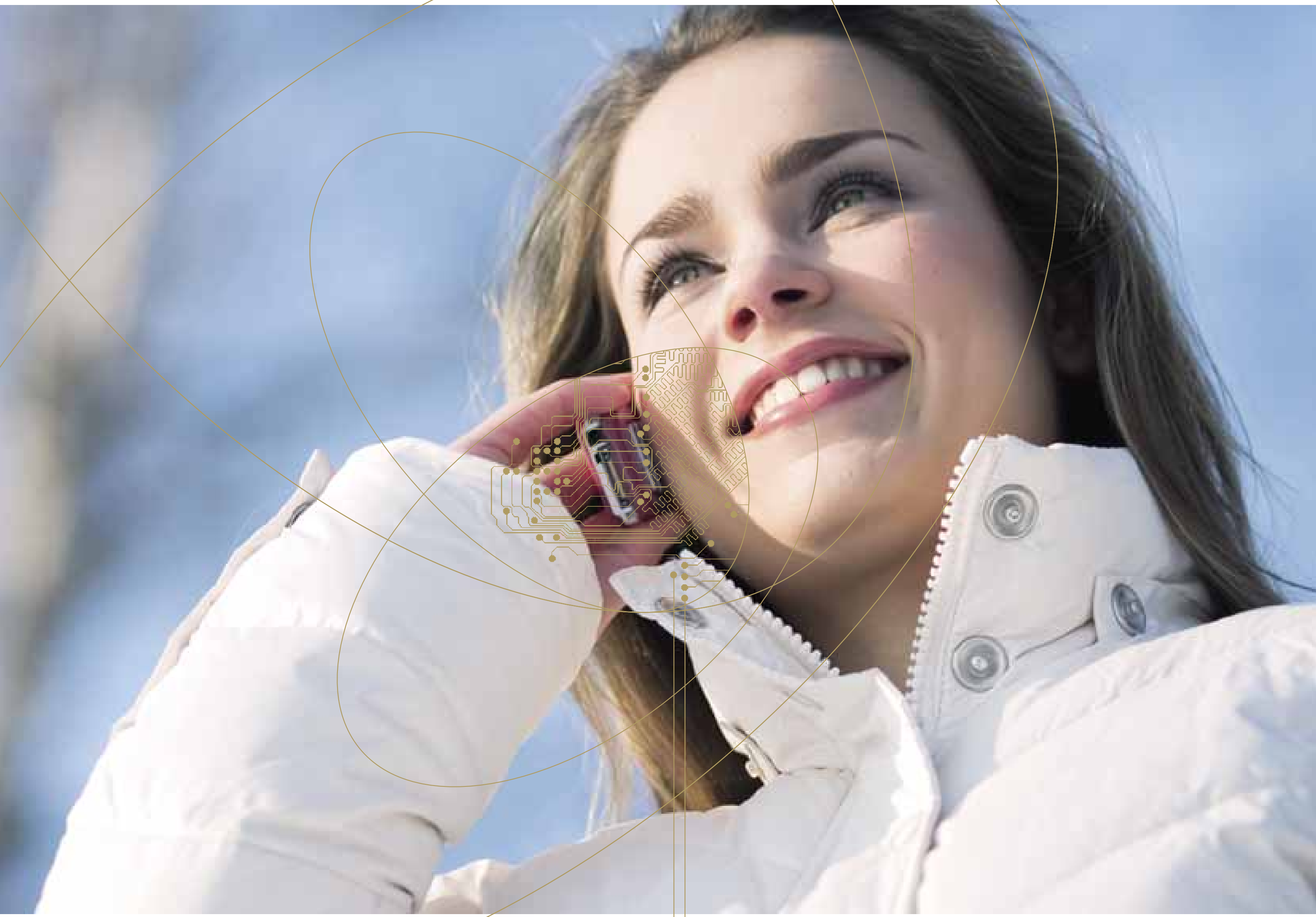
Geographical PCB markets and growth forecasts
EUR billion

□ 2004E ■ 2008E
% CAAGR

1 Asia (excl. Japan)
2 Japan
3 Americas
4 Europe

Source: Prismark
Prismark's forecasts are denominated in USD. These figures have been changed to euros at the rate of 1.3621 (exchange rate on December 31st, 2004).





New features in multi-function mobile phones such as cameras and mobile e-mail attract consumers. Demands placed on PCB manufacturing have correspondingly increased, providing technologically strong manufacturers with additional opportunities to differentiate themselves from the competition.

since there are logistical advantages to be gained. In many fields of business, the relative proportion of Asian-based production will increase.

SEGMENTATION IN THE HANDHELD DEVICES MARKET

Segmentation in the market for handheld devices has a significant impact on PCB manufacturers. In mobile phones, for example, the market is clearly becoming divided into simple high-volume phones and multimedia devices at lower volumes. New types of device that combine a mobile phone with a computer will appear, attracting customers with new functionalities such as a camera, mobile e-mail access and television. Manufacturers of mobile phones and computers compete for market share by using their own particular strengths. In this new situation, the position of key customers will be more critical than ever for individual PCB manufacturers.

Standard technology in the production of PCBs for basic phones

Large volumes in ordinary mobile phones have attracted many PCB vendors to the market. The PCBs used in these phones feature standard technology which several manufacturers can produce. Some device functions can also be handled using software solutions. The combination of these factors has led to a reduction in the price of PCBs used in such phones.

Expertise is highlighted in multi-functional handheld devices

Multimedia devices use PCBs that are technically more demanding, and it is easier for manufacturers of this type of product to differentiate themselves from the competition. Inexpensive phones employing a specific design configuration can also offer niche areas for PCB manufacturers, with so-called “clamshell” phones being a good example. The flex and rigid-flex PCBs used in these devices have been among the fastest-growing technologies.

CHALLENGING MARKET CONDITIONS IN TELECOMMUNICATIONS NETWORKS HAVE CAUSED SOME MANUFACTURERS TO DROP OUT

At the turn of the millennium, PCB manufacturers were preparing for the introduction of 3G networks. Work on building these networks started, however, later than expected and has so far progressed slower than was anticipated. This resulted in excess capacity in the industry. The setbacks experienced by many network suppliers in their product development projects, as well as weak market situation, have resulted in competition diminishing over the last few years.

New network technologies and new devices increase volumes in PCB markets

In the short term, the strongest influence on PCB markets will be the maintenance and development of existing telecommunication networks, and initiatives by telecommunication operators to expand network capacity. In the medium term, PCB markets will expand through investments in new generation networks such as 3G. The introduction of new network technologies and new devices will increase the number of base stations required, boosting the total number of PCBs used. The PCBs used in new base stations also represent higher levels of technology.

It is possible that future growth in the number of base stations will be restricted to some extent by software solutions which allow individual base stations to handle more call traffic. Developments of this type will, however, also increase the degree of complexity of the components employed, and the more advanced PCB solutions required will command a higher unit price.

STRONG GROWTH FROM THE AUTOMOTIVE INDUSTRY

The primary factor driving demand for PCBs in the automotive industry is the increasing role of electronics in cars. Currently, electronics represent approximately 20% of the total value of materials used in making vehicles. It is estimated that by 2010, this proportion will increase to more than a third. The increase in demand for PCBs is primarily related to the increasing popularity of devices that enhance safety and make driving easier such as ABS brakes, traction control and on-board computers. Accessories previously found only in premium-class cars feature to an increasing extent in economy models. In 1990, for example, 25% of cars had ABS brakes. By 2000, this figure had risen to 90%. Electronic on-board entertainment systems are also becoming increasingly common.

NEW TECHNOLOGIES ALSO USED IN CONVENTIONAL APPLICATIONS

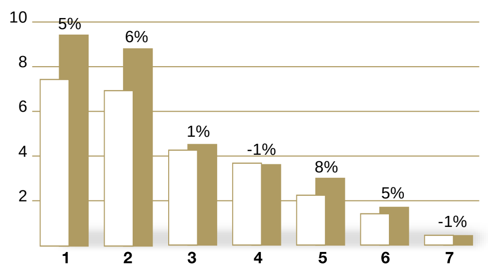
The reduced size of PCBs is primarily a response to the needs of mobile phone manufacturers. As phones get smaller, so do the components used to make them, and this has led to the density of wiring between components increasing. PCB technologies deployed in mobile phones are now starting to be used in other applications – their small size not only solves possible space problems, it also reduces production costs. Savings result from the fact that material costs represent almost half the total cost of manufacturing a printed circuit board.

Applications that can be expected to follow the direction set by mobile phones will be other handheld devices such as digital cameras, MP3 players and PDAs. Even the automotive industry is nowadays using smaller components even though such practice is not necessarily dictated by space considerations.

PCB markets by industry and growth forecasts
EUR billion
☐ 2004E ■ 2008E % CAAGR

1 Telecommunications
2 Data processing
3 Industry and medical electronics
4 Audio and video
5 Automotive
6 Aerospace and defence
7 Home appliances

Source: Decision



Transforming Value Chains Expand Markets

More and more requirements are placed on PCB applications: smaller size, increased performance, better temperature control and reliability. Increasing demands improve the market position of technologically-strong PCB manufacturers and even expand the markets for their products. As permissible sizes are reduced, part of the process of manufacturing and assembling components becomes part of the PCB manufacturing process. Since increased functionality must be squeezed out of a smaller surface area, assembling all the required components on a board become physically impossible. One solution is to embed some components inside the board. This technique offers several advantages in the manufacturing, packaging and assembly of components.

To connect a semiconductor component to a PCB, it must, as a rule, be packaged. In most cases, the package is implemented by bonding component pads to a small "interposer" PCB by using a thin gold wire. Then, the component package is molded. The resulting package is the actual component, which is assembled on the motherboard of the electronic device. When components are embedded directly into a PCB, there is no need for either packaging or assembly. The resulting product is smaller, more reliable, and has better electronic characteristics.

With embedding, part of the component manufacturing, packaging and assembly processes become a part of the PCB manufacturing process, enabling PCB manufacturers mastering this technology to increase their share of the value chain. When device manufacturers are supplied with more complete assemblies, the final assembly of electronic devices takes place more rapidly and is more cost-efficient.

Challenges linked to the size of PCBs are

Amongst the forerunners

The 1980s

Aspocomp was among the first companies to start mass production of the PCBs used in mobile phones.

The 1990s

Aspocomp was one of the first companies to start mass production of HDI/Microvia PCBs. This technology is used to manufacture multi-layer PCBs in which conductor layers are interconnected by micro-sized lead-through holes. Compared to previous generations of multi-layer PCBs, more efficient configurations and smaller lead-through holes mean that solutions can be packed more densely, allowing more functionality in a smaller space.

Current decade

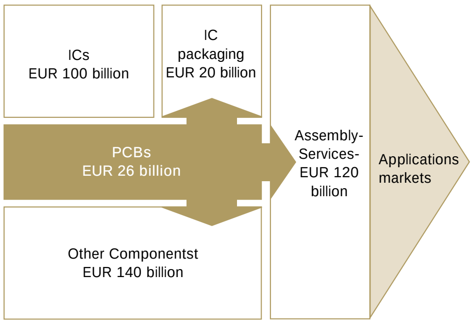
Any Layer Microvia is a technology for the new millennium which allows more HDI layers and PCBs of increased complexity. Aspocomp's Any Layer Microvia PCBs answer the ever-increasing requirement to reduce component connection density and increase the number of conductors.

One of the most significant trends is to embed components inside a PCB instead of mounting them on the surface. This allows the manufacture of smaller and more reliable component assemblies which have better electronic properties. Aspocomp has mastered the technologies associated with component embedding, and some of these now feature in production.

also being solved in other parts of the value chain. Semiconductor manufacturers are attempting to increase their market share at the earlier phase of the value chain by including more functionality in their microchips, reducing the number of components which have to be inserted into a PCB. The impact of this strategy on PCBs is twofold. On one hand, challenges related to component assembly increase because the number of component pins is larger, and this makes PCBs more complex. On the other hand, advanced microchips reduce the number of conductors required on the PCB. In the latter case, as has happened with DVD players, PCB design can be simplified and less-expensive technologies can be employed. It is important for PCB manufacturers to understand this two-tier development. Aspocomp is ready to respond to both the challenges and capacity requirements that arise from these development trends.

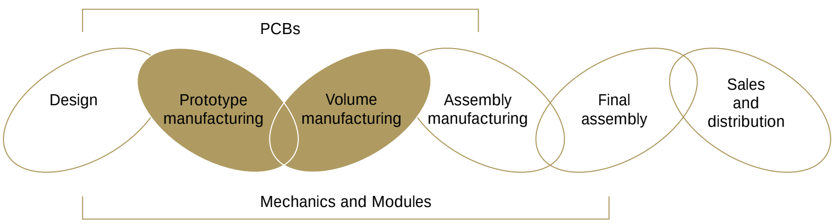
"Part of the component manufacturing, packaging and assembly process becomes part of the PCB manufacturing process, enabling PCB manufacturers to increase their share of the value chain."

Electronics markets approximately EUR 750 billion (2003)
(All figures are estimates)



Source: Prismark
Prismark's forecasts are denominated in USD.
These figures have been changed to euros at the rate of 1.2630 (exchange rate on December 31st, 2003).

The Aspocomp value chain



Competitive Edge through Solid Manufacturing Expertise and New Technologies

Aspocomp's comprehensive PCB expertise covers all technologies from conventional PCBs to the latest innovations in the sector. Currently, the majority of our production consists of high-tech HDI PCBs. We also manufacture lower-tech single- and double-sided PCBs and multi-layer boards featuring a moderate degree of technological complexity.

Nearly half our production capacity is in Asia

Aspocomp has production facilities in Finland, China and Thailand. In 2004, approximately 44% of our total PCB sales came from the Asian plants. In 2001, the corresponding figure was just 15%. This development is in line with the general trend in the industry.

Customers' technology-related needs vary with their field of business. To respond effectively to our customers' requirements, we deploy several different technologies. Aspocomp has different profiles for its manufacturing facilities to meet the specific production challenges associated with each application. Production facilities are usually designed around a specific application. For example, in telecommunications network applications where many different types of PCB are being produced at relatively low volumes, efficient production calls for flexible machinery. PCBs produced for use in mobile phones are typically high-volume products, requiring machinery suited to the efficient manufacture of large series.

Material costs account for some 40% of total PCB production costs. The most important materials used in production are laminates and copper foil. Since material cost is such a significant factor, our financial results are sensitive to changes in material prices. The effect of a 10% change in raw material costs on Aspocomp's operating profit is 4 percentage points. Labor costs account for approximately one-fifth of our production costs.

