Aspocomp Group Plc., Financial statements release, February 26, 2010 at 9:00 AM

ASPOCOMP'S FINANCIAL STATEMENTS 2009

Key figures in brief

- Net sales: EUR 13.2 million (EUR 20.7 million 1-12/2008)
- Operating profit before depreciation (EBITDA): EUR -0.5 million (2.2)
- Operating profit (EBIT): EUR -1.7 million (0.5)
- Earnings per share (EPS) from continuing operations: EUR -0.05 (-0.06)
- Cash flow from operations: EUR 0.9 million (-2.2)

Key figures for 10-12/2009 in brief

- Net sales: EUR 4.2 million (EUR 4.4 million 10-12/2008)
- Operating profit before depreciation (EBITDA): EUR 0.7 million (0.5)
- Operating profit (EBIT): EUR 0.4 million (0.1)
- Earnings per share (EPS) from continuing operations: EUR 0.00 (EUR -0.03)

Thanks to the improvement in demand, it is expected that net sales will grow and the operating result for 2010 will be in the black.

PRESIDENT AND CEO'S REVIEW

"Although 2009 was a tough year, the final quarter was favorable. Toward the end of the year, demand improved intermittently, and in 2010 we expect it to remain higher than last year.

Net sales and earnings during the year now ended were disappointing. However, thanks to tight cost control and the stringent management of receivables, our cash flow after investments remained in the black and our liquidity was good.

The global recession has had a twofold impact on demand. Due to the decline in electronics manufacturing volumes, the need for quick-turn deliveries decreased. On the other hand, low demand drives volume manufacturers to compete with faster delivery times and smaller delivery volumes. We're starting out 2010 with brighter prospects and seek to pursue growth in net sales and a positive operating result."

NET SALES AND EARNINGS

Net sales for the financial year amounted to EUR 13.2 million, representing a comparable year-on-year decline of about 36 percent. The five largest customers accounted for 72 percent of net sales, compared with 74 percent in 2008. In geographical terms, 81 percent of net sales were generated in Europe (81% in 2008), 14 percent in Asia (8.5%) and 5 percent in other regions (10.5%).

The operating result for the financial year was a loss of EUR 1.7 million, as against a profit of EUR 0.5 million in 2008. The operating result was weakened by the substantial decline in demand that lasted until the third quarter. The company continued to take steps until the third quarter to adjust its cost structure in line with both its size and the lower demand. Non-recurring costs due to downscaling measures, pension liabilities and credit losses totaled slightly over EUR 0.5 million. That said, earlier provisions in almost the same amount were reversed during the financial year.

The Group’s net financial expenses were EUR -1.0 million (-2.9). The result for the financial year was EUR -2.5 million (-2.5) and earnings per share were EUR -0.05 (-0.06).

NET SALES AND EARNINGS IN OCTOBER-DECEMBER

Fourth-quarter net sales amounted to EUR 4.2 million, down 2.8 percent on 2008. The five largest customers accounted for 71 percent of net sales (71%).

The operating result was EUR 0.4 million, while it was EUR 0.1 million in 2008. Earnings improved thanks to better demand and the cost structure adjustments implemented earlier during the financial year.

The Group’s net financial expenses amounted to EUR -0.3 million (-1.7). The result for the review period was EUR 0.1 million (2.3) and earnings per share were EUR 0.00 (-0.03).

INVESTMENTS AND R&D

Investments amounted to EUR 0.8 million (EUR 1.4 million 1-12/2008).

Investments and R&D focused on developing technical capabilities. Two new surfacing processes were introduced during the financial year. They enable the manufacture of even more complex multilayer structures and denser circuit patterns.

R&D costs are recognized in overhead.

FINANCING

The Group’s financial position remained challenging, but stable. Cash assets amounted to EUR 3.0 million at the end of the period (EUR 4.3 million 12/2008).

Cash flow from operations during the financial year was EUR 0.9 million (EUR -2.2 million 1-12/2008).

The nominal value of interest-bearing liabilities was EUR 24.3 million (EUR 25.6 million 12/2008). Gearing rose to 607.1 percent (329.8%). Non-interest-bearing liabilities amounted to EUR 6.1 million (6.3).

The Group’s equity ratio at the end of the period stood at 10.0 percent (16.1%).

GROUP STRUCTURE

Aspocomp Oulu Oy – in which Aspocomp has a 90 percent holding – manufactures and sells PCBs for telecom, industrial, and automotive electronics applications. Its service portfolio includes prototype and quick-turn deliveries, fulfillment of urgent PCB needs in high-volume operations as well as development and commercialization of new technologies. Aspocomp Oulu Oy’s primary technologies are HDI (High Density Interconnection), multilayer and special material PCBs.

