

Aspocomp Group Plc, Interim Report, October 29, 2019 at 9:00 a.m.

The third-quarter net sales were at the previous year's level. The order book rose by 60%.

#### Key figures 7-9/2019 in brief

	7-9/2019	7-9/2018	Change *
Net sales	6.7 M€	6.7 M€	-1 %
EBITDA	0.8 M€	0.9 M€	-9 %
Operating result	0.5 M€	0.6 M€	-22 %
<i>% of net sales</i>	6.7 %	8.5 %	-2 ppts
Earnings per share	0.07 €	0.08 €	-13 %
Operative cash flow	2.2 M€	1.7 M€	33 %
Equity ratio	63.4 %	60.3 %	3 ppts

#### Key figures 1-9/2019 in brief

	1-9/2019	1-9/2018	Change *
Net sales	23.0 M€	20.6 M€	12 %
EBITDA	3.7 M€	2.5 M€	48 %
Operating result	2.7 M€	1.6 M€	66 %
<i>% of net sales</i>	11.9 %	8.0 %	4 ppts
Earnings per share	0.40 €	0.23 €	74 %
Operative cash flow	4.9 M€	2.4 M€	106 %
Equity ratio	63.4 %	60.3 %	3 ppts
Order book at the end of period	4.9 M€	3.1 M€	60 %

\* The total may deviate from the sum totals due to rounding up and down.

#### OUTLOOK FOR THE FUTURE

The company's full-year guidance remains unchanged. In 2019, net sales are expected to grow approximately 10 percent compared with 2018 and the operating result to be better than in 2018. In 2018, net sales amounted to EUR 29.1 million and the operating result to EUR 2.9 million.

#### CEO'S REVIEW

“Sales remained stable despite uncertain market conditions. Demand in the third quarter of the year is typically weaker because customers engage in less product development during the summer in all customer segments. As in the previous year, demand swung to very strong growth towards the end of September and the order book strengthened significantly from the comparison period.

Third-quarter net sales amounted to EUR 6.7 million, unchanged from the corresponding period of the previous year. Net sales for the first three quarters increased by 12 percent compared to last year's reference period, amounting to EUR 23.0 million.

Third-quarter operating result was EUR 0.5 million, approximately 7 percent of net sales. Profitability for the quarter was weakened by the significant decline in the share of sales generated by R&D series compared to volume supply products. At the same time, the availability of certain materials used in PCB manufacturing decreased and delivery times were prolonged, leading to a drop in deliveries of high value-added products. Materials availability and security of supply improved only towards the end of the quarter.

Operating profit for the first three quarters of the year increased by 66 percent compared to last year's reference period, amounting to EUR 2.7 million and representing 12 percent of net sales. Cash flow from operating activities was EUR 4.9 million during the first three quarters, more than double compared to the previous year.

The order book was at the record high of EUR 4.9 million at the end of the third quarter, a year-on-year increase of 60 percent. The stronger order book will boost business during the rest of the year."

## **NET SALES AND EARNINGS**

### **July-September 2019**

Third-quarter net sales amounted to EUR 6.7 (6.7) million, a year-on-year decrease of 1 percent. Net sales decreased by 1 percent compared to last year's reference period due to the slowdown in R&D projects in all customer segments during the summer.

The five largest customers accounted for 54 (54) percent of net sales. In geographical terms, 98 (98) percent of net sales were generated in Europe, 1 (1) percent in Asia and 1 (1) percent in North America.

The operating result for the third quarter amounted to EUR 0.5 (0.6) million. Third-quarter operating result was 6.7 (8.5) percent of net sales. The major factors behind the decline in profitability were the significant decrease in the relative share of sales generated by R&D series compared to volume supply products as well as the decreased availability of certain materials used in PCB manufacturing and prolonged delivery times, both of which lead to a drop in deliveries of high value-added products.