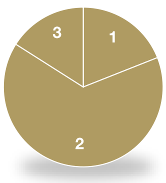
Competitive edge through product development

Manufacturing PCBs is Aspocomp's core competence. Through product development, we ensure that the technologies and methods employed in our production facilities are competitive. The continuous development of manufacturing methods is essential for successful operation in a sector where the drive to increase efficiency is constant: in materials handling, improving process yields, shortening lead times and increasing flexibility. Our co-operation with leading material and equipment suppliers is close.

Aspocomp's goal is to provide its custom-

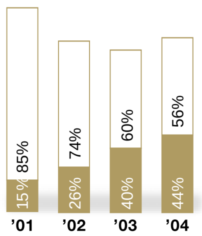
Net sales by technology

1 Single- and double-sided PCBs 19%
2 HDI/Microvia 65%
3 Multilayers 16%



Production by geographical area

Europe Asia

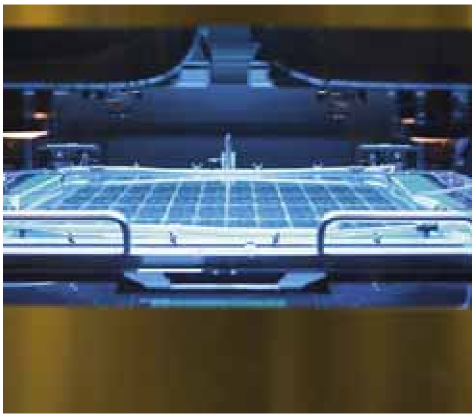


Devices that make driving safer and easier have become part of everyday life. They are now the primary driving force behind rising demand for PCBs.

ers products that are competitive in terms of both technology and price. In addition to our competence in production technology, Aspocomp's considerable investment in product development enables us to offer our customers new solutions to meet their changing needs. These solutions are designed to meet the challenges posed by the increasing number of functionalities, higher component densities, increasing levels of heat generation and ever-smaller conductor widths in electronic devices.

Continuous product development has allowed Aspocomp to maintain the average sales price of PCBs at a healthy level. As each technology matures and becomes more common, prices for both the PCBs and products using it tend to fall. The negative effects of this trend can be mitigated by inventing new technologies.

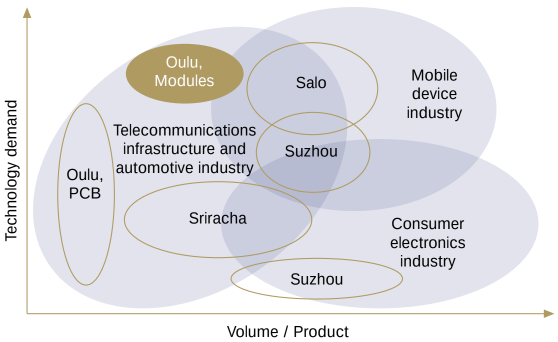
Part of Aspocomp's PCB-related development work takes place in the technology center in Salo, Finland. New solutions are also being developed in two R&D companies: Imbera Electronics, owned jointly by Aspocomp and Elcoteq, and Asperation, owned jointly by Aspocomp and Perlos. Aspocomp's holding in both Imbera Electronics and Asperation is 50%.



In 2004, focus areas included the development of Alμ™ (Any Layer Microvia) technology, representing the new HDI generation, and embedding of active and passive components inside a PCB.

PCBs manufactured using Alμ™ technology have more HDI layers, improving their performance. During 2004, the Alμ™ PCB was devel-

Profiles for Aspocomp's production plants



oped to the production stage, and work to build volume production capacity is ongoing. Product development in component embedding also progressed significantly. While the embedding of passive components was developed to production stage, work on developing active component embedding to the production stage and the investment decisions required for exploiting the technology were postponed until 2005.

In addition to the above, one of the focus areas for 2005 will be development work on flex PCBs. It is probable that a whole spectrum of solutions will appear in the future, combining different technologies and flexible and rigid materials and varying according to the requirements of the final application. Aspocomp has decided to focus on areas of development in which the fastest-growing technical solutions are best suited to our current competence. Aspocomp's production capacity is currently suitable for production in small volumes. Effort is now being focused on planning for volume production and the use of new materials, particularly in solutions where current expertise can be combined with flexible materials such as rigid-flex and semi-flex PCBs.

Long-standing customer relationships

Long-term customer relationships are typical in the PCB industry. The threshold for changing suppliers varies with each industry to some extent, but is generally relatively high. For example, in the automotive industry the threshold for changing a supplier is very high as safety and reliability issues are extremely important. Customers usually wish to avoid any of the potential interruptions associated with a change of supplier, and also possible disturbances in production or quality problems with the end product. Customers' quality systems also require PCB manufacturers to use acceptable processes, and the audits associated with changing a supplier always demand extra resources.

Differentiation is a demanding task

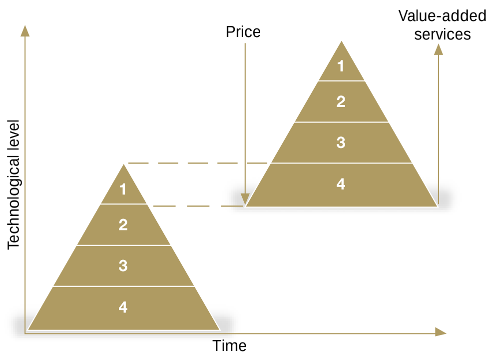
In recent years, the production of PCBs has moved strongly to Asia from the United States and Europe. The competitive situation is tough and price competition is fierce, especially in PCBs for lower technology applications. The PCB sector is fragmented and on average, manufacturers are

The development of technology

1 Small volumes / Few suppliers
4 Large volumes / Many suppliers

Competitive tools

Over time, new technology becomes the standard and the number of suppliers increases. To achieve differentiation, supplier must offer new value-added products and services.

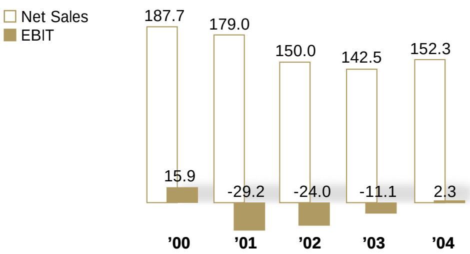


small. Net sales by the largest manufacturer amount to less than 5% of the total market. To date, consolidation in the sector has been minimal, although estimates predict that it will increase in the near future.

To differentiate itself from the competition, a company must offer new value-added products and services. Aspocomp offers design support, logistical services, prototypes and pilot series, as well as local service delivered in each customer's own time zone. The latest methods and tools are always used in design work.

Operating in Asia requires an understanding of local culture. Most of the managers in Aspocomp's Asian subsidiaries are of local origin, and many have previous experience in international positions. We believe that combining good European technology, good customer relations and a diverse product range with local Asian knowledge and Asian levels of cost efficiency gives us every chance of success.

Net sales and EBIT (PCB)
EUR million



The past year

In 2004, net sales for the segment grew by 7% to EUR 152.3 million and operating profit rose to EUR 2.3 million (-11.1). After eliminating the impact that divestment of the Teuva plant in 2003 had on growth, comparable net sales by Finnish production facilities were up by 10% and comparable net sales by Asian production facilities were up by 20%.

This growth was the result of an increase in delivered volume. Demand for PCBs for handheld devices was particularly strong. Aspocomp's share of the market in PCBs for delivery to telecommunications networks fell, in part due to divestment of the Teuva plant. In addition to the good development in volume, profitability was improved by the increased proportion of high-tech PCBs in Aspocomp's product portfolio and improved efficiency at ACP Electronics. The material costs of producing PCBs fell slightly, primarily because of improved process yield at the plant in China.

Prospects

The net sales and the profitability of the PCB segment are forecasted to increase in 2005. Realization of our growth and development projects have a key role in the company's long-term development. In February 2005, Aspocomp decided to build a new production facility in China in conjunction with the current plant. Completion is scheduled for the summer of 2006 and full capacity utilization should be achieved by the end of the year.

Demands placed on base stations have increased. In the near future, development of telecommunications networks and projects to expand capacity will become the key factors influencing demand for PCBs.

Value-added Total Service

The core business of the Mechanics and Modules segment is the design and manufacture of thick-film hybrids. In 2004, production incorporating Thick Film Technology accounted for approximately 65% of the segment's net sales.

Thick-film hybrids are electronic components that have different conductor, insulator and resistive pastes printed on a ceramic substrate. The use of ceramic materials gives thick-film hybrids good thermal conductivity and insulation characteristics, resulting in good long-term reliability. Thick-film hybrids also have good HF characteristics. All these factors make thick-film hybrids particularly suitable for telecommunications applications such as base stations, as well as for applications in the automotive industry and healthcare.

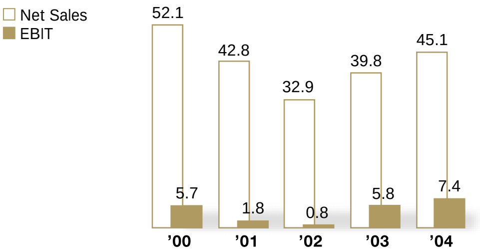
Total service from design to logistics solutions

Manufacturing services offered by Aspocomp feature close co-operation with each customer based on a frame agreement specifying details such as volume forecasts, ordering procedures, delivery times and prices.

Co-operation starts with the design phase for the end product, with Aspocomp providing design support. The objectives are to meet requirements regarding end-product performance and manufacturing support by offering the latest solutions.

Aspocomp's total service includes the procurement or manufacture of components, component assembly, final assembly, testing, and logistics services. Logistics is a critical factor in the total service package since products enter the customer's production

Net sales and EBIT (Mechanics and Modules)
EUR million



process as it approaches its final phases, and customers optimize delivery timing to suit their own processes.

Comprehensive responsibility

As several of our customers operate in different parts of the world and products enter their supply chains at a late stage, quality or delivery problems or unexpected logistics-related events would interrupt the production process at a critical point. Process approvals are a critical element in choosing a supplier. With thick-film hybrids, for example, customer relationships often continue throughout the life-cycle of the end product.

Hybrid component markets in Europe are relatively fragmented and small, totaling some EUR 500 million. For companies producing electronic systems, the small size of the market and product complexity have limited both the desire to outsource their hybrid production and the possibilities of doing so, even when such production is not part of their core competence. Some of Aspocomp's potential customers currently have their own production facilities, but cost pressures and the fact that systems are becoming more complex inevitably result in outsourcing.

Aspocomp has a strong position in the Nordic market. Increased effort has been put into achieving sales in other parts of Europe to exploit the anticipated potential for outsourced manufacturing.

The past year

In 2004, net sales for the segment grew by 13% to EUR 45.1 million (39.8) and operating profit rose to EUR 7.4 million (5.8). The year brought some surprises. It began strongly, with high capacity utilization due to unusually strong demand from telecommunications markets. Towards the end of the year deliveries fell back, primarily as a result of a primary telecommunications product reaching the end of its life-cycle. Customers also reduced their stock levels. Business operations in other industrial sectors were less volatile and deliveries remained at a good level.

Prospects

In the short term, year-on-year profitability in the Mechanics and Modules segment will fall dramatically as a result of the reduction in volume deliveries of a primary product. In the longer term, investments in selected technologies will play a key role. Aspocomp intends to use new technologies to meet the needs of an even larger section of the electronics manufacturing value chain. The increase in sales resources is also expected to bear fruit in the longer term and to balance deliveries for different customer segments.

Aspocomp and Social Accountability

We are committed to sustainable development in what we do. Requirements that result from this commitment are taken into account in our own production activities and when selecting suppliers and subcontractors. Data acquisition and assessment in connection with social accountability and environmental issues are systematized and appropriate reports are made to the authorities and to our customers.

Aspocomp also attempts to respond to requests by economic interest groups. Result orientation is one of our company values. Identifying risks and the taking of appropriate action are elements in our financial strength and are used to ensure continuity in our activities.

Lead-free the key environmental theme in 2004

Actions taken by Aspocomp to protect the environment are in accordance with the International Chamber of Commerce (ICC) Business Charter. Manufacturing plants in the Aspocomp Group monitor environmental issues using a variety of systems and all the Group's production facilities are ISO 14001 certified. Environment-related activities are developed using environmental audits. Our partners are also sent regular environmental questionnaires and audits.

In 2004, the focus was on the environmental impact of our products. The company made preparations to fulfill requirements concerning the material content of products as set out in EU directive RoHS 94/62 which will come into effect in 2006. The composition of materials used in our products has been recorded and preparations for meeting the new requirements have been made. In preparation for the introduction of stricter rules concerning e.g. fire retardants, Aspocomp has tested halogen-free materials in its products.

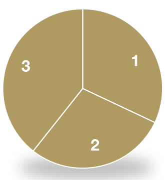
In Finnish production facilities, preparations were made in 2004 for the possibility that conditions for environmental permits will be stricter when local environmental centers assess renewal applications. Stricter regulations, for example in connection with the processing of wastewater, are anticipated.

Aspocomp committed to the principles of Social Accountability

Social Accountability is one of our core values. Aspocomp Group operations and activities are carried out in accordance with the principles of the Social Accountability Standard (SA 8000). The company regularly evaluates its own operations and activities and monitors the operations and activities of its suppliers and subcontractors in the man-

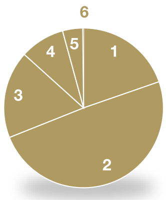
Employee distribution by geographical area

1 China 1,101
2 Europe 984
3 Thailand 1,353



Employee distribution by age

1 Under 20
2 20–30
3 31–40
4 41–50
5 51–60
6 Over 60



ner required by the standard. A project to map the status of our suppliers' environmental and social accountability issues was launched at the end of 2004. This project will continue in 2005 and be expanded so that it applies to all suppliers to the Aspocomp Group.

Approximately 3,500 experts are employed by the Aspocomp Group, some 70% work in Asia. The need to pay particular attention to ethical decisions is highlighted in our Asian operations. For example, aspects relating to safety, health and the use of child labor have been approached in the manner required by the SA 8000 standard. The company accepts responsibility, for example, for arranging proper living conditions. Local laws and established industry practices such as those concerning working hours constitute the boundary conditions for complying with standards.

A discussion forum for personnel was launched in 2004 and a questionnaire was sent to all employees in Finland. According to the personnel surveys conducted and reports by external experts, staff at Aspocomp Group plants in Finland are satisfied with their working conditions and benefits and key persons are committed to the company's new strategy. Implementing ongoing change does, however, represent a challenge. A survey of management and middle management was also conducted for the first time in China. The results showed that areas in which employees were satisfied included their own accomplishments, personal development, and benefits. In matters of communication there was considered to be room for improvement.

Survey results have been used to create

improvement plans for the next three years with the goals of developing the working community and encouraging dialogue. Work on defining the company's personnel strategy was initiated.