The figures of Aspocomp Oulu Oy and the parent company Aspocomp Group Plc. are consolidated in the Group's profit and loss statement.

Aspocomp has a 20 percent stake in Meadville Aspocomp (BVI) Holdings Limited (MAH). The company's production facility in Suzhou, China is a volume manufacturer of HDI and multilayer PCBs. An error was discovered during the preparation of the 2009 financial statements. Aspocomp's investment in MAH had been erroneously presented as an associated company in the 2008 financial statements. The error was corrected retroactively in accordance with IAS 8. In the 2009 financial statements, the investment is presented under loans and other receivables. This change has no profit impact.

Aspocomp's 20 percent stake is booked into the balance sheet at its minimum value, which is based on the option agreement made in connection with the ownership arrangements in 2007. The minimum value is EUR 16.2 million at the end of the period, and it increases by 2.5 percent annually until the option is exercised. Details of the option agreement can be found in the press release of Meadville Holdings published on November 16, 2007: "Major transaction - acquisitions and resumption of trading, pages 8-9" (www.meadvillegroup.com/announcements.html).

The financial performance of MAH thus does not impact on the value of Aspocomp's investment.

On November 16, 2009, Meadville announced that it will sell its PCB business to TTM Technologies, Inc., which is listed on the NASDAQ in the United States. For more information on the transaction and its terms, see Meadville's press release at: www.meadvillegroup.com/announcements.html.

Meadville's 80 percent stake in MAH and 10 percent holding in Aspocomp Oulu Oy are included in this deal.

In addition, Aspocomp holds a 13.2 percent share in the Thai company PCB Center and a 5.3 percent share in Imbera Electronics. The company's holding in PCB Center declined from 14.1 to 13.2 percent due to an equity increase in the last quarter of 2009.

SHAREHOLDERS' EQUITY OF THE PARENT COMPANY

In accordance with the requirements of the Companies Act, the Trade Register has been notified of the loss of share capital on May 14, 2008. The shareholders' equity of Aspocomp Group's parent company, Aspocomp Group Plc., was EUR 3.9 million negative at the end of the fourth quarter. However, the shareholders' equity of Aspocomp Group was EUR 3.1 million positive.

SHARES AND SHARE CAPITAL

The total number of Aspocomp's shares at December 31, 2009 was 49 905 130 and the share capital stood at EUR 20 082 052. The company held 200 000 treasury shares, representing 0.4 percent of the aggregate votes conferred by all the shares.

A total of 44 702 649 Aspocomp Group Plc. shares were traded on NASDAQ OMX Helsinki during the period from January 1 to December 31, 2009. The aggregate value of the shares exchanged was EUR 6 353 223. The shares traded at a low of

EUR 0.05 and a high of EUR 0.24. The average share price was EUR 0.14. The closing price at December 31, 2009 was EUR 0.13, which translates into market capitalization of EUR 6 487 667.

Nominee-registered shares accounted for 4.7 percent of the total shares.

PERSONNEL

During the period, Aspocomp had an average of 101 employees (140). The personnel count on December 31, 2009 was 96 (115). Of them, 67 (80) were non-salaried and 29 (35) salaried employees.

DECISIONS OF THE ANNUAL GENERAL MEETING

The Annual General Meeting of Aspocomp Group Plc. held on April 21, 2009 re-elected the current Board and decided that the remunerations of the members of the Board will remain the same as in 2008. The General Meeting also decided to amend the company’s Articles of Association. Furthermore, the Meeting decided not to pay dividend for the period.

The Annual General Meeting decided to set the number of Board members at three (3) and re-elected the current members of the Board: Johan Hammarén, Tuomo Lähdesmäki, and Kari Vuorialho. The Meeting re-elected PricewaterhouseCoopers Oy as the company's auditor for the 2009 financial year.

Annual remuneration of EUR 24 000 will be paid to the chairman of the Board and EUR 12 000 to the other Board members. 60 percent of the annual remuneration will be paid in cash and 40 percent in company shares, which will be acquired and distributed to Board members. EUR 1 000 per meeting will be paid to the chairman and EUR 500 per meeting to the other members. The members of the Board residing outside of the Greater Helsinki Area are reimbursed for reasonable travel and lodging expenses. The auditor will be paid according to invoice.