Net financial expenses amounted to EUR 0.0 (0.0) million. Earnings per share were EUR 0.07 (0.08).

The order book grew by 60 percent compared to the last year's reference period. The order book at the end of the review period was EUR 4.9 (3.1) million, representing a year-on-year increase of EUR 1.8 million.

### **January-September 2019**

Net sales amounted to EUR 23.0 (20.6) million, a year-on-year increase of 12 percent.

The five largest customers accounted for 59 (52) percent of net sales. In geographical terms, 98 (97) percent of net sales were generated in Europe, 1 (1) percent in Asia and 1 (2) percent in North

America.

Operating result amounted to EUR 2.7 (1.6) million, a year-on-year increase of 66 percent. The positive development of the operating result was mainly due to growth in production and sales volume as well as the focus on more demanding PCBs in the product mix.

Net financial expenses amounted to EUR 0.1 (0.1) million. Earnings per share were EUR 0.40 (0.23).

## THE GROUP'S KEY FIGURES

	7-9/19	7-9/18	Change	1-9/19	1-9/18	Change
Net sales, M€	6.7	6.7	-1 %	23.0	20.6	12 %
EBITDA, M€	0.8	0.9	-9 %	3.7	2.5	48 %
Operating result, M€	0.5	0.6	-22 %	2.7	1.6	66 %
% of net sales	7%	9%	-2 <i>ppts</i>	12%	8%	4 <i>ppts</i>
Pre-tax profit/loss, M€	0.5	0.5	-16 %	2.7	1.6	71 %
% of net sales	7%	8%	-1 <i>ppts</i>	12%	8%	4 <i>ppts</i>
Profit/loss for the period, M€	0.5	0.5	-16 %	2.7	1.6	71 %
% of net sales	7%	8%	-1 <i>ppts</i>	12%	8%	4 <i>ppts</i>
Earnings per share, €	0.07	0.08	-13 %	0.40	0.23	74 %
Investments, M€	0.5	0.6	-20 %	2.2	2.6	-17 %
% of net sales	8%	10%	-2 <i>ppts</i>	9%	13%	-3 <i>ppts</i>
Cash, end of the period	3.5	2.5	97 %	3.5	2.5	97 %
Equity / share, €	2.50	1.98	52 %	2.50	1.98	52 %
Equity ratio, %	63%	60%	3 <i>ppts</i>	63%	60%	3 <i>ppts</i>
Gearing, %	6%	14%	-7 <i>ppts</i>	6%	14%	-7 <i>ppts</i>
Personnel, end of the period	130	120	10 persons	130	120	10 persons

\* The total may deviate from the sum totals due to rounding up and down.

## INVESTMENTS

Investments during the review period amounted to EUR 2.2 (2.6) million. The investments were mainly focused on improving the capabilities of the Oulu plant. The EUR 10 million investment program to enhance the capabilities of the Oulu plant and increase its capacity, announced in December 2017, is proceeding on schedule. The investment program focuses in the first stage on enhancing the capabilities of the plant and in the second stage on increasing capacity. Most of the first stage equipment has already been ordered and installation will be completed by the end of the year. With the investment program, the company will be able to respond better to the rise in demand generated by global digitalization and thereby bolster its position as a partner to the world's leading technology and semiconductor companies.

## CASH FLOW AND FINANCING

Cash flow from operations amounted to EUR 4.9 (2.4) million. Cash flow increased due to improved

operating result and decreased trade receivables.

Cash assets grew and amounted to EUR 3.5 (2.5) million at the end of the period. Interest-bearing liabilities amounted to EUR 4.6 (4.4) million. Gearing was 6 (14) percent. Non-interest-bearing liabilities amounted to EUR 5.1 (4.3) million.

At the end of the period, the Group's equity ratio amounted to 63.4 (60.3) percent.

The company has a EUR 1.0 (1.0) million credit facility, which was not in use at the end of the review period. In addition, the company has a recourse factoring agreement, of which EUR 0.0 (0.0) million was in use.