Employees of the Aspocomp Group are encouraged and motivated using a variety of bonus schemes. In Finland plant personnel belong to a merit-pay bonus system. Employees in support functions are part of a bonus system based on earnings per share and cash flow. In 2004, the Compensation Committee of the company's Board of Directors prepared incentive schemes for employees not belonging to the plant organization, for management and for certain key persons, and these schemes were launched at the beginning of 2005. The basis on which sales staff will be rewarded will be decided early in 2005. The Group companies in China and in Thailand have their own incentive systems based on local practises. Aspocomp Group employees are allowed to belong to only one of the company's bonus schemes.

Risk management

Risk management has been incorporated into the Aspocomp Group's business strategies and operational objectives. The Board of Directors processes both annual and long-term plans in accordance with the rules of corporate governance. Identification of risks and action to reduce their possible impact is part of the company's management system. Protective measures such as insurance or derivatives are used to hedge against some uncertainties. The objective is to preserve an optimal mix between taking risks and handling the consequences.

Risks are part of the business environment in which we operate. External pricing pressures on raw materials and sales prices for our final products are among the most significant. The geographical distribution of both the market and our production capacity creates challenges that we attempt to balance by organizing our core competencies and controlling the management of change. Geographic expansion of our business and an increase in the number of our clients requires greater investment than earlier in the management of both credit and currency risks.

Financing activities and related risks have become a more permanent part of the Aspocomp Group's overall business activities. A continually-increasing dependency on information technology requires investments in both the performance and security of the company's information systems.

Values

The Aspocomp Group core values direct our day-to-day operations and promise caring, responsible behavior and activities based on a sustainable foundation. These values indicate to employees how they should act when dealing with demands by different interest groups such as customers, personnel, investors, and society.

Customer satisfaction
Respect for the individual
Social accountability
Result orientation

Financial Statements

Report of the Board of Directors

ASPOCOMP GROUP IN BRIEF

Aspocomp Group Oyj acts as the parent company of the Group. Business activities take place in the Group's subsidiaries: Aspocomp Oy, Aspocomp AB, Aspocomp GmbH, P.C.B. Center (Thailand) Co., Ltd and ACP Electronics Co., Ltd.

The Group's business activities include offering PCB, hybrid circuits and mechanical subassemblies as well as their related services to the electronics industry, primarily in Europe and Asia.

NET SALES

The Group's net sales increased by 8% to EUR 197.4 million (182.3). Without the influence of the fluctuation in exchange rates, net sales would have increased by 12%.

The Group's five largest customers — Nokia, Ericsson, Sanmina-SCI, Philips and Siemens — constituted 59% of net sales, i.e., the same as last year.

The net sales of foreign operations totaled EUR 67.3 million (EUR 56.3 million).

Of the net sales of foreign operations, the proportion of China's plant stood at EUR 41.3 million (EUR 31 million) and Thailand's at EUR 26.0 million (EUR 25.3 million).

The net sales for PCBs totaled EUR 152.4 million (EUR 142.5 million); for the Mechanics and Modules (MM) segment, the same figure was EUR 45.1 million (EUR 39.8 million).

PCB sales increased by 7% (fell by 5%) and sales in the MM segment grew by 13% (21%).

FINANCIAL PERFORMANCE

The operating profit before depreciation was 17% of net sales (13.4%), amounting to EUR 33.6 million (24.4). The operating profit was EUR 9.7 million (-5.3). The operating profit was 4.9% of net sales (-2.9). The result after financial items stood at EUR 8.6 million (-6.6). The result for the reference year is encumbered by non-recurring costs totalling EUR 4.3 million. The operating profit for PCB production was EUR 2.3 million (-11.1) and, for the MM segment, EUR 7.4 million (5.8). The operating profit percentage for PCB production was 1.4 (-7.8) and, for the MM segment, 16.6 (14.7).

The Group's net financing expenses amounted to EUR 1.0 million (1.3).

The Group's profit before extraordinary items amounted to EUR 8.6 million (-6.6), and the profit before taxes and minority interest was EUR 8.6 million (-6.6).

The minority interest of the Groups' companies stood at EUR 2.2 million. The minority interest of the loss for the previous year stood at EUR -2.2 million. The low level of taxes for the Group result from the exploitation of losses and from the tax-exempt status of the Chinese subsidiary.

The Group's net profit amounted to EUR 6.0 million (-0.9). The profit adjusted for the share issue per share was EUR 0.30 (-0.04) and the equity adjusted for the share issue per share stood at EUR 5.15 (5.10).

The cash flow from operations totaled EUR 29.8 million (25.4).

The cash flow per share after investments totaled EUR 0.71 million (0.71).

The tables below present the Group's income statement quarterly as well as the segments' net sales and profit.

	I	II	III	IV	2004
Net sales	47.6	52.9	52.2	44.7	197.4
Other operating income and expenses	0.2	0.3	0.3	0.5	1.3
Depreciations and write-downs	6.1	6.2	6.0	5.7	23.9
Operating profit	2.7	3.8	4.0	-0.8	9.7
Financial expenses	-0.4	-0.3	-0.4	0.0	-1.0
Profit before extraordinary items	2.3	4.5	3.5	-0.7	8.7

PCB					
Net sales	36.4	40.5	40.7	34.8	152.4
Operating profit	1.3	1.3	1.9	-2.1	2.3

MM					
Net sales	11.2	12.4	11.5	9.9	45.1
Operating profit	1.4	2.5	2.1	1.4	7.4

FINANCING, INVESTMENTS AND EQUITY RATIO

The Group's liquidity during the fiscal year was good. At the end of the fiscal year, the Group's liquid assets totaled EUR 33.2 million (29.8). Investments totaled EUR 15.7 million (13.8), or 8% of net sales (7.6%). EUR 5.1 million of the investments were made in Asia and EUR 10.6 million in Europe.

Net financing expenses totaled EUR 1.0 million (1.3), or 0.5% of net sales (0.7%).

Interest-bearing net debt totaled EUR 10.7 million (24.8), including EUR 22.7 million (26.3) in financial leasing liabilities consolidated in the Group Balance Sheet.

Non-interest-bearing debts amounted to EUR

29.8 million (37.1).

Gearing was 8.6% (20.3%), while gearing without the consolidated financial leasing liabilities was -9.6% (-1.3%). The equity ratio at the end of the fiscal year was 62.9% (57.1).

R&D JOINT VENTURES

The research and product development companies Asperation Ltd and Imbera Electronics Corporation progressed according to the project plans confirmed when they were founded. The commercialization and industrialization of the product concepts developed during operations is in progress. The activities of the companies are being actively monitored so that we will be able to better answer our customers' expectations and to play a role in their new products at an earlier stage. Aspocomp owns Asperation Ltd together with Perlos Corporation and Imbera Electronics Corporation with Elcoteq Network Corporation.

SHARES AND SHARE CAPITAL

On April 2nd, 2004, the Annual General Meeting of Aspocomp Group Oyj authorized the Board of Directors to decide on acquiring and/or conveying its own shares and on a share issue and/or taking of convertible loans. The authorizations are valid for one year from the date of the Annual General Meeting. At the same time, the Annual General Meeting cancelled similar authorizations granted on April 4th, 2003. The Board of Directors has not used the authorizations granted by the Annual General Meeting on April 2nd, 2004.

The Extraordinary General Meeting of Aspocomp Group Oyj that was held on December 14th, 2004 decided on, in accordance with the proposal by the Board of Directors, to increase the share capital with a stock dividend issue in the sum of EUR 10,041,026, which will increase it from EUR 10,041,026 to EUR 20,082,052.

The company's share capital was increased by a stock dividend issue in the amount of EUR 10,041,026, raising it from EUR 10,041,026 to 20,082,052. In the stock dividend issue, one old share received one new share. A total of 10,041,026 new shares were issued. After the share capital was increased, the number of shares for the company stood at 20,082,052 shares. The book countervalue of all of the shares is EUR 1.00.

The balancing date for the stock dividend issue was December 17th, 2004. The new shares were entered in the shareholders' book-entry account on December 20th, 2004. They entitle the holder to a full dividend for the reporting year that started on January 1st, 2004 and they generate the other rights related to shares once the increase in the share capital has been registered in the trade register on December 17th, 2004. The new shares have been the unit of trading on the Helsinki Stock Exchange together with the old shares since December 20th, 2004.

On December 3rd, 2004, the company received special permission from the Financial Supervision Authority to not release a prospectus in conjunction with the stock dividend issue.

On December 30th, 2004, the total number of Aspocomp shares stood at 20,082,052 and the share capital at EUR 20,082,052. Of the total amount of shares, 200,000 of them are held by the company itself. The book countervalue of these shares is EUR 200,000 and these shares represent 1% of the total votes of all shares. The number of shares adjusted for Aspocomp's own shareholding was 19,882,052. Before the realization of the stock dividend in December, a total of 4,849,970 shares in Aspocomp Group Oyj were exchanged on the Helsinki Stock Exchange, i.e., adjusted for share issue, 9,699,940 shares. After the stock dividend issue, 700,990 shares were exchanged. The share-issue adjusted number of shares exchanged for the whole year stands at 10,400,930 shares. The grand total of these transactions totaled EUR 62,388,509. The lowest price paid for the shares was EUR 4.65 (December 23rd, 2004), the highest share issue adjusted price was EUR 7.11 (April 14th, 2004), and the average was EUR 6.00. The closing price on December 30th, 2004 was EUR 4.86, and the capitalization value of the company was EUR 96.6 million. Nominee-registered shares represented 7.18% of the share capital while 0.58% of it was held directly by foreign shareholders.

PERSONNEL

The average number of employees in the Aspocomp Group during the period from January 1st to December 31st stood at 3,508 (3,330). At the end of December 2004, there were 3,438 employees (3,426).

The number of employees in the parent company at the end of the fiscal year stood at 18, with an average of 17.

	Average 2004	Average 2003	Number 2004	Number 2003
Europe	995	1,053	984	955
Thailand	1,392	1,296	1,353	1,360
China	1,121	981	1,101	1,111
Total	**3,508**	**3,330**	**3,438**	**3,426**

Everyone working in the Group belongs to some kind of incentive scheme. In Finland, plant personnel belong to the merit pay bonus system. In 2004, individuals external to the plant organizations were covered by the system based on earnings per share and cash flow. The Group companies in China and in Thailand have their own incentive systems based on local practices.

During the period under review, the compensation committee of the Board of Directors prepared incentive systems for individuals external to the plant organizations, management and certain key persons. This system was launched at the beginning of 2005. The system has two parts: the annual system and the long-term system. There are plans to create a system for sales staff in the beginning of 2005. The annual system is used for when the financial objectives that have been set on the Group level for the budget year and that have been approved by the Board of Directors have been achieved as well as for the realization of intermediate objectives for strategic objectives that have been achieved during the budget year. This remuneration is paid as money once the fiscal year is over; the remuneration is commensurate with the individual's earnings.

The objectives for the annual system are set for growth, profitability, return on capital employed, and strategic change.

The long-term system is used for rewarding the realization of the strategy plan over several years and increasing the share holder value.

So-called performance units are collected in the system. The number of performance units to be distributed is based on the earnings per share that the Board of Directors set as the target for the fiscal year and the number of units to be shared is commensurate with the individual's earnings. Performance units are accumulated for three years, after which the individual receives Aspocomp shares free-of-charge based on the accumulated units, at a rate of one-third of the accumulated performance units, if said individual is still employed by the Group.

The Extraordinary General Meeting of Aspocomp Group Oyj that was held on October 22nd, 1999 decided on providing separately named key individuals as well as a subsidiary wholly-owned by Aspocomp Group Oyj with the stock options. The stock options adjusted for the share issue totals 1,500,000. For the stock options, 750,000 will be marked with the letter A and 750,000 with the letter B. Subscription of those shares started with those marked with the letter A on November 1st, 2001 and on November 1st, 2003 for those marked with the letter B. The term for subscribing the shares for all stock options ends on November 30th, 2005. The share-adjusted subscription price for the shares is EUR 12.50 reduced by the dividends paid out before the subscription. The current subscription price before the dividend proposed for 2004 is EUR 11.70/share.

RESEARCH AND DEVELOPMENT

The R&D activities of the Group primarily encompass the development of line activities, methodologies and production technologies within the Group's subsidiaries and functional processes. In addition, Aspocomp actively works together with universities and research institutes. Aspocomp funds research for basic and applied technologies in the material, interconnection, process and production technology sectors.

Development investments are included without itemization in normal operative costs.

Some of the Group's R&D is concentrated on two joint venture companies: Asperation Ltd and Imbera Electronics Corporation.

Aspocomp's share of the expenses from 2004 for the aforementioned companies stood at approximately EUR 2 million. This investment is entered in its entirety as an expense of the fiscal year in Aspocomp.

ENVIRONMENT

Aspocomp continued to develop environmental issues in accordance with the approved environmental policy and the Business Charter of the International Chamber of Commerce (ICC). All of Aspocomp's plants have an environmental system that has been certified according to the ISO 14001 standard.

Aspocomp co-operates with other companies and subcontractors within the electronics industry in projects related to environment and environmental control. The aim is to find the most suitable and environmentally friendly raw materials and the best practices for production processes.

LITIGATIONS

In May, the Evreux Labour Court made a decision concerning the lay-offs in 2002, when the highly unprofitable plant of Aspocomp S.A.S. in Evreux, France, was closed. Based on the decision, Aspocomp should pay 388 employees that were laid off compensation for unfounded dismissal that corresponds to six months' salary. The estimated compensation would amount to approximately EUR 6.6 million. The cost has not been entered.

In the view of experts employed by Aspocomp, the decision is not in line with prevailing legal usage. The decision has been appealed. The appeal was considered for the first time after the report period on February 2nd, 2005 in superior court in Rouen, France. It is estimated that the first appeal will be decided on at the beginning of 2005. It is expected that the legal proceedings will continue, based on current assessments, for some years before any final decisions are made.

IFRS (INTERNATIONAL FINANCIAL REPORTING STANDARDS) IMPLEMENTATION

The Aspocomp Group will introduce IFRS at the beginning of 2005. Aspocomp has already been recording all financial leasing agreements as assets and liabilities since 1999. The fixed expenditure of finished product inventories has been capitalized, and imputed tax liabilities and receivables have been recorded.

For the disability pension portion of the Finnish TEL system's (TEL=Employees' Pension Act), the actual pension responsibilities will not be entered in the IFRS financial statement as the disability pensions became a pay-based arrangement due to a decision by the authorities in December 2004. The changes will take effect on January 1st, 2006.

The introduction of IFRS is not expected to have any substantial influence on the Group's equity at the time of changeover.

Aspocomp will use a stock press release to publish the reference data for the IFRS standard from 2004 as well as notes on the changes compared to previous practices before publishing the interim report for Q1/2005.