The Annual General Meeting decided to amend the Articles of Association such that Articles 6 and 12 were deleted as unnecessary and the new Article 10 was amended to read as follows: “Article 10 The notice of meeting shall be delivered to the shareholders at the earliest three (3) months and at the latest twenty-one (21) days prior to the General Meeting by publishing the notice on the company’s website and, should the Board of Directors so decide, in one widely circulated newspaper specified by the Board.”

THE BOARD OF ASPOCOMP GROUP PLC., AUTHORIZATIONS GIVEN TO THE BOARD

In its organization meeting, the Board of Directors of Aspocomp Group Plc. re-elected Tuomo Lähdesmäki as chairman of the Board. As the Board only comprises three (3) members, Board committees were not established.

The Annual General Meeting 2008 of Aspocomp Group Plc. authorized the Board to decide on issuing new shares and conveying the Aspocomp shares held by the company. A maximum of 55 000 000 new shares can be issued and/or granted on the basis of special rights. The authorization is valid five years from the respective Annual General Meeting.

The Annual General Meeting 2008 also decided about issuing stock options to the CEO. The Board of Directors has not granted the said stock options.

Details of the authorizations can be found on pages 10-11 of the Annual Report 2008 (www.aspocomp.com/linked/investor/ar_2008.pdf).

MANAGEMENT

Sami Holopainen, Lic.Sc. (Tech.), was appointed as CFO as from May 1, 2009, due to the retirement of Pertti Vuorinen.

On June 21, Sami Holopainen was appointed as President and CEO. The previous President and CEO, Isto Hantila, M.Sc. (Eng.), continued to serve the company until the end of August.

ASSESSMENT OF BUSINESS RISKS

Significant indebtedness

The Aspocomp Group’s interest-bearing liabilities at December 31, 2009 had a nominal value of about EUR 24.3 million and amounted to about EUR 22.1 million under IFRS.

Liquidity and financial risks

Because of the agreement on debt restructuring, management of the Group’s liquidity risk is based on the cash assets of the parent company and the cash flow generated by the Oulu plant. If Aspocomp Group Plc. does not obtain financing from Aspocomp Oulu Oy or other ways of financing, the company may ultimately become insolvent.

Litigations

In 2007, the French Supreme Court ordered the company to pay approximately EUR 11 million, including annual interest of about 7 percent, to 388 former employees of Aspocomp S.A.S. In January 2009, the Labor Court of Evreux, France ruled that the company has to pay approximately EUR 0.5 million in compensation, with interest, to a further 13 former employees. Aspocomp has appealed the January 2009 decision to the next instance in France. The aforementioned compensations do not have a profit impact during the financial year.

The claims are related to the notice time salaries of the closed, heavily loss-making Evreux plant. The closure took place in 2002.

There is a risk that the remaining approximately 100 employees may also institute proceedings. Under legislation that came into effect in June 2008, the statute of limitations for filing a suit is five years after the law came into effect.

OUTLOOK FOR THE FUTURE

Aspocomp’s financial position is satisfactory. The lean cost structure and the outlook for operations in Oulu enable the continuity of the Group’s operations.

As operations focus on prototypes and quick-turn deliveries, it is very difficult to forecast full-year net sales. However, thanks to the improvement in demand, it is expected that net sales will grow and the operating result for 2010 will be in the black.

In addition to developing the continuing operations of the company, the Board of Directors is looking into various structural development solutions, including carrying out company reorganization in the future.

CORPORATE GOVERNANCE STATEMENT

Aspocomp has prepared a Corporate Governance Statement in line with Recommendation 51 of the Finnish Corporate Governance Code for listed companies, which was issued by the Securities Market Association. The CG Statement for 2009 is published separately from the Report of the Board of Directors on the company's Internet site at www.aspocomp.com/raportit. It will also be published as part of the company's Annual Report. The CG Statement is available in Finnish only.

PUBLICATION OF THE FINANCIAL STATEMENTS AND REPORT OF THE BOARD OF DIRECTORS

Aspocomp's financial statements and the Report of the Board of Directors for 2009 will be released in full with the Annual Report on Friday, March 19, 2010.

BOARD OF DIRECTORS' DIVIDEND PROPOSAL AND GENERAL MEETING

The Board of Directors will propose to the Annual General Meeting to be held on April 13, 2010, that no dividend be paid for the financial year January 1, 2009 – December 31, 2009.

TABLES AND ACCOUNTING POLICIES

In this bulletin, the Group's business operations are divided into continuing as well as divested and discontinued operations in line with IFRS. Continuing operations include Aspocomp Oulu Oy and the Group's parent company, Aspocomp Group Plc. These operations comprise a single business segment.