## PERSONNEL

During the review period, the company had an average of 122 (116) employees. The personnel count on September 30, 2019 was 130 (120). Of them, 78 (76) were blue-collar and 52 (44) white-collar employees.

## ANNUAL GENERAL MEETING 2019, THE BOARD OF DIRECTORS AND AUTHORIZATIONS GIVEN TO THE BOARD

The decisions of the Annual General Meeting, the authorizations given to the Board of Directors by the AGM and the decisions relating to the organization of the Board of Directors have been published in separate stock exchange releases on April 3, 2019.

## SHARES

The total number of Aspocomp's shares at September 30, 2019 was 6,704,505 and the share capital stood at EUR 1,000,000. The company did not hold any treasury shares. Each share is of the same share series and entitles its holder to one vote at a General Meeting and to have an identical dividend right.

		Number of shares
Jan. 1, 2019		6,666,505
May 3, 2019	Directed share issue	38,000
<b>Sept. 30, 2019</b>		<b>6,704,505</b>

The Board of Directors of Aspocomp Group Plc decided on April 3, 2019 on a directed share issue without payment based on Aspocomp's Share Reward Plan 2016-2019 for the performance period 2018. According to the terms and conditions of the Share Reward Plan 2016-2019 and after deduction of the cash payment portions of the remunerations meant for taxes and tax-like contributions, the persons included in the 2018 share-based incentive scheme received altogether 38,000 new shares in the company through a directed share issue without payment. The new shares were registered in the Trade Register on May 3, 2019. After the registration of the new shares, the total number of Aspocomp Group Plc's shares has increased to 6,704,505.

A total of 1,355,703 Aspocomp Group Plc. shares were traded on Nasdaq Helsinki during the period

from January 1 to September 30, 2019. The aggregate value of the shares exchanged was EUR 6,581,047. The shares traded at a low of EUR 3.71 and a high of EUR 6.28. The average share price was EUR 4.85. The closing price at September 30, 2019 was EUR 5.90, which translates into market capitalization of EUR 39.5 million.

The company had 3,335 shareholders at the end of the review period. Nominee-registered shares accounted for 3.3 percent of the total shares.

## **OUTLOOK FOR THE FUTURE**

The company's full-year guidance remains unchanged. In 2019, net sales are expected to grow approximately 10 percent compared with 2018 and the operating result to be better than in 2018. In 2018, net sales amounted to EUR 29.1 million and the operating result to EUR 2.9 million.

The cornerstones of Aspocomp's growth include, for instance, next-generation 5G telecommunications and government networks, the e-revolution in the automotive industry, the development of testing requirements for semiconductor components as well as the spread of artificial intelligence and mechanical applications in the industry.

The ongoing trade war and global economic uncertainty make it difficult to forecast customer demand for the rest of the year. Forecasts are made for a shorter timeframe and estimates vary more widely than before.

A major share of Aspocomp's net sales is generated by quick-turn deliveries and R&D series, and thus the company's order book is short. The company's aim is to systematically expand its services to cover the PCB needs of customers over the entire life cycle and thereby balance out variations in demand and the order book.

## **ASSESSMENT OF SHORT-TERM BUSINESS RISKS**

### **Dependence on key customers**

Aspocomp's customer base is concentrated; around half of sales are generated by a small number of key customers. This exposes the company to significant fluctuations in demand.

### **Market trends**

Although Aspocomp is a marginal player in the global electronics market, changes in global PCB demand also have an impact on the company's business. Competition for quick-turn deliveries and short production series accelerated as the market for PCBs weakened, and continues to have a negative impact on both total demand and market prices.

Aspocomp's main market area comprises Northern and Central Europe. In case Aspocomp's clients would transfer their R&D and manufacturing out of Europe, demand for Aspocomp's offerings might weaken significantly.