THE MANAGEMENT AND AUDITORS

On February 2nd, 2004, the Board of Directors of Aspocomp Group Oyj appointed Ms Maija-Liisa Friman, M.Sc. (Chem. Eng.) as the President and CEO of the company. She took up her new position on April 1st, 2004.

The Annual General Meeting of Aspocomp Group Oyj held on 2 April 2004 approved the Board's proposal for changing Articles 6 and 15 of the Articles of Association, relating to the term of office of Board Members, so that a Member will only be elected for one year at a time.

On April 2nd, 2004, the Annual General Meeting of Aspocomp Group Oyj decided that the Board of Directors shall consist of six Members. Jorma Eloranta has announced that he is not available when the members of the Board of Directors are being selected. Aimo Eloholma, Roberto Lencioni, Tuomo Lähdesmäki, Gustav Nyberg and Karl Van Horn were re-elected as Board Members, and Anssi Soila was elected as a new Member.

The authorized public accounting firm PricewaterhouseCoopers Oy was appointed as the Auditor for the company.

According to the decision of the Annual General Meeting, the chairman of the Board of Directors will be remunerated annually with EUR 35,000, the Vice-Chairman of the Board of Directors EUR 25,000 and each of the members of the Board of Directors EUR 15,000 each. In addition, the chairman of the Board of Directors will be paid EUR 1,500 for each meeting; the vice-chairman and other members will be paid EUR 1,000 for each meeting. They will receive EUR 500 for each committee meeting.

In its organization meeting on April 2nd, 2004, the Board re-elected Tuomo Lähdesmäki as the Chairman of the Board, while Karl Van Horn was elected as the Vice-Chairman. As members of the Compensation and Nominations Committees, the Board elected Aimo Eloholma, Roberto Lencioni and Tuomo Lähdesmäki, who was also appointed as Chairman for both committees. Karl Van Horn, Gustav Nyberg and Anssi Soila were elected by the Board as members of the Audit Committee. The Board appointed Gustav Nyberg as Chairman of the Auditing Committee.

On April 2nd, 2004, the Board decided that each Member of the Board shall spend 40% of his annual remuneration in buying shares in the company during the period between May 10th and June 18th, 2004, subject to the limitations of insider trading rules. Each member of the Board of Directors or the corporations in which said person exercises influence has bought shares in the company in accordance with the aforementioned terms and conditions. The Board also decided that the members of the Board of Directors will not relinquish the shares they procured before the Annual General Meeting of 2005.

The company updated its corporate governance system in June so that it now complies with the recommendation given to the listed companies by the Helsinki Stock Exchange in December 2003.

On December 7th, 2004, Rami Raulas (M.Sc. Economics and Business Administration) became Senior Vice President, Sales and Marketing of the Aspocomp Group and a member of the Group's Management Team.

During the reporting year, The Board of Directors met a total of 12 times and the participation percentage for the members of the Board of Directors was 97.2%.

BOARD OF DIRECTORS

– Chairman, Chairman of the Board of Director's Compensation and Nomination Committee **Tuomo Lähdesmäki**
– Vice-Chairman, member of the Board's Audit Committee **Karl Van Horn**
– Member, member of the Board of Director's Compensation and Nomination Committee **Aimo Eloholma**
– Member, member of the Board of Director's Compensation and Nomination Committee **Roberto Lencioni**
– Member, Chairman of the Audit Committee **Gustav Nyberg**
– Member, member of the Audit Committee **Anssi Soila**

The committees have regularly convened to prepare issues related to their areas of responsibility.

In spring 2004, the Board of Directors assessed its work.

The combined shareholdings of the Board of Directors stands at 199,060 shares, which is 0.99% of the total shares outstanding.

The total number of shares held by the president and CEO as well as by her deputy stands at 33,200 shares, which is 0.17% of the total number of shares. Both of these individuals are also included in the incentive system based on shareholding.

The annual salary of the president and CEO is EUR 260,440 and the maximum bonus for 2005 is half of this. If she would like to do so, the president and CEO can retire at the age of 60. The terms and conditions for notice is three (3) months. If the president and CEO's contract ends, the company will pay her a severance fee worth nine-month's (9) pay.

The public accounting firm PricewaterhouseCoopers Oy has acted as the Company's auditor during the fiscal year and Mr. Ilkka Haarlaa (APA) has been in charge of the auditing. PricewaterhouseCoopers's local offices have also acted as the auditors for the other companies in the Group.

In accordance with the decision of the Annual General Meeting, the auditors' fees will be paid per an invoice.

PROSPECTS FOR THE YEAR 2005

In its main PCB segment, Aspocomp will endeavor to grow faster than the market. At the present time, market researchers and equipment manufacturers are currently predicting a growth in volume for the market of approximately 7–10% for handheld devices. It is estimated that the telecommunication market will grow slower than the mobile phone market will. In addition, the demand for PCBs in the automotive industry is estimated to develop favorably and to grow slightly less than 5%.

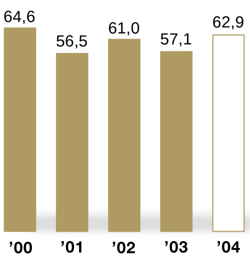
It is estimated that the net sales of Aspocomp Group for the entire year will grow, although the profit for the fiscal period will decrease from the previous year. The net sales and profitability of the main business, PCBs, will grow. The profitability in Mechanics and Modules segment will decrease significantly.

It is estimated that the net sales of the first quarter of 2005 will be lower than that of the corresponding quarter the previous year (net sales 1–3/2004: EUR 47.6 million) and it is predicted that the earnings per share will be unprofitable.

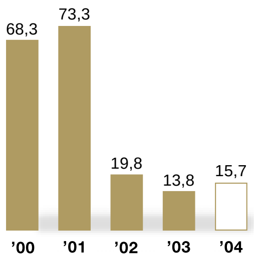
Consolidated Income Statement

EUR 1,000	Note	2004	2003
Net Sales	1.1	**197,423**	**182,313**
Change in inventory of finished			
goods and work in progress +/-		42	-1,270
Other operating income	1.2	1,272	1,214
Materials and services	1.3	-86,469	-80,024
Personnel expenses	1.4	-43,442	-42,472
Depreciation and reduction in value	1.5	-23,883	-29,728
Other operating costs and expenses	1.6	-33,306	-34,181
Share of the loss of affiliate companies		-1,962	-1,143
Operating profit/loss		**9,677**	**-5,292**
Financial income and expenses	1.7	-1,029	-1,338
Profit /loss before extraordinary items		**8,647**	**-6,630**
Extraordinary items +/-	1.8	0	0
Profit/loss before appropriations and taxes		**8,647**	**-6,630**
Direct taxes	1.9	-418	3,548
Minority interest		-2,266	2,226
Profit/Loss for the year		**5,963**	**-856**

Equity ratio, %



Investments
EUR million



Consolidated Balance Sheet

EUR 1,000	Note	31.12.2004	31.12.2003
ASSETS			
Non-current assets	2.1		
Intangible assets		3,363	4,153
Tangible assets		91,652	105,177
Investments	2.2	1,745	1,682
Total non-current assets		**96,760**	**111,012**
Current Assets			
Inventories	2.3	22,608	20,789
Long-term receivables	2.4	80	90
Short-term receivables		46,571	52,553
Investments	2.5	25,030	20,840
Cash and bank deposits		8,198	8,942
Total current assets		**102,486**	**103,215**
Total assets		**199,247**	**214,227**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity	2.6		
Share capital		20,082	10,041
Share premium account		73,907	83,948
Own shares fund		758	758
Retained earnings		2,520	8,258
Net profit/loss for the period		5,963	-856
Total shareholders' equity		**103,230**	**102,149**
Minority interest		**22,312**	**20,456**
Mandatory reserves	2.8	**1,925**	**1,672**
Liabilities			
Long-term liabilities	2.9	21,075	28,692
Short-term liabilities	2.10	50,705	61,258
Total liabilities		**71,780**	**89,950**
Total liabilities and shareholders' equity		**199,247**	**214,227**

Consolidated Cash Flow Statement

EUR 1,000	2004	2003
Operational Cash Flow		
Operating profit/loss	9,677	-5,292
Adjustments to operating profit/loss	25,857	30,896
Change in net working capital	-4,557	2,377
Interests	-1,048	-2,556
Dividends received	19	5
Taxes paid	-164	-70
Cash flow from operations	**29,783**	**25,361**
Investments		
Purchases of shares and holdings	-2,025	-1,824
Purchases of other fixed assets	-13,817	-11,990
Sale of other fixed assets	148	2,516
Total cash flow from investments	**-15,694**	**-11,297**
Cash Flow before financing	**14,089**	**14,063**
Financing		
Decrease in long-term financing	-7,514	-6,986
Decrease/increase in short-term financing	-1,847	4,950
Dividends paid	-2,982	-2,982
Minority interest in the subsidiary share issue	1,160	0
Total financing	**-11,183**	**-5,018**
Increase/decrease in liquid funds	**2,907**	**9,045**
Liquid funds as of January 1	29,783	19,658
Currency exchange differences in liquid funds	543	1,080
Liquid funds as of December 31	**33,232**	**29,783**

Accounting Principles

The financial statements and reports of the Group and Group companies have been prepared in accordance with the procedures laid out in Finnish accounting law and other Finnish Accounting Standards (FAS). The figures from the previous year have been adjusted for comparability.

CONSOLIDATION PRINCIPLES

The Group financial statements and reports include the parent company and all of the operational subsidiaries in which the parent has, either directly or indirectly, more than a 50% holding. Acquired companies are consolidated into the Group accounts from the point in time that they were acquired. The financial statements of foreign subsidiaries have been adjusted to match the Group's accounting principles and to meet Finnish accounting standards.

The Group financial statements are prepared using the acquisition cost method, which means that the acquisition costs of subsidiaries are eliminated against the equity accounts when they are acquired. Any amounts in excess of the shareholders' equity are recorded in the subsidiary's fixed asset accounts and are then amortized using the planned depreciation schedule of the asset item in question; the excess is recorded as Group goodwill.

Intra-Group transactions, internal receivables and payables, internal dividend payments and related items, as well as internal gross margins included in current assets are eliminated. Margins and gains related to the internal sales of fixed assets are also eliminated from the accounts.

Minority interests, which have been removed from the Group's equity, from the depreciation difference reduced by the tax liability as well as from earnings, are presented as their own item.

The income statements of countries not having the Euro as their official currency have been converted using the average exchange rate for the fiscal period; the balance sheets have been converted using the exchange rate on the date of the financial statement. Translation differences are presented in the item "retained earnings".

FIXED AND OTHER LONG-TERM ASSETS

Fixed assets have been recorded in the balance sheet at their acquisition cost minus scheduled depreciation. In the Group financial statement, assets under financial leasing agreements are presented as fixed assets and the obligations of the agreements as interest-bearing debt. Operational leasing rent is recorded as annual expenses.

Planned depreciation has been calculated as a straight-line depreciation over the entire economic life of the asset from the time it was acquired.

The Group depreciation principles were updated in 2001 so that the Group depreciation policy would be uniform and consistent with uniform international practices. The depreciation schedules for high-tech production machinery stayed at the minimum level of five years. Changes were made by lengthening the depreciation schedules for production buildings by five years to thirty years and for chemical lines by three years to eight years. For other machinery, the depreciation schedules were lengthened by two years to seven years. The new depreciation schedules have been deployed for all investments since the beginning of 2001. The depreciation schedules for different asset classes are as follows:

Intangible assets	3–5 years
Other long-term expenses	5–10 years
Buildings and structures	15–30 years
Machinery and equipment	3–8 years
Other tangible assets	5–10 years
Group goodwill	5 years

INVENTORIES

Inventories are accounted for using the FIFO method and are valued at their acquisition cost, their resale value, or their probable market value. The value of the current assets includes variable costs as well as their share of the fixed costs of purchasing and manufacturing.

FINANCIAL ASSETS

Cash and bank deposits include cash, bank deposits and over-night deposits. Marketable securities are valued at their acquisition cost or at their probable transfer value, whichever is lower.

NET SALES

Discounts, VAT and the exchange rate differences for sales receivable have been accounted for under adjustments to net sales.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs are entered as annual costs for the year they are created.

EXTRAORDINARY ITEMS

Extraordinary items include significant and essential events that are not related to the Group's actual business operations.

EXPENSE AND LOSS PROVISIONS

Expenses that are unlikely to generate profits and probable losses are deducted from the revenues as cost reserves.

These are presented in the balance sheet as mandatory reserves or accrued expenses according to their nature.

PENSION ARRANGEMENTS

Pension benefits have been organized on behalf of the Group's personnel in Finland using pension insurance.

The pension benefits for foreign subsidiaries have been organized according to local practices.

EMPLOYEE BENEFITS

Employee benefits include salary-related benefits, etc., such as bonuses, years-of-service benefits and other rewards and benefits. These are recorded in the obligatory reserves up to the earned level. In the income statement, these reserves have been entered for the expense item in question.

FOREIGN CURRENCY ITEMS

Foreign currency debts and receivables have been entered at the exchange rate prevailing on the date of the transaction. In the financial statement, the foreign currency debts and receivables have been converted into Euros using the average exchange rate on the date of financial statement.

All exchange rate differentials have been entered as a profit or as a loss.

ACCUMULATED DEPRECIATION DIFFERENCE

In the balance sheet, accumulated depreciations differences have been divided up into equity and imputed tax liability. The change in the depreciation difference that has occurred during the fiscal period has been divided up in the income statement into a change in the imputed tax liability and into the profit for the fiscal period. From the negative depreciation difference that occurred in 2004, the imputed tax receivables have been entered.

According to the Finnish Companies Act, the depreciation difference deducted from the tax liability included in the Group's unrestricted shareholders' equity is not distributable unrestricted shareholders' equity.

TAXES

The taxes in the Group income statement include the taxes that are based on the taxable profit of the companies, calculated in accordance with the local regulations and tax bases. In addition, the income taxes include the change in the tax liabilities related to the depreciation difference as well as the imputed tax receivable or the change in liability.

Imputed tax liabilities and receivables are entered for all of the essential, temporary differences, except for the allocated goodwill, which differs from the way it is handled in IFRS. In entering the loss-related imputed tax receivables, the probability of being able to utilize them has been taken into account.