All figures are unaudited. Aspocomp's financial statements bulletin has been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting principles that were applied in the preparation of the financial statements of December 31, 2008 have been applied in the preparation of this report. However, as of January 1, 2009 the company has applied the following new or modified standards:

- IAS 1 Presentation of Financial Statements – amended
- IFRS 8 Operating Segments

The amendments to IAS 1 change the structure of the Profit & Loss and Changes in Equity statements. IFRS 8 does not impact on any of the financial information presented.

PROFIT & LOSS STATEMENT, JANUARY-DECEMBER	1-12/09	1-12/08

	1000 e	%	1000 e	%
NET SALES	13 161	100.0	20 682	100.0
Other operating income	238	1.8	1 616	7.8
Materials and services	-4 323	-32.8	-8 706	-42.1
Personnel expenses	-5 575	-42.4	-6 218	-30.1
Other operating costs	-4 026	-30.6	-5 145	-24.9
Depreciation and amortization	-1 145	-8.7	-1 686	-8.2
OPERATING PROFIT/LOSS	-1 670	-12.7	543	2.6
Financial income and expenses	-969	-7.4	-2 896	-14.0
PROFIT/LOSS ON CONTINUING OPERATIONS BEFORE TAX	-2 639	-20.1	-2 353	-11.4
Income taxes	136	1.0	-145	-0.7
Profit/loss on continuing operations	-2 503	-19.0	-2 498	-12.1
Profit/loss on discontinued operations	0	0.0	2 839	13.7
PROFIT/LOSS FOR THE PERIOD	-2 503	-19.0	341	1.7
Other comprehensive income				
Translation differences	10	0.1	176	0.8
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-2 493	-18.9	517	2.5
Profit/loss for the period attributable to:				
Minority interests	12	0.1	270	1.3
Equity shareholders	-2 515	-19.1	71	0.3
Total comprehensive income attributable to:				
Minority interests	12	0.1	270	1.3
Equity shareholders	-2 505	-19.0	247	1.2
Earnings per share from continuing operations				
Basic EPS		-0.05		-0.06
Diluted EPS		-0.05		-0.06
Earnings per share from discontinued operations				
Basic EPS		0.00		0.06
Diluted EPS		0.00		0.06

OCTOBER-DECEMBER		10-12/09		10-12/08
	1000 e	%	1000 e	%

NET SALES	4 249	100.0	4 370	100.0
Other operating income	62	1.5	57	1.3
Materials and services	-1 289	-30.3	-1 599	-36.6
Personnel expenses	-1 297	-30.5	-954	-21.8
Other operating costs	-1 041	-24.5	-1 380	-31.6
Depreciation and amortization	-301	-7.1	-406	-9.3
OPERATING PROFIT/LOSS	382	9.0	87	2.0
Financial income and expenses	-296	-7.0	-1 708	-39.1
PROFIT/LOSS ON CONTINUING OPERATIONS BEFORE TAX	86	2.0	-1 621	-37.1
Income taxes	-5	-0.1	-2	0.0
Profit/loss on continuing operations	80	1.9	-1 623	-37.1
Profit/loss on discontinued operations	0	0.0	3 930	89.9
PROFIT/LOSS FOR THE PERIOD	80	1.9	2 307	52.8
Other comprehensive income				
Translation differences	0	0.0	-650	-14.9
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	80	1.9	1 657	37.9
Profit/loss for the period attributable to:				
Minority interests	67	1.6	51	1.2
Equity shareholders	13	0.3	2 256	51.6
Total comprehensive income attributable to:				
Minority interests	67	1.6	51	1.2
Equity shareholders	13	0.3	1 606	36.8

CONSOLIDATED BALANCE SHEET	12/09 1000 e	12/08 1000 e	Change, %
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	3 000	3 037	-1.2
Tangible assets	3 066	3 462	-11.4
Available for sale investments	44	44	0.0
Other non-current receivables	16 217	15 831	2.4
TOTAL NON-CURRENT ASSETS	22 327	22 374	-0.2
CURRENT ASSETS			
Inventories	1 963	2 089	-6.0