### **Availability of production materials**

In the electronics supply chain, the availability of materials and delivery times vary, according to demand, for instance. Although stock availability, pre-orders, or merchant stock are used to anticipate changes in material availability, temporary impairment of material availability may cause

delays or decreases in PCB deliveries. These impacts may be felt particularly in quick-turn deliveries.

## **PUBLICATION OF FINANCIAL RELEASES**

On April 30, 2019 Aspocomp changed the disclosure procedure for its financial releases and will from now on publish its Interim Reports, Half-Yearly Reports and Financial Statements as complete and unmodified stock exchange releases. This stock exchange release is Aspocomp Group's complete Interim Report January-September 2019. Aspocomp will follow this disclosure procedure in the publication of all future financial reports, except for the Annual Report (containing the Financial Statements and the report of the Board of Directors).

### **Aspocomp Group Plc.'s financial information publication schedule for 2020 is:**

Financial Statements for 2019: Tuesday, March 10, 2020

Interim report January-March 2020: Tuesday, May 5, 2020

Half-year report for January-June 2020: Wednesday, August 12, 2020

Interim report January-September 2020: Wednesday, November 4, 2020

The interim report will be published at around 9:00 a.m. (EET) on the given date.

Aspocomp's silent period commences 30 days prior to the publication of its financial information.

*Espoo, October 29, 2019*

ASPOCOMP GROUP PLC  
Board of Directors

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.

## **ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICES**

The reported operations include the Group's parent company, Aspocomp Group Plc. The figures presented for the review period have not been audited. This interim report has been prepared in accordance with IAS 34, following the same accounting principles as in the annual financial statements for 2018; however, the company complies with the standards and amendments that came into effect as from January 1, 2019.

## R&D

R&D costs comprise general production development costs. These costs do not fulfill the IAS 38 definition of either development or research and are therefore booked into plant overheads.

## IFRS 16 Leases (application from January 1, 2019)

The new standard replaces IAS 17 and its interpretations. Above all, IFRS 16 provides guidance for the lessee and defines principles for the accounting treatment of a rental agreement as an asset and a liability (lease obligation). In the income statement, the cost of rental agreements will be presented as depreciations and financing expenses instead of rental expenses.

The application of the standard is carried out with a simplified approach and therefore the company does not adjust its comparative information for the previous financial year. Lease liability is determined based on the present value of the remaining lease payments using the rate of interest of additional credit at the time of application. The standard contains two exemptions regarding short-term (less than 12 months) or low-value leases, both of which will also be applied in the Group's reporting.

Right-of-use assets recognized by the Group consist of leasing cars, rented offices and land lease. The right-of-use assets recognized by the Group amount to approximately EUR 0.2 million and the impacts arising from implementation of the standard are thus not considered to have a material impact on the Group's key figures. In the balance sheet, the lease liability is presented as long-term and short-term interest-bearing liabilities.

PROFIT & LOSS STATEMENT	July-September 2019					
	1 000 €	7-9/2019	7-9/2018	Change		
Net sales	6,689	100%	6,746	100%	-1%	
Other operating income	5	0%	1	0%	490%	
Materials and services	-3,406	-51%	-3,079	-46%	11%	
Personnel expenses	-1,412	-21%	-1,755	-26%	-20%	
Other operating costs	-1,099	-16%	-1,060	-16%	4%	
Depreciation and amortization	-327	-5%	-277	-4%	18%	
<b>Operating result</b>	<b>450</b>	<b>7%</b>	<b>576</b>	<b>9%</b>	<b>-22%</b>	
Financial income and expenses	1	0%	-37	-1%		
<b>Profit/loss before tax</b>	<b>451</b>	<b>7%</b>	<b>539</b>	<b>8%</b>	<b>-16%</b>	
Income taxes	0	0%	-1	0%		
<b>Profit/loss for the period</b>	<b>451</b>	<b>7%</b>	<b>538</b>	<b>8%</b>	<b>-16%</b>	
<i>Other comprehensive income</i>						
Items that will not be reclassified to profit or loss	0	0%	0	0%		
Items that may be reclassified subsequently to profit or loss:						