Notes to the Consolidated Financial Statements

EUR 1,000	2004	2003
1. NOTES TO THE INCOME STATEMENT		
1.1 Net Sales		
Net sales by segment and market area		
Net sales by segment		
Printed circuit boards	152,372	142,473
Mechanics and Modules	45,051	39,840
Total	**197,423**	**182,313**
Net sales by market area		
Finland	78,358	72,868
Other Europe	55,926	47,209
Asia	37,058	31,348
North America	26,081	30,888
Total	**197,423**	**182,313**
1.2 Other operating income		
Gains on sale of fixed assets	83	125
Other income	1,189	1,089
Total	**1,272**	**1,214**
1.3 Materials and services		
Materials and supplies (goods)		
Purchases during the fiscal period	82,768	73,709
Change in inventories	-1,214	1,638
Total	**81,554**	**75,347**
Outsourced services	4,915	4,677
Total	**86,469**	**80,024**
1.4 Notes related to personnel		
Personnel costs		
Salaries and wages	34,105	33,619
Bonuses	1,006	931
Pension costs	4,605	4,588
Other personnel costs	3,726	3,334
Total	**43,442**	**42,472**
Management salaries and benefits		
President & CEO, her Deputy and the Board Members	521	442
Employees of the Group during the fiscal period		
Office employees	1,005	978
Non-office employees	2,503	2,352
Total	**3,508**	**3,330**
Pension liabilities of President & CEO, her Deputy and of the Board Members		
President & CEO and her Deputy has the option to retire at the age of 60.		

EUR 1,000		2004	2003
1.5	**Depreciation and write-downs**		
	Depreciation of tangible and intangible assets	23,883	29,728
	Total	**23,883**	**29,728**
1.6	**Other operating expenses**		
	Rental expenses	1,185	1,510
	Other expenses	32,121	32,671
	Total	**33,306**	**34,181**
1.7	**Financial income and expenses**		
	Income from long-term investments		
	Dividend income from others	19	8
	Total income from long-term investments	**19**	**8**
	Interest and other financial income		
	From others	1,107	1,682
	Total interest and other financial income	**1,107**	**1,682**
	Interest and other financial expenses		
	To others	2,155	3,028
	Total interest and other financial expenses	**2,155**	**3,028**
	Total financial income and expenses	**-1,029**	**-1,338**
	Interest and financial income includes currency gains (net)	-9	26
1.8	**Extraordinary items**		
	Total	0	0
1.9	**Direct taxes**		
	Accrued taxes	-164	-70
	Change in deferred taxes	-3,767	3,618
	Avoir fiscal	3,513	
	Total	**-418**	**3,548**
	Taxes on operational income	-418	3,548
	Taxes on extraordinary items	0	0
	Total	**-418**	**3,548**

2. NOTES TO THE BALANCE SHEET

2.1 Fixed and other long-lived assets

2.1.1 Intangible and tangible assets

Intagible assets

EUR 1,000	Intangible rights	Goodwill	Other long-lived assets	Total
Fixed assets				
Acquisition cost Jan. 1.2004	3,285	5,087	3,842	12,215
Increase	769	0	146	915
Decrease	-5	0	77	72
Transfers between items	-8	0	-306	-313
Translation difference	-7	0	-169	-176
Acquisition cost Dec. 31, 2004	**4,034**	**5,087**	**3,591**	**12,712**
Total accumulated depreciation Jan. 1, 2004	2,751	3,280	2,030	8,062
Accumulated depreciation of decreases and transfers	-5	0	0	-5
Depreciation of the year	283	738	377	1,398
Translation difference	-17	0	-88	-105
Accumulated depreciation Dec. 31, 2004	**3,012**	**4,018**	**2,320**	**9,349**
Book value Dec. 31, 2004	**1,022**	**1,070**	**1,271**	**3,363**

Machinery and equipment balance sheet value Dec. 31, 2004

2.2 Investments

EUR 1,000	Own shares	Shares in affiliated companies	Other shares	Total
Acquisition cost Jan. 1, 2004	758	663	261	1,682
Increase	0	2,025	0	2,025
Decrease	0	-1,962	0	-1,962
Acquisition cost Dec. 31, 2004	**758**	**726**	**260**	**1,745**
Book value Dec. 31, 2004	758	**726**	**260**	**1,745**

Tangible assets

Land	Buildings	Machinery and equipment	Other tangible assets	Advances and fixed assets under construction	Total
3,682	44,667	175,488	837	4,235	228,909
0	1,628	13,265	70	1,174	16,136
0	-314	-846	-13	-3,313	-4,487
0	0	618	-71	-242	306
-239	-474	-4,594	35	-661	-5,933
3,443	**45,506**	**183,931**	**858**	**1,193**	**234,932**
245	14,367	108,159	308	0	123,080
0	0	-510	-72	0	-582
51	2,467	19,827	140	0	22,485
-23	-84	-1,633	36	0	-1,704
272	**16,750**	**125,844**	**413**	**0**	**143,279**
3,170	**28,757**	**58,087**	**445**	**1,193**	**91,652**
		58,087			

Group companies

	Group interest, %	Parent Company interest, %	Number of shares	Parent Company shares and holdings Face value EUR 1,000	Book value EUR 1,000
Aspocomp AB, Sweden	100.00	0.00			
Aspocomp GmbH, Germany	100.00	100.00	1,000	51	41
Aspocomp Chin-Poon Holdings Ltd., The Virgin Islands	51.00	51.00	34,323,000	25,199	36,836
ACP Electronics Ltd., China	51.00	0.00			
P.C.B. Center (Thailand) Co., Ltd., Thailand	56.40	51.00	20,400,000	3,848	7,824
Calcorp Ltd., Thailand	56.40	0.00			
Aspocomp Oy, Finland	100.00	100.00	40,000	6,728	15,717
Total					**60,418**

EUR 1,000		2004	2003
2.3	**Inventories**		
	Inventories		
	Material and supplies	9,983	8,468
	Work in progress	5,734	5,497
	Finished goods	5,949	5,494
	Other inventories	942	1,330
	Total	**22,608**	**20,789**
2.4	**Receivables**		
	Long-term receivables		
	Receivables from affiliated companies	0	50
	Receivables from others	80	40
	Total long-term receivables	**80**	**90**
	Short-term receivables		
	Accounts receivable	33,738	39,396
	Deferred receivables	9,209	5,768
	Deferred tax receivables		
	On confirmed losses	1,022	5,000
	From timing differencies	2,601	2,390
	Total short term liabilities	**46,571**	**52,553**

No deferred tax receivable has been recorded on the confirmed losses from Aspocomp AB.

On the loss of Aspocomp Group Oyj and P.C.B. Center (Thailand) Co., Ltd. a tax receivable of EUR 1.0 million has been recorded. The rest of the deferred tax receivable derives from timing differencies.

		2004	2003
2.5	**Investments**		
	Repurchase value	25,155	20,877
	Book value	25,030	20,840
	Difference	**125**	**37**

EUR 1,000		2004	2003
2.6	**Shareholders equity**		
	Share capital January 1	10,041	10,041
	Stock dividend issue	10,041	0
	Share capital December 31	**20,082**	**10,041**
	Contingency fund January 1	83,948	83,948
	Stock dividend issue	-10,041	0
	Contingency fund December 31	**73,907**	**83,948**
	Own shares fund January 1	758	758
	Increase during the fiscal year	0	0
	Own shares fund December 31	**758**	**758**
	Retained earnings January 1	7,402	13,846
	Dividends	-2,982	-2,982
	Conversions	-1,900	-2,605
	Retained earnings December 31	**2,520**	**8,258**
	Net profit / loss for the year	**5,963**	**-856**
	Total shareholders' equity	**103,230**	**102,149**
	Share of the accumulated excess depreciation and voluntary reserves transferred to equity	0	0
	Distributable unrestricted equity	**8,483**	**7,402**
2.7	**Appropriations**		
	Accumulated depreciation in excess of plan December 31	0	0
	Nominal tax liability	0	0
	Voluntary reserves in equity December 31	**0**	**0**
2.8	**Mandatory reserves**		
	Employee benefit costs	1,303	786
	Reserves for unemployment pension	623	886
	Total	**1,925**	**1,672**

EUR 1,000		2004	2003
2.9	**Long-term liabilities**		
	Loans from financial institutions	21,075	28,692
	Total	**21,075**	**28,692**
	Nominal tax liabilities		
	Tax liabilities on appropriations	0	0
	Total	**0**	**0**
	Total long-term liabilities	**21,075**	**28,692**
	Liabilities with maturities longer than 5 years	0	0
2.10	**Short-term liabilities**		
	Loans from financial institutions	22,856	25,849
	Payables	18,407	23,178
	Deferred payables	9,443	12,231
	Total short-term liabilities	**50,705**	**61,258**

EUR 1,000		2004	2003
3. OTHER NOTES			
3.1	**Securities, contingent liabilities and other liabilities**		
	Liabilities secured by real estate		
	Loans from financial institutions	4,716	4,613
	Mortgages	5,707	6,190
	Securities on behalf of others	1,766	1,766
	Total securities given	**7,473**	**7,956**
	Other securities		
	Bank guarantees	353	353
	Other guarantees	1,900	1,900
	Machinery guarantees	19,799	22,129
	Total other securities	**22,052**	**24,382**
	Operational leasing agreements		
	Payables in the next year	38	48
	Payables in the following years	87	130
	Total operational leasing agreements	**125**	**178**
	Financial leasing agreements		
	Balance sheet value		
	Buildings	13,501	14,481
	Machinery and equipment	1,021	3,583
	Total financial leasing agreements	**14,522**	**18,064**
	Long term liabilities	18,505	22,780
	short term liabilities	4,164	3,499
	Total liabilities	**22,669**	**26,279**
	Unpaid lease payments		
	Year 2004	0	4,109
	Year 2005	3,132	1,722
	Year 2006	1,889	478
	Year 2007	1,543	193
	Year 2008	1,610	188
	Year 2009	1,368	0
	Following years	601	271
	Total unpaid lease payments	**10,143**	**6,961**
	Residual value liability on financial leasing agreements	14,615	19,661
	Total unpaid financial leases and residual value	**24,758**	**26,621**

According to Chapter 14A, Section 6 of the Companies Act, the recipent companies (Aspocomp Group Oyj and Aspo Plc) are jointly responsible for depts and liabilities prior to the division. The total liability of the Company corresponds to the net value of the transferred assets

		2004	2003
3.2.	**Derivative contracts**		
	Foreign currency forward contracts		
	Market value	82	-47
	Nominal value	2,644	4,566
	Electricity forward contracts		
	Market value	-83	-30
	Nominal value	670	670

Parent Company Financial Statements

EUR 1,000	Note	2004	2003
INCOME STATEMENT			
Other operating income	1.1	2,434	2,108
Personnel costs	1.2	-1,672	-1,491
Depreciation and write-downs	1.3	-137	-124
Other operating expenses	1.4	-2,899	-1,891
Operating loss		**-2,273**	**-1,399**
Financial income and expenses	1.5	12,758	1,744
Profit /loss before extraordinary items		**10,485**	**345**
Extraordinary items +/-	1.6	9,750	5,500
Profit/loss before appropriations and taxes		**20,235**	**5,845**
Appropriations	1.7	0	5
Direct taxes	1.8	0	0
Profit for the year		**20,235**	**5,850**
BALANCE SHEET			
ASSETS			
Non-current assets			
Intangible assets	2.1	50	22
Tangible assets	2.1	528	451
Investments	2.2	65,812	62,579
Total non-current assets		**66,389**	**63,052**
Current assets			
Long-term receivables		80	90
Short-term receivables	2.3	48,836	36,537
Investments	2.4	25,030	20,840
Cash and bank deposits		1,326	2,722
Total current assets		**75,272**	**60,190**
Total assets		**141,661**	**123,242**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity	2.5		
Share capital		20,082	10,041
Share premium fund		73,907	83,948
Own shares		758	758
Retained earnings		19,137	16,269
Net profit/loss for the period		20,235	5,850
Total shareholders' equity		**134,119**	**116,866**
Appropriations	2.6	**0**	**0**
Liabilities			
Long -term liabilities	2.7	1,101	3,575
Short-term liabilities	2.8	6,441	2,800
Total liabilities		7,542	6,376
Total liabilities and shareholders' equity		**141 661**	**123 242**

EUR 1,000	2004	2003
CASH FLOW STATEMENT		
Cash flow from operations		
Operating loss	-2,273	-1,399
Adjustments to operating profit/loss	137	124
Change in net working capital	-4,954	-301
Interest received	646	1,744
Dividends received	8,600	0
Net cash flow from operations	**2,155**	**168**
Cash flow from investments		
Purchase of shares	-3,232	-1,350
Purchase of other fixed assets	-260	-131
Sale of other fixed assets	18	31
Total cash flow from investments	**-3,474**	**-1,449**
Cash flow before financing	-1,319	-1,281
Financing		
Decrease in long-term debt	-2,474	-3,692
Decrease/increase in short-term debt	-181	12,433
Payment of dividends	-2,982	-2,982
Received Group contribution	9,750	5,500
Total financing	**4,112**	**11,259**
Increase/decrease in liquid funds	**2,793**	**9,978**
Liquid funds as of January 1	23,562	13,584
Liquid funds as of December 31	26,356	**23,562**

Notes to the Parent Company Financial Statements

1. NOTES TO THE INCOME STATEMENT

EUR 1,000	2004	2003
1.1 Other operating income		
Gains on sale of fixed assets	18	0
Other income	2,416	2,108
Total	**2,434**	**2,108**

EUR 1,000	2004	2003
1.2 Notes related to personnel		
Personnel costs		
Salaries and wages	1,378	1,204
Pension costs	225	211
Other personnel costs	68	77
Total	**1,672**	**1,491**
Management salaries and benefits		
President and CEO, her Deputy and Board Members	521	442
Personnel December 31, 2004		
Office employees	18	16
Total	**18**	**16**
Employees of the parent company during the fiscal period		
Office employees	17	15
Total	**17**	**15**

Pension liabilities of President and CEO, her Deputy and of the Board Members

President and CEO and her Deputy has the option to retire at the age of 60.