Short-term receivables	4 058	6 034	-32.7
Cash and bank deposits	3 038	4 255	-28.6
TOTAL CURRENT ASSETS	9 059	12 378	-26.8
TOTAL ASSETS	31 386	34 752	-9.7
SHAREHOLDERS’ EQUITY AND LIABILITIES			
Share capital	20 082	20 082	0.0
Share premium	27 918	27 918	0.0
Treasury shares	-758	-758	0.0
Special reserve	45 989	45 989	0.0
Reserve for invested non-restricted equity	23 885	23 885	0.0
Retained earnings	-114 678	-112 173	2.2
Equity attributable to shareholders	2 438	4 943	-50.7
Minority interest	706	694	1.7
TOTAL EQUITY	3 143	5 637	-44.2
Long-term financing loans	21 878	22 480	-2.7
Provisions	319	311	2.6
Short-term financing loans	242	367	-34.2
Trade and other payables	5 804	5 957	-2.6
TOTAL LIABILITIES	28 243	29 115	-3.0
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES	31 386	34 752	-9.7

CONSOLIDATED CHANGES IN EQUITY, JANUARY-DECEMBER

1000 e

	Equity attributable to the shareholders of the parent company								
	Share capital	Share premium	Other reserve	Own shares	Translation differences	Retained earnings	Total	Minority interests	Total equity
Balance at 1.1.09	20 082	27 918	69 874	-758	-19	-112 154	4 943	694	5 637
Comprehensive income for the period					10	-2 515	-2 505	12	-2 494
Balance at 31.12.09	20 082	27 918	69 874	-758	-9	-114 669	2 438	706	3 143

	Equity attributable to the shareholders of the parent company								
	Share capital	Share premium	Other reserve	Own shares	Translation diffe	Retained earnings	Total	Minority interest	Total equity

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Balance at 1.1.08	20 082	27 918	69 874	-758	-1 379	-111 041	4 696	742	5 438
Correction of error in previous financial periods					1 185	-1 185	0		0
Adjusted equity 1.1.08	20 082	27 918	69 874	-758	-195	-112 226	4 696	742	5 438
Comprehensive income for the period					176	71	247	270	517
Minority interest								-317	-317
Balance at 31.12.08	20 082	27 918	69 874	-758	-19	-112 154	4 943	694	5 637

CONSOLIDATED CASH FLOW STATEMENT, JANUARY-DECEMBER

1000 e	1-12/09	1-12/08
Profit for the period	-2 503	341
Adjustments	1 999	-533
Change in working capital	1 404	-1 522
Received interest income and dividends	17	302
Paid interest expenses	-37	-761
Paid taxes	-3	-2
Operational cash flow	877	-2 175
Investments	-819	-1 443
Proceeds from sale of property, plant and equipment	99	8 420
Cash flow from investments	-720	6 977
Decrease in financing	-1 375	-8 919
Increase in financing	0	0
Cash flow from financing	-1 375	-8 919
Change in cash and cash equivalents	-1 217	-4 118
Cash and cash equivalents at the beginning of period	4 255	8 373
Currency exchange differences	0	0
Cash and cash equivalents at the end of period	3 038	4 255

Reference figures include divested and discontinued operations.

KEY FINANCIAL INDICATORS	12/09	12/08

Equity per share, EUR	0.05	0.10
Equity ratio, %	10.0	16.1
Gearing, %	607.1	329.8

Earnings per share (EPS) from continuing operations		
Basic and diluted EPS, EUR	-0.05	-0.06
Earnings per share (EPS) from discontinued operations		
Basic and diluted EPS, EUR	0.00	0.06

CONTINGENT LIABILITIES

1000 e	12/09	12/08
Mortgages given for security for liabilities	15 400	15 400
Operating lease liabilities	8	100
Other liabilities	100	100
Total	15 508	15 600

FORMULAS FOR CALCULATION OF KEY FIGURES

Equity/share, EUR = $\dfrac{\text{Equity attributable to shareholders}}{\text{Number of shares at the end of period}}$

Equity ratio, % = $\dfrac{\text{Total equity}}{\text{Balance sheet total - advances received}} \times 100$

Gearing, % = $\dfrac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$

Earnings per share (EPS), EUR = $\dfrac{\text{Profit attributable to equity shareholders}}{\text{Adjusted weighted average number of shares outstanding}}$

All figures are unaudited.

Espoo, February 26, 2010

Aspocomp Group Plc.
Board of Directors

For further information, please contact Sami Holopainen, CEO, tel. +358 400 487 180.

www.aspocomp.com

Some statements in this stock exchange release are forecasts and actual results may differ materially from those stated. Statements in this stock exchange release relating to matters that are not historical facts are forecasts. All forecasts involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performances or achievements of the Aspocomp Group to be materially different from any future results, performances or achievements expressed or implied by such forecasts. Such factors include general economic and business conditions, fluctuations in currency exchange rates, increases and changes in PCB industry capacity and competition, and the ability of the company to implement its investment program.