Remeasurements of employee benefits	0	0%	0	0%
Currency translation differences	-1	0%	2	0%
Total other comprehensive income	-1	0%	2	0%
<b>Total comprehensive income</b>	<b>450</b>	<b>7%</b>	<b>539</b>	<b>8%</b>

#### Earnings per share (EPS)

Basic EPS	0.07 €		0.08 €	-13%
Diluted EPS	0.07 €		0.08 €	-13%

#### PROFIT & LOSS STATEMENT January-September 2019

	1 000 €	1-9/2019	1-9/2018	Change	1-12/2018
<b>Net sales</b>	<b>23,020</b>	<b>100%</b>	<b>20,588</b>	<b>100%</b>	<b>12%</b>
Other operating income	71	0%	19	0%	278%
Materials and services	-10,394	-45%	-9,453	-46%	10%
Personnel expenses	-5,507	-24%	-5,559	-27%	-1%
Other operating costs	-3,536	-15%	-3,129	-15%	13%
Depreciation and amortization	-921	-4%	-820	-4%	12%
<b>Operating result</b>	<b>2,733</b>	<b>12%</b>	<b>1,645</b>	<b>8%</b>	<b>66%</b>
Financial income and expenses	-68	0%	-84	0%	-19%
<b>Profit/loss before tax</b>	<b>2,665</b>	<b>12%</b>	<b>1,561</b>	<b>8%</b>	<b>71%</b>
Income taxes	-3	0%	-2	0%	
<b>Profit/loss for the period</b>	<b>2,662</b>	<b>12%</b>	<b>1,559</b>	<b>8%</b>	<b>71%</b>

#### Other comprehensive income

Items that will not be reclassified to profit or loss	0	0%	0	0%	0	0%
Items that may be reclassified subsequently to profit or loss:						
Remeasurements of employee benefits	0	0%	0	0%	-13	0%
Currency translation differences	-2	0%	1	0%	-	0%
Total other comprehensive income	-2	0%	1	0%	-	0%
<b>Total comprehensive income</b>	<b>2,660</b>	<b>12%</b>	<b>1,560</b>	<b>8%</b>	<b>71%</b>	<b>11%</b>

#### Earnings per share (EPS)

Basic EPS	0.40 €		0.23 €	74%
Diluted EPS	0.40 €		0.23 €	74%



## CONSOLIDATED BALANCE SHEET

	1 000 €	9/2019	9/2018	Change	12/2018
<b>Assets</b>					
<b>Non-current assets</b>					
Intangible assets		3,243	3,281	-1%	3,281
Tangible assets		5,972	4,095	46%	4,941
Available for sale investments		15	15	0%	15
Deferred income tax assets		3,985	3,501	14%	3,985
<b>Total non-current assets</b>		<b>13,216</b>	<b>10,892</b>	<b>21%</b>	<b>12,222</b>
<b>Current assets</b>					
Inventories		2,641	2,521	5%	2,332
Short-term receivables		7,069	5,936	19%	8,714
Cash and bank deposits		3,519	2,546	38%	2,565
<b>Total current assets</b>		<b>13,229</b>	<b>11,002</b>	<b>20%</b>	<b>13,611</b>
<b>Total assets</b>		<b>26,444</b>	<b>21,894</b>	<b>21%</b>	<b>25,833</b>
<b>Equity and liabilities</b>					
Share capital		1,000	1,000	0%	1,000
Reserve for invested non-restricted equity		4,523	4,482	1%	4,504
Remeasurements of employee benefits		-53	-41		-53
Retained earnings		11,297	7,752	46%	9,436
<b>Total equity</b>		<b>16,766</b>	<b>13,193</b>	<b>27%</b>	<b>14,888</b>
Long-term financing loans		3,319	3,527	-6%	4,266
Other non-current liabilities		412	405	2%	424
Deferred income tax liabilities		21	21	0%	21
Short-term financing loans		1,249	832	50%	1,170
Trade and other payables		4,678	3,916	19%	5,064
<b>Total liabilities</b>		<b>9,678</b>	<b>8,701</b>	<b>11%</b>	<b>10,946</b>
<b>Total equity and liabilities</b>		<b>26,444</b>	<b>21,894</b>	<b>21%</b>	<b>25,833</b>