EUR 1,000	2004	2003
1.3 Depreciation and write-downs		
Depreciation of tangible and intangible assets	137	124
Total	**137**	**124**

EUR 1,000	2004	2003
1.4 Other operating expenses		
Rental expenses	134	132
Other expenses	2,765	1,760
Total	**2,899**	**1,891**

EUR 1,000	2004	2003
1.5 Financial income and expenses		
Income from long-term investments		
Dividend income		
From Group companies	8,600	0
Avoir fiscal	3,513	0
Total	**12,113**	**0**
Total income from long-term investments		
Interest and other financial income		
From Group companies	31	28
From others	1,278	2,991
Total interest and other financial income	**1,309**	**3,020**
Interest and other financial expenses		
To Group companies	100	93
To others	563	1,183
Total interest and other financial expenses	**663**	**1,276**
Total financial income and expenses	**12,758**	**1,744**
Interest and financial income includes currency gains (net)	**279**	**1,600**

EUR 1,000	2004	2003
1.6 Extraordinary items		
Group contributions	9,750	5,500
Total extraordinary items	**9,750**	**5,500**

EUR 1,000	2004	2003
1.7 Appropriations		
Accumulated depreciation in ecxess of plan	0	5
Total appropriations	**0**	**5**

EUR 1,000	2004	2003
1.8 Direct taxes		
Taxes on operational income	0	0
Total direct taxes	**0**	**0**

2. NOTES TO THE BALANCE SHEET

2.1 Non-current assets

2.1.1 Intangible and tangible assets

EUR 1,000	Intangible assets: Intangible assets	Intangible assets: Other long-lived assets	Intangible assets: Total	Tangible assets: Land	Tangible assets: Machinery and equipment	Tangible assets: Total
Fixed assets						
Acquisition cost Jan. 1, 2004	91	22	113	220	542	762
Increase	48	0	48	0	212	212
Decrease	0	0	0	0	-18	-18
Transfers	0	0	0	0	0	0
Acquisition cost Dec. 31, 2004	**139**	**22**	**161**	**220**	**736**	**955**
Accumulated depreciation Jan. 1, 2004	70	20	91	0	311	311
Accumulated depreciation on transfers and decreases	0	0	0	0	0	0
Planned depreciation	19	1	20	0	117	117
Accumulated depreciation Dec. 31, 2004	**89**	**22**	**111**	**0**	**428**	**428**
Book value Dec. 31.2004	**50**	**0**	**50**	**220**	**308**	**528**

2.2 Investments

EUR 1,000	Group shares and holdings	Own shares	Other shares	Total
Acquisition cost Jan. 1, 2004	59,211	758	2,610	62,579
Increase	1,207	0	2,025	3,232
Acquisition cost Dec. 31, 2004	**60,418**	**758**	**4,635**	**65,812**
Book value Dec. 31, 2004	**60,418**	**758**	**4,635**	**65,812**

Group companies

	Group interest, %	Parent company interest, %	Number of shares	Face value EUR 1,000	Book value EUR 1,000
Aspocomp GmbH, Germany	100.00	100.00	1,000	5	41
Aspocomp Oy, Finland	100.00	100.00	40,000	6,728	15,717
P.C.B. Center (Thailand) Co., Ltd., Thailand	56.40	51.00	20,400,000	3,848	7,824
Aspocomp Chin-Poon Holdings Ltd., The Virgin Islands	51.00	51.00	34,323,000	25,199	36,836
Total					**60,418**

Other shares and investments

	Parent company interest, %	Number of shares	Face value EUR 1,000	Book value EUR 1,000
Aspocomp Group Oyj	1.00	200,000	200	758
Asperation Ltd	50.00	6,216	155	2,655
Imbera Electronics Corporation	50.00	3,202	80	1,980
Total				**5,393**

EUR 1,000	2004	2003
2.3 Receivables		
Long-term receivables		
Loan receivables from Group companies	0	50
Other loan receivables	80	40
Total	**80**	**90**
Total long-term receivables	**80**	**90**
Short-term receivables		
Receivables from Group companies		
Accounts receivables	31,232	
Loans receivables	10,042	32,519
Total short term receivables	**41,273**	**32,519**
Receivables from others		
Deferred receivables	7,563	4,018
Total	**7,563**	**4,018**
Total short term receivables	**48,836**	**36,537**
2.4 Investments		
Repurchase value	25,155	20,877
Book value	25,030	20,840
Difference	**125**	**37**
2.5 Shareholders' equity		
Share capital January 1	10,041	10,041
Stock dividend issue	10,041	0
Share capital December 31	**20,082**	**10,041**
Share premium account January 1	83,948	83,948
Stock dividend issue	-10,041	0
Share premium account December 31	**73,907**	**83,948**
Own shares fund January 1	758	758
Increase in own shares fund	0	0
Own shares fund December 31	**758**	**758**
Retained earnings January 1	22,119	19,251
Dividends paid	-2,982	-2,982
Retained earnings December 31	**19,137**	**16,269**
Net profit for the period	**20,235**	5,850
Total shareholders' equity	**134,119**	**116,866**
Distributable unrestricted equity	**39,372**	**22,119**
2.6 Appropriations		
Accumulated depreciation in excess of plan December 31	0	0

EUR 1,000	2004	2003
2.7 Long-term liabilities		
Loans from financial institutions	1,101	3,575
Total long-term liabilities	**1,101**	**3,575**
2.8 Short-term liabilities		
Loans from financial institutions	2,202	2,384
Payables	352	98
Deferred payables	522	307
Total	**3,076**	**2,788**
Intra-Group debts		
Deferred payables	3,365	12
Total	**3,365**	**12**
Total short term liabilities	**6,441**	**2,800**

3. OTHER NOTES

3.1 Securities, Contingent liabilities and other liabilities		
Other securities and liabilities		
Guarantees for leasing liabilities	21,885	22,265
Counter guarantees	353	353
Others	1,900	1,900
Total	**24,138**	**24,518**

According to Chapter 14A, Section 6 of the Companies Act, the recipent companies (Aspocomp Group Oyj and Aspo Plc) are jointly responsible for depts and liabilities prior to the division. The total liability of the Company corresponds to the net value of the transferred assets.

Key Figures

ASPOCOMP GROUP FINANCIAL PERFORMANCE AND KEY FIGURES 2000–2004

	2004	2003	2002	2001	2000
Net sales, EUR million	197.4	182.3	182.9	221.8	239.8
Operating profit after depreciation, EUR million	9.7	-5.3	-23.2	-27.4	21.6
Share of net sales, %	4.9	-2.9	-12.7	-12.3	9.0
Profit before extraordinary items and taxes, EUR million	8.6	-6.6	-25.9	-29.9	21.2
Share of net sales, %	4.4	-3.6	-14.2	-13.5	8.8
Profit before taxes, EUR million	8.6	-6.6	-25.9	-29.9	22.0
Share of net sales, %	4.4	-3.6	-14.2	-13.5	9.2
Net profit for the period, EUR million	6.0	-0.9	-18.6	-26.9	16.2
Share of net sales, %	3.0	-0.5	-10.1	-12.1	6.7
Return on equity (ROE), %	6.7	-2.4	-14.9	-18.7	13.2
Return on investment (ROI), %	6.3	-1.9	-10.2	-11.5	15.2
Equity ratio, %	62.9	57.1	61.0	56.5	64.6
Gearing,%	8.6	20.3	30.0	35.7	0.6
Gross investments in fixed assets, EUR million	15.7	13.8	19.8	73.3	68.3
Share of net sales, %	8.0	7.6	10.8	33.0	28.5
Personnel, year end	3,438	3,426	2,907	3,178	1,948
Personnel, average	3,508	3,330	3,075	3,314	2,007
Earnings per share (EPS), EUR	0.30	-0.04	-0.93	-1.33	0.80
Earnings per share (EPS), EUR (diluted)					0.76
Equity per share, EUR	5.15	5.10	5.43	6.51	7.98
Nominal dividend per share (Board's proposal)*	0.30*	0.15	0.15	0.00	0.25
Dividend per earnings, %	100.00	-348.07	-16.13	0.00	31.45
Effective dividend yield, %	6.17	2.59	4.80	0.00	1.67
Price / earnings ratio (P/E)	16.2	-134.6	-3.4	-4.5	18.9
Share prices (adjusted)					
average, EUR	6.00	4.41	3.78	7.25	27.05
low, EUR	4.65	3.06	2.11	4.45	12.25
high, EUR	7.11	6.13	6.63	15.00	43.48
Closing share price, at the end of period, EUR	4.86	5.80	3.13	6.03	15.00
Market value of total shares outstanding, at the end of period, EUR million	96.6	115.3	62.1	121.1	304.3
Number of shares traded, thousands	10,400.9	4,925.6	4,618.1	6,220.0	7,121.6
Number of shares traded, % of total	52.3	24.8	23.1	30.8	35.1
Share trading volume, EUR million	62.4	21.7	17.5	45.1	192.7
Total adjusted number of shares, thousands					
registered at the end of period	20,082	20,082	20,082	20,284	20,284
outstanding	19,882	19,882	19,882	20,082	
average	19,882	19,882	19,969	20,222	19,155
average, diluted					19,976

Calculation of the Key Figures

Return on equity (ROE), % =

$$\frac{\text{Profit before extraordinary items and taxes – direct taxes}}{\text{shareholders' equity + minority interest (average)}} \times 100$$

Return on investment (ROI), % =

$$\frac{\text{Profit before extraordinary items and taxes} \atop \text{+ interest and other financial costs}}{\text{balance sheet total – non-interest bearing liabilities (average)}} \times 100$$

Equity ratio, % =

$$\frac{\text{Shareholders' equity + minority interest}}{\text{balance sheet total – advances received}} \times 100$$

Gearing, % =

$$\frac{\text{Interest-bearing liabilities – cash, bank deposits and other investments}}{\text{shareholders' equity + minority interest}} \times 100$$

Average personnel = Average number of personnel as of the month end

Earnings per share (EPS), EUR =

$$\frac{\text{Profit before extraordinary items and taxes – direct taxes ± minority share}}{\text{average number of shares outstanding at the year end}}$$

Equity/share, EUR =

$$\frac{\text{Shareholders' equity}}{\text{number of shares outstanding at the year end}}$$

Dividend/share, EUR = Dividend paid in period

Dividend/earnings, % =

$$\frac{\text{Dividend per share}}{\text{earnings per share}} \times 100$$

Effective dividend yield, % =

$$\frac{\text{Dividend per share}}{\text{the year end price for the fiscal year}} \times 100$$

Price earnings ratio (P/E) =

$$\frac{\text{Year end share price}}{\text{earnings per share}}$$

Average share price =

$$\frac{\text{Total share turnover}}{\text{adjusted number of shares changing hands during the period}}$$

Market value of shares = Total number of shares outstanding x the year end price for the fiscal year

The influence of the shares owned by the Company has been eliminated from the calculations.

Shares and Shareholders

Aspocomp Group Oyj shares have been listed on the main list of the Helsinki Stock Exchange since October 1st, 1999 when Aspo Oyj was broken down into two separate companies. Aspocomp Group Oyj's trading code is ACG1V.

On April 2nd, 2004, the Annual General Meeting authorized the Board of Directors to decide on acquiring and/or conveying its own shares and on a share issue and/or taking of convertible loans. The authorizations are valid for one year from the date of the Annual General Meeting. The Board of Directors has not used these authorizations.

After the stock dividend issue that was noted in the trade register on December 17th, 2004, the number of shares that have been issued stood at 20,082,052. In the stock dividend issue, one old share received one new share. A total of 10,041,026 new shares were issued during the stock dividend issue and the share capital rose by EUR 10,041,026 to EUR 20,082,052. The maximum share capital is EUR 34,916,710.

There is only one share series and each share entitles its holder to a single vote at the Annual General Meeting and to have an identical dividend right.

The shares issued in the share dividend issue entitle the holder to a full dividend for the reporting year that started on January 1st, 2004.

The number of nominee-registered shares and foreign-owned shares totaled 1,558,326 on December 31st, 2004, which is 7.76% of the number of shares and votes.

THE MAJOR SHAREHOLDERS AS OF DECEMBER 31ST, 2004

Shareholder	Number of, shares	Holdings and votes, %
Sampo Life Insurance Company Limited	2,626,752	13.08
Nyberg Henrik	1,610,984	8.02
Nordea Bank Finland Plc (nominee registered shares)	1,355,502	6.75
Varma Mutual Pension Insurance Company	1,005,600	5.01
Kaleva Mutual Insurance Company	1,000,000	4.98
Vehmas Aatos Ensio	796,912	3.97
Vehmas Tapio	748,262	3.73
Investment Fund Pohjola Finland Value	686,000	3.42
Vehmas Kerttu Anna-Liisa	666,160	3.32
Estlander Henrik	405,168	2.02
OP-Suomi Kasvu Mutual Fund	368,700	1.84
Etola Erkki Olavi	200,000	1.00
Aspocomp Group Oyj	200,000	1.00
Sampo Finnish Equity	199,372	0.99
Ulkomarkkinat Oy	168,000	0.84
Pohjola Non-Life Insurance Company Ltd	165,400	0.82
Ingman Finance Oy Ab	160,000	0.80
Nyberg Berndt Gustav Henrik	155,196	0.77
Sampo Finnish Institutional Equity	139,300	0.69
Merisalo Kunto	126,620	0.63

The number of the nominee registered shares and the foreign ownership as of December 31, 2004 was 1,558,326 or 7,76 % of the holdings and votes.

MANAGEMENT SHARE OWNERSHIP

The members of the Board of Directors of Aspocomp Group Oyj as well as its CEO and her deputy owned a total of 232,260 shares as of December 31st, 2004, which equals 1.16% of the total number of shares and votes.

CHANGES IN CONTACT INFORMATION

We kindly request that you directly inform the bank where you have your book-entry account of any possible changes to your address or other such information.

DIVIDEND POLICY

In November 2003, the Board of Directors of Aspocomp Group Oyj defined a long-term dividend policy, which was updated after the stock dividend issue in December 2004, for the company. In its consideration, the Board of Directors weighted the dividend target in relation to the company's long-term result and cash flow expectations after maintenance investments. The objective of the Board of Directors is to annually propose a dividend distribution that distributes a minimum of EUR 0.30 dividend per share per financial year, subject to the current number of issued shares, in the long term.

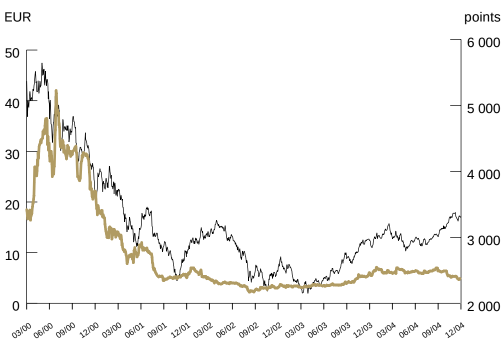
DISTRIBUTION OF THE SHARE OWNERSHIP AS OF DECEMBER 31ST, 2004

By number of shares

Number of shares	Number of shareholders	% of shareholders	Total number of shares	% of share capital
1–100	334	12.61	25,282	0.13
101–500	815	30.78	243,898	1.22
501–1,000	552	20.85	431,826	2.15
1,001–10,000	804	30.36	2,493,864	12.42
10,001–100,000	115	4.34	3,218,286	16.03
100,001–500,000	19	0.72	3,173,748	15.80
500,001–	9	0.34	10,492,172	52.25
Shares in trust and awaiting clearance			2,976	0.02
Number of issued shares	2,648	100.00	20,082,052	100.00

By shareholders	Total holding, %	Total shares, %
1. Households	85.76	44.85
2. Companies	10.61	10.62
3. Financial and insurance institutions	1.36	36.18
4. Non-profit organizations	1.28	1.93
5. Non-domestic	0.76	0.58
6. Public sector organizations	0.23	5.83
Shares in trust and awaiting clearance		0.02
Total	100.00	100.00

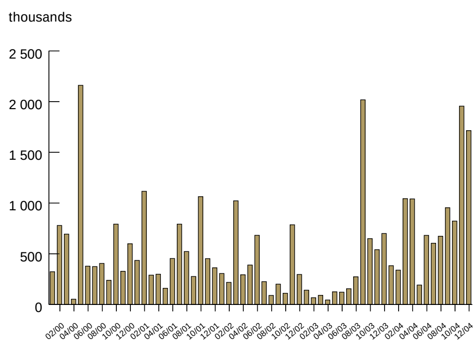
Share price development and HEX Portfolio index



Share price and turnover information has been adjusted for the December 2004 share issue

Aspocomp Group Oyj
HEX Portfolio index

Share turnover



Corporate Governance

1. GENERAL

This document presents the corporate governance of Aspocomp Group Oyj. The corporate governance follows the instructions issued in December 2003 concerning company administration for the listed companies. The principles of the company administration of Aspocomp Group Oyj have been updated in June 2004.

By observing these rules of corporate governance, the board expects to promote the increase in value of the shareholders' holdings while also protecting their rights and treating all shareholders equally.

2. GROUP STRUCTURE

The parent company of the Group is Aspocomp Group Oyj, having as its official bodies the general meeting of shareholders, board of directors, managing director and his/her deputy.

3. GENERAL MEETING

Before general meeting, sufficient information of the matters to be dealt with at the general meeting shall be made available to the shareholders.

The general meeting shall be organised in a manner that permits shareholders to effectively exercise their ownership rights.

The managing director, the chairman of the board and a sufficient number of directors shall attend the general meeting.

A person proposed for the first time as director shall participate in the general meeting that decides on his/her election unless there are well founded reasons for the absence.

The regular general meeting of shareholders is the Group's supreme decision-making body, and it is assembled once a year. The matters dealt with in the general meeting are those stipulated in the Companies Act, unless otherwise specified in the Articles of Association. The matters for the general meeting include the following:

- Amendment of the company's Articles of Association;
- Adoption of the company's Final Accounts;
- Payment of dividends;
- Election of directors;
- Appointment of auditors;
- Remuneration of directors and auditors.

An extraordinary general meeting shall be summoned if the board deems it necessary or if the Companies Act so requires.

4. BOARD OF DIRECTORS

The board shall adopt a written charter for its work and describe its essential content.

The company shall report the number of board meetings held during the reporting year as well as the average attendance of directors at the board meetings.

The board shall conduct an annual evaluation of its performance and working methods.

The general meeting shall elect the directors.

The board shall comprise at least five directors.

The directors shall be elected for a term of one year.

The prospective director candidates notified to the board shall be disclosed in the invitation to the general meeting, provided that the proposal has been made by the nomination committee or if the candidate is supported by at least 10% of the total votes of all the shares of the company and the candidate has given his/her consent to the election. The candidates proposed after the delivery of the invitation shall be disclosed separately.

If, according to the Articles of Association, directors are to be appointed according to a specific order, the company shall disclose such appointment order in the invitation to the general meeting.

A person elected as director shall have the qualifications required to discharge directors' duties and the possibility to devote sufficient time for the work.

The company shall provide sufficient information of the operations of the company to the directors.

The majority of all directors shall be independent of the company. In addition, at least two of the directors representing this majority shall be independent of significant shareholders of the company. The board shall evaluate the independence of the directors and report which directors it determines to be independent.

A director is not independent of the company if

a) the director has an employment relationship with, or holds a position in, the company;
b) the director has had an employment relationship with, or held a position in, the company during the last three years prior to the inception of the board membership;
c) the director receives from the company or from a member of its operative management not insignificant compensation for services or other advice not connected with the duties of the board, e.g. if the director works on consulting assignments for the company;
d) the director belongs to the operative management of another company, and the two companies have a customer, supplier or cooperation relationship significant to the other company; or
e) the director belongs to the operative management of another company whose director is a member of the operative management in the first company (interlocking control relationship).
In addition, the board can on the basis of its overall evaluation determine that a director is not independent of the company if
f) the director participates in a performance-based or share-related compensation system of the company. The financial significance of the compensation system shall be taken into account; or

g) the company is aware of other factors that may compromise the independence of the director and the directors ability to impartially represent all shareholders. A director is not independent of a significant shareholder of the company if
h) the director exercises dominant influence such as referred to in Chapter 1, Section 3 of the Companies Act, in the company, or has a relationship such as referred to in sub-sections a) – b) above to a party who exercises dominant influence in the company; or
i) the director is a significant shareholder of, or has a relationship such as referred to in sub-sections a) – b) above to, a significant shareholder of the company. Significant shareholder means a share-holder who holds at least 10% of all the shares or of the aggregate votes in the company.

In all situations, when evaluating independence, also the circumstances of private individuals or legal entities closely affiliated to the member, such as referred to in Chapter 1, Section 4 of the Companies Act, shall be taken into consideration. Companies belonging to the same group with the company are comparable to the company.

There is no internationally prescribed form for the independence criteria. The above-mentioned criteria are divided into three categories. In the first category, the existence of even one of the circumstances cited in sub-sections a) – e) above means that the director cannot be determined to be independent of the company. Sub-sections f) – g) deal with issues on the basis of which the board may after the evaluation determine that the director is not independent. Sub-sections h) – i) present the criteria on the basis of which board members are determined not to be independent of significant shareholders of the company.

The company shall report the following information on directors:
- Name
- Year of birth
- Education
- Main occupation
- Primary working experience
- Date of inception of the board membership began
- Other simultaneous key positions of trust
- Shareholdings in the company
- Holdings and rights based on a share-related compensation system of the company.

Each director shall provide the board with sufficient information that will allow the board to evaluate his/her qualifications and independence, and shall notify the board of any changes in such information.

The board operates with the powers and responsibilities defined in the Companies Act, other legislation and the Articles of Association. The board must use its powers to increase the value of shareholders' holdings in the long run, in line with the interests of the company and the shareholders. If the board has to make a decision that results in putting the shareholders in an unequal position, the board must treat all shareholders in a fair and just manner.

The ordinary general meeting of shareholders decides on the number of directors in the board and elects them. The directors are elected for a term of one year. The board must comprise at least five and at most eight directors.

The main duties of the board include:
- Approval of the Group's business strategies
- Assessment and approval of business plans, as well as monitoring of their realisation and deciding on the necessary rectifying actions
- Approval of cumulative investment authorisations for 12 months, and deciding on major investments, corporate acquisitions and divestments
- Deciding on dividends policies and preparing a proposal for payment of dividends to the ordinary general meeting of shareholders
- Monitoring of any conflicts of interest between the company's management, board members and shareholders, and their resolution
- Enhancement of the Group's organisational structure
- Appointment and dismissal of the chairman of the board and his/her deputy
- Appointment and dismissal of the managing director and his/her deputy
- Deciding on the remuneration package of the managing director and his/her deputy, as well as defining the criteria for evaluating the managing director's work and regular evaluation of his/her work in relation to the set criteria
- Approval and maintenance of the plans regarding the successor to the managing director
- Defining the criteria for evaluating the work of the board, and regular evaluation of own work against the set criteria
- Setting of guidelines for accounting principles, risk management and internal control annually
- Appointing the board's committees.

After the ordinary general meeting of shareholders, the board shall decide the number of meetings to be held during the year. Typically, four meetings would be held to discuss interim reports and the Annual Report. In other meetings, the board works towards increasing the value of the Group by setting operational and strategic targets for it.

5. BOARD COMMITTEES

Effective organisation of the duties of the board may require establishment of board committees.

Each committee shall regularly report on their work to the board.

The board shall approve a written charter for the committee's work and describe its essential content.

The company shall report the number of committee meetings held during the reporting year.

The board shall elect from among the directors

the members and the chairman of the committee.
The company shall report the composition of each committee.

5.1. Compensation committee

The board may establish a compensation committee to improve the effective handling of matters relating to the appointment and compensation of the managing director and other executives of the company as well as the handling of other employee compensation systems.

The managing director and other executives shall not be members of the compensation committee.

The board shall define the duties of the compensation committee:

- To prepare the proposal regarding the remuneration and incentive rewards of the managing director and his/her deputy, and present them to the board;
- To approve the salaries and other benefits of the Group's management team on the basis of the proposal made by the managing director.

5.2. Audit committee

The audit committee shall be established, if the extent of the company's business requires preparation of matters relating to financial reporting and control to be dealt with by a group with more compact composition than the entire board.

The audit committee shall comprise at least three members. The members shall have the qualifications necessary to perform the responsibilities of the audit committee.

The members of the audit committee shall be independent board members of the company.

The board shall define the duties of the audit committee:

- To assess and monitor accounting practices, closing of books, financial reporting processes, all matters pertaining to risk management, and the results of audits;
- To monitor the internal control system and the Group's statutory and other obligations.

5.3. Nomination committee

The board may establish a nomination committee to improve the effective handling of matters relating to the nomination and compensation of directors.

The managing director and other executive directors shall not be members of the nomination committee.

The board shall define the duties of the nomination committee.

- To prepare proposals regarding board members for presenting to the general meeting of shareholders by the board;
- To define the areas of competence expected of the candidates for board membership and present them to the shareholders. The candidates are expected to possess expertise in at least the following areas: accounting and financing, international marketing, business management, industrial operations, customer orientation, risk management or strategic management, and command of the English language.

6. MANAGING DIRECTOR AND MANAGEMENT TEAM

The board shall appoint the managing director.

The managing director's service terms and conditions shall be specified in writing in the managing director's service contract approved by the board.

The company shall disclose the biographical details and the holdings of the managing director.

The managing director shall not be elected chairman of the board.

The company shall describe the management organisation. If the company has a management team, the company shall describe the composition and duties of the management team and the areas of responsibility of its members.

The company shall report the biographical details and holdings of the members of the management team. If the company has no management team, the company shall define the other executives whose biographical details and holdings are subject to disclosure obligation.

The managing director shall manage and control the Group's business in line with the guidelines and decisions of the board. The managing director's deputy shall exercise the managing director's powers when he/she is temporarily prevented. The board appoints the Group's management team on the basis of a proposal by the managing director. The management team supports the managing director in his/her work and its members are responsible for the practical organisation of the Group's administration. The management team shall have regular meetings chaired by the managing director.

7. COMPENSATION

The company shall report the fees and other benefits of the directors for their board and committee work during the reporting year.

The shareholdings of the directors can be increased by paying the fees or part of the fees for board and committee work in the form of shares of the company.

It is not recommended that a non-executive director should participate in a share-related compensation system.

The company shall report the number of shares and share-related rights granted to the directors in compensation during the reporting year.

The company shall describe the criteria and decision-making procedure concerning the compensation system covering the managing director and other executives.

The company shall report the economic benefits based on the service contracts of the manag-

ing director and a full-time chairman of the board:
- Salaries and other benefits granted during the reporting year;
- Shares and share-related rights granted by way of compensation;
- Retirement age and criteria for determination of pension;
- Terms and conditions of the period of notice, salary for the period of notice and other possible compensation payable on the basis of termination.

8. AUDITING, INTERNAL CONTROL AND RISK MANAGEMENT

The company shall define the operating principles of internal control.

The company shall describe the criteria according to which the risk management is organised.

The company shall describe the manner in which the internal audit function of the company is organised.

The board bears the overall responsibility for the Group's finances and accounts, as well as for internal control. The managing director is responsible for the practical organisation of these matters.

The parent company and its subsidiaries are separate legal entities in different countries. The accounting and fiscal matters of each company are taken care of in accordance with the laws and regulations in force in the respective company's country of domicile. The managing director and the management team are responsible for ensuring that the day-to-day operations are compliant with the law, other compelling regulations, the company's management system and the board's decisions.

The financial reports issued by the Group's management are based on the final accounts of group companies. A regular audit is carried out every year in each Group company, whether a wholly owned subsidiary or an associate company with majority shareholding. Each subsidiary has an auditor appointed by that company's general meeting of shareholders. All auditors' reports and other information are at the disposal of the parent company's auditors. The auditors of joint venture companies work in co-operation with the Group's auditors.

The auditor with primary responsibility and the Group management will jointly prepare the annual auditing plan for the Group companies. The auditors provide the shareholders with the statutory auditors' report regarding the final accounts of the group companies and the consolidated final accounts for the Group. They will also report to the managing director and the board at least twice a year. The board and the auditors meet at least once a year without the presence of the managing director or other Group management.

9. INSIDER ADMINISTRATION

The company shall comply with the Guidelines for Insiders issued by the Helsinki Stock Exchange and describe its essential insider administration procedures.

Aspocomp Group Oyj follows guidelines and recommendations issued by the Helsinki Stock Exchange regarding corporate administration and control system, as well as insider guidelines and other recommendations regarding companie's operations on the securities market.

In addition to insiders stipulated by law, the following parties are permanent insiders with regard to Aspocomp Group Oyj:
- Members of the Group's management team;
- The secretary of the parent company's board of directors;
- The managing directors of subsidiaries;
- The personnel of Aspocomp Group Oyj.

10. COMMUNICATIONS

A proposal for the election of external auditor prepared by the board or the audit committee shall be disclosed in the invitation to the general meeting. If the prospective auditor has not been notified to the board, the candidacy shall be disclosed separately.

The company shall report the fees of the external auditor during the financial year. If the external auditor has been paid fees for non-audit services, such fees shall be reported separately.

The company shall ensure that at least the following matters are presented on the website of the company:
- Information on compliance with the Corporate Governance Recommendation as well as possible deviations and their explanations;
- General meeting;
- Articles of Association;
- Board of directors; supervisory board;
- Managing director and other executives;
- Auditor;
- Shares, share capital, principal shareholders and disclosed notifications on major holdings for the past 12 months;
- Redemption clauses of the Articles of Association;
- Shareholder agreements known to the company;
- Annual report;
- Other circumstances to be reported in accordance with this recommendation.

The company shall have a website on Internet.

The company shall disclose on its website all the information that has been published pursuant to the statutory obligation of listed companies to provide information.

Proposal of the Board for the Distribution of Earnings

The Group has a total of EUR 8.483.037,12 in its unrestricted earnings account,of which EUR 8.483.037,12 is distributable. The parent company has a total of EUR 39.371.892,70 in its unrestricted equity account. As of December 31, 2004 there were a total of 20.082.052 registered shares outstanding, 200.000 of which were in the possession of the Company.

The Board proposes that:

- a dividend of EUR 0.30 /share to be paid out on each of the 19.882.052 shares outstanding	EUR 5.964.615,60
- to be held in the parent company 's retained earnings account	EUR 33.407.277,10
	EUR 39.371.892,70

BOARD SIGNATURE

Vantaa, February 15, 2005

Tuomo Lähdesmäki
Chairman

Karl Van Horn
Vice-Chairman

Aimo Eloholma

Roberto Lencioni

Gustav Nyberg

Anssi Soila

Maija-Liisa Friman
President and CEO

Auditors' Comment and Auditors' Report

The financial reports contained in this annual report were prepared in accordance with generally accepted accounting standards. An auditor's report on the fiscal period has been submitted this day.

Vantaa, March 1, 2005

PricewaterhouseCoopers Oy,
Authorized Public Accountants
Ilkka Haarlaa, Authorized Public Accountant

TO THE SHAREHOLDERS OF ASPOCOMP GROUP OYJ

We have audited the accounting, the financial statements and the corporate governance of Aspocomp Group Oyj for the period 1.1. - 31.12.2004. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the Managing Director. Based on our audit we express an opinion on these financial statements and on corporate governance of the parent company.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the Managing Director as well as the deputy Managing Director of the parent company have legally complied with the rules of the Companies' Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the Managing Director as well as the deputy Managing Director of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distributable assets is in compliance with the Companies' Act.

Vantaa, 1 March 2005

PricewaterhouseCoopers Oy,
Authorized Public Accountants
Ilkka Haarlaa, Authorized Public Accountant

Investor Relations

The objective of the Aspocomp Group is to equally serve all of the parties on the market in accordance with the Securities Market Act. Your contacts for investor relations are:

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This list may be incomplete.

Aspocomp is not responsible for the statements presented by the above listed analysts.

Board of Directors

Mr Tuomo Lähdesmäki

– Born 1957, M.Sc. (Eng.), MBA
– Senior Partner, Boardman Oy
– Chairman of the Board since 2003, independent Member of the Board since 2002. Chairman of the Board 's Compensation and Nomination Committees.
– Shareholdings in Aspocomp Group Oyj: 25,958 shares. No holdings or rights based on a share-related compensation system of the Company.
– Key positions of trust: Chairman of the Board, VTI Technologies Oy and Turku University Foundation, Deputy chairman of the Board of Directors, Citycon Oyj, Member of the Board, Amer Group Plc and Metsä Tissue Corporation.
– Primary working experience: Management positions, Elcoteq Network Corporation, 1997–2001, Leiras Oy, 1991–1997, Swatch Group,1990–1991, Nokia Corporation, 1983–1989.

Mr Karl Van Horn

– Born 1935, M.Sc. (Econ.), B.Sc. (Eng.)
– Chairman, Arlington Capital Investors Ltd
– Member of the Board since 1999, Vice-Chairman of the Board 2000–2002, 2004–2005. Member of the Board 's Audit Committee.
– No shareholdings in Aspocomp Group Oyj or holdings or rights based on a share-related compensation system of the Company.
– Primary working experience: Investment management.

Mr Aimo Eloholma

– Born 1949, M.Sc. (Eng.)
– Head of International Operations, TeliaSonera International
– Independent Member of the Board since 2000. Member of the Board's Compensation and Nomination Committees.
– Shareholdings in Aspocomp Group Oyj: 2,192 shares. No holdings or rights based on a share-related compensation system of the Company.
– Key positions of trust: Chairman of the Board, OJSC Megafon (Russia), Member of the Board, Fintur Holdings B.V. (the Netherlands).
– Primary working experience: Deputy CEO, Sonera Corporation, 2001–2003, Management and specialist positions, Sonera Corporation and its predecessors, 1973–2001.

Mr Roberto Lencioni

– Born 1961, LL.M.
– Managing Director, Oy Gard (Baltic) Ab
– Independent Member of the Board since 1999. Member of the Board's Compensation and Nomination Committees.
– Shareholdings in Aspocomp Group Oyj: 8,384 shares. No holdings or rights based on a share-related compensation system of the Company.
– Key positions of trust: Member of the Board, Aspo Plc, Autotank Ltd, Aspokem Ltd and ESL Shipping Ltd.
– Primary working experience: Management positions, Oy Baltic Protection Alandia Ab, 1990–2002, Managing Director, Oy Baltic Insurance Brokers Ab, 1994–2001, Sales Manager, Aspocomp Oy, 1988–1990, Group Lawyer, Aspo Group,1986–1988, Member of the Board, HUS-Companies Ltd, 1983–1986, Chairman of the Board, HUS-Companies Ltd, 1983–1984.

Mr Gustav Nyberg

– Born 1956, M.Sc. (Econ.), eMBA
– President and CEO, Aspo Plc
– Member of the Board since 1999. Chairman of the Board's Audit Committee.
– Shareholdings in Aspocomp Group Oyj: 155,196 shares. No holdings or rights based on a share-related compensation system of the Company.
– Key positions of trust: Member of the Board, The Associations of Finnish Technical Traders.
– Primary working experience: Management positions, Elfa International Ab, 1985–1995 and Finnboard, 1979–1984.

Mr Anssi Soila

– Born 1949, M.Sc. (Eng.), B.Sc. (Econ.)
– Independent Member of the Board since 2004. Member of the Board's Audit Committee.
– Shareholdings in Aspocomp Group Oyj: 7,330 shares. No holdings or rights based on a share-related compensation system of the Company.
– Key positions of trust: Chairman of the Board, Kemira Oyj, Normet Oy, Sponda Oyj and Å&R Carton. Member of the Board, Lindström Oy and Medone Oy.
– Primary working experience: Management positions, Kone Oy, 1973–1999.

Management Team

Ms Maija-Liisa Friman

– Born 1952, M.Sc. (Chem. Eng.)
– President and Chief Executive Officer from April 1, 2004 on
– Member of the Management Team
– Shareholdings in Aspocomp Group Oyj: 8,000 shares. Holdings and rights based on the share-related compensation system of the Company.
– Key positions of trust: Member of the Board, Metso Corporation and Sponda Plc.
– Primary working experience: Managing Director, Vattenfall Oy, 2000–2004, Managing Director, Gyproc Oy, 1993–2000, International management positions, Kemira Group in Finland, in Mexico and in the USA, 1978–1993.

Mr Pertti Vuorinen

– Born 1949, B.Sc. (Econ.)
– Chief Financial Officer, Acting CEO from August 14, 2003–March 31, 2004
– Member of the Management Team since 1999
– Shareholdings in Aspocomp Group Oyj: 25,200 shares. Holdings and rights based on the share-related compensation system of the Company.
– Key positions of trust: Member of the Board in the Aspocomp Group companies.
– Primary working experience: Chief Financial Officer, Aspo Group, 1990–1999, Chief Financial Officer, Huolintakeskus Ltd, 1989–1990, Chief Financial Officer, Mallasjuoma Ltd, 1986–1989, Management positions in financing, Orion Group, 1979–1986.

Mr Sami Holopainen

– Born 1972, Lic.Sc. (Tech.)
– Vice President, Corporate Development
– Member of the Management Team since 2002
– Shareholdings in Aspocomp Group Oyj: 4,800 shares. Holdings and rights based on the share-related compensation system of the Company.
– Key positions of trust: Member of the Board: Asperation Oy and Imbera Electronics Oy.
– Primary working experience: Prior to joining Aspocomp in 2000 Sami Holopainen has worked in several research projects related to organizational development and IT at the department of Industrial Engineering and Management in the Helsinki University of Technology.

Ms Maire Laitinen

– Born 1953, LL.M.
– General Counsel from May 1, 2005 on
– Member of the Management Team
– Holdings and rights based on the share-related compensation system of the Company.
– Primary working experience: Before coming to Aspocomp, Maire Laitinen worked for the TeliaSonera Group. Her last position there was as Vice President for the legal affairs of TeliaSonera's International unit; before that she was General Counsel for Sonera Corporation for nine years, until the end of 2002. Before Telia AB and Sonera Corporation merged, she worked as a legal counsel in the same company and its predecessors. In addition, Laitinen has been the secretary for Sonera's Board of Directors and Supervisory Board.

Mr Jari Ontronen

– Born 1954, B.Sc. (Eng.)
– Senior Vice President, Operations, PCB
– Member of the Management Team since 1999
– Shareholdings in Aspocomp Group Oyj: 4,222 shares. Holdings and rights based on the sharerelated compensation system of the Company.
– Key positions of trust: Member of the Board, Compocoat Finland Oy, Cibo-Print Oy, Galvatek Technology Oy, P.C.B. Center (Thailand) Co., Ltd. and Suomen PCS Oy.
– Primary working experience: Manager, BU Telecom, Aspocomp Oy, 1999–2001, Manager, Business Unit 2, Aspocomp Oy, 1998–1999, Plant Manager, Aspocomp Oy, 1998–1991, Production Manager, Aspocomp Oy, 1987–1991, Production Manager, Wihuri Oy Wipak, 1983–1987.

Mr Hannu Päärni

– Born 1951
– Senior Vice President, Technology
– Member of the Management Team since 1999
– Shareholdings in Aspocomp Group Oyj: 3,880 shares. Holdings and rights based on the share-related compensation system of the Company.
– Key positions of trust: Chairman of the Board, Asperation Oy, Member of the Board, ACP Holdings Co., Ltd., Imbera Electronics Oy and P.C.B. Center (Thailand) Co., Ltd.
– Primary working experience: Development Manager, Aspocomp Oy, Purchasing Manager, Aspocomp Oy, Quality Manager, Aspocomp Oy.

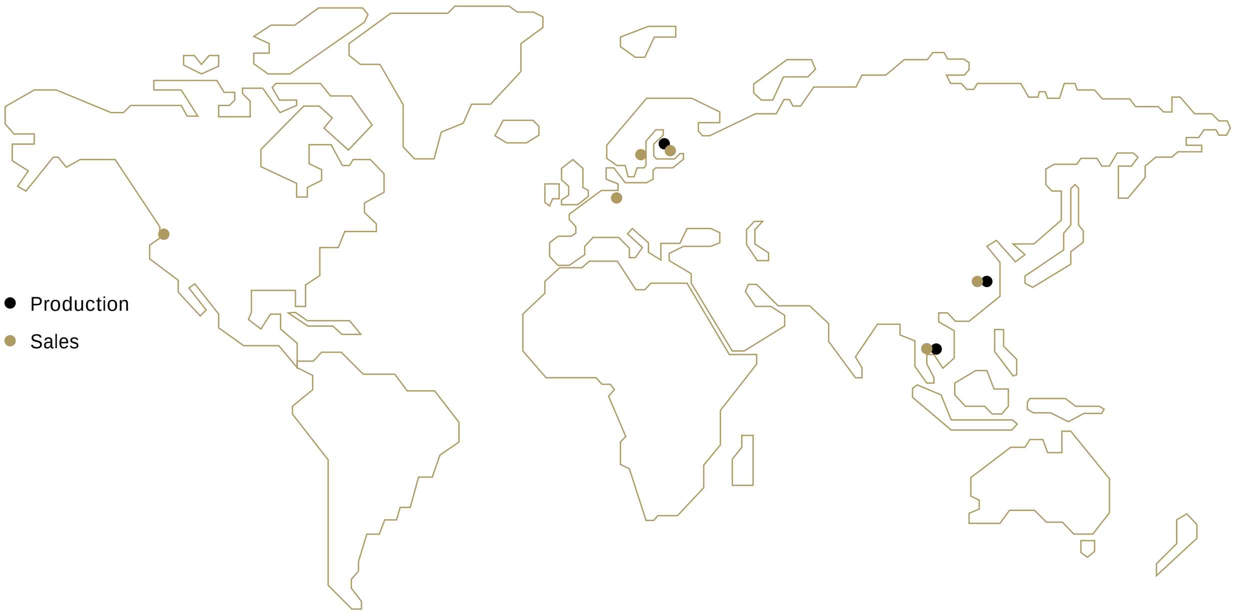
Mr Rami Raulas

– Born 1961, M.Sc. (Econ.)
– Senior Vice President, Sales and Marketing from December 7, 2004 on
– Member of the Management Team
– Shareholdings in Aspocomp Group Oyj: 1,100 shares. Holdings and rights based on the share-related compensation system of the Company.
– Primary working experience: Marketing Director, Fujitsu Siemens Computers Nordic, 2003–2004, Vice President, Mobile Business, Fujitsu Siemens Computers EMEA, 2000–2003, Region Manager and Managing Director, Fujitsu Computers and Fujitsu Siemens Computers Baltic, 1998–2000, Management positions in sales and marketing, Fujitsu Computers Europe, 1996–1998, Vice President, PC division, ICL, 1993-1996, Product Marketing Director, Nokia Data, 1986–1992.

Mr Reijo Savolainen

– Born 1955, B.Sc. (Eng.)
– Senior Vice President, Mechanics and Modules
– Member of the Management Team since 1999
– Shareholdings in Aspocomp Group Oyj: 1,000 shares. Holdings and rights based on the share-related compensation system of the Company.
– Primary working experience: Vice President, Aspocomp Oy EMS, 1998–2000, Manager of the Mechatronics business unit, Aspocomp Oy, 1997–1998, Managing Director, Member of the Board, Aspomec Oy, 1994–1997, Sales Manager, Aspomec Oy, 1989–1994.

Contact Information



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www.aspocomp.com

Notice to the Shareholders

ANNUAL GENERAL MEETING

Aspocomp Group Oyj Annual General Meeting will be held on Thursday, April 7, 2005 at 12:00 p.m. The meeting will take place at the Palace Gourmet, Eteläranta 10, 10th floor, Helsinki, Finland.

Any shareholder, who has been officially registered by the Finnish Central Securities Depository no later than March 24, 2005, is entitled to participate in the meeting.

Shareholders wishing to participate in the meeting are requested to notify the company either by telephone, telefax, e-mail or in writing by April 4, 2005 at 4:00 p.m. The address is Aspocomp Group Oyj, PO Box 230, FI-01511 Vantaa, Finland. Telephone +358 9 7597 0724/ Ms Marian Ärväs, telefax +358 9 7597 0720 and e-mail: yhtiokokous@aspocomp.com. When registering, the name of the share holder, a possible representative and contact information must to be provided.

PAYMENT OF DIVIDENDS

The Board of Directors will propose to the shareholders that a dividend of EUR 0.30 per share be distributed. The dividend will be paid to the shareholders who are registered by the Finnish Central Securities Depository. The Board of Directors suggests the dividend clearance date to be April 12, 2005 and the dividends to be paid on April 19, 2005.

FINANCIAL INFORMATION IN 2005

Aspocomp Group Oyj will release interim reports for the fiscal year 2005 on

- May 4, 2005
- August 3, 2005
- November 2, 2005

Design: Viestintä Oy Virtuoosi, Mainonnan Työmaa Photographs: Kimmo Lehtonen Printing: Sävypaino

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