## CONSOLIDATED CHANGES IN EQUITY

January-September 2019

	Share capital	Other reserve	Remeasurements of employee benefits	Translation differences	Retained earnings	Total equity
1000 €						

<b>Balance at Jan. 1, 2019</b>	<b>1,000</b>	<b>4,504</b>	<b>-53</b>	<b>4</b>	<b>9,432</b>	<b>14,888</b>
<b>Comprehensive income</b>						
Comprehensive income for the period					2,662	2,662
<i>Other comprehensive income for the period, net of tax</i>						
Translation differences				-2		-2
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>2,662</b>	<b>2,660</b>
<b>Business transactions with owners</b>						
Dividends paid					-800	-800
Share-based payment		18				18
<b>Business transactions with owners, total</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>-800</b>	<b>-782</b>
<b>Balance at September 30, 2019</b>	<b>1,000</b>	<b>4,523</b>	<b>-53</b>	<b>2</b>	<b>11,294</b>	<b>16,766</b>

#### January-September 2018

<b>Balance at Jan. 1, 2018</b>	<b>1,000</b>	<b>4,478</b>	<b>-41</b>	<b>4</b>	<b>6,655</b>	<b>12,096</b>
<b>Comprehensive income</b>						
Comprehensive income for the period					1,559	1,559
<i>Other comprehensive income for the period, net of tax</i>						
Translation differences			0	1		1
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1,559</b>	<b>1,560</b>
<b>Business transactions with owners</b>						
Dividends paid					-467	-467
Share-based payment		4			0	4
<b>Business transactions with owners, total</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>-467</b>	<b>-463</b>
<b>Balance at September 30, 2018</b>	<b>1,000</b>	<b>4,482</b>	<b>-41</b>	<b>5</b>	<b>7,748</b>	<b>13,193</b>

#### CONSOLIDATED CASH FLOW STATEMENT

#### January-September

	1 000 €	1-9/2019	1-9/2018	1-12/2018
<b>Profit for the period</b>		<b>2,662</b>	<b>1,559</b>	<b>3,244</b>
Adjustments		902	914	729
Change in working capital		1,400	5	-1,794
Received interest income		0	0	0
Paid interest expenses		-48	-92	-138
Paid taxes		-3	-2	-3

<b>Cash flow from operating activities</b>	<b>4,913</b>	<b>2,385</b>	<b>2,039</b>
Investments	-2,179	-2,618	-3,357
Proceeds from sale of property, plant and equipment	66	8	34
<b>Cash flow from investing activities</b>	<b>-2,113</b>	<b>-2,610</b>	<b>-3,323</b>
Increase in financing	0	3,321	4,556
Decrease in financing	-1,045	-468	-625
Dividends paid	-800	-467	-467
<b>Cash flow from financing activities</b>	<b>-1,845</b>	<b>2,387</b>	<b>3,465</b>
Change in cash and cash equivalents	954	2,162	2,181
Cash and cash equivalents at the beginning of period	2,565	384	384
<b>Cash and cash equivalents at the end of period</b>	<b>3,519</b>	<b>2,546</b>	<b>2,565</b>

## KEY INDICATORS

	Q3/2019	Q2/2019	Q1/2019	Q4/2018	Q3/2018
Net sales, M€	6.7	8.7	7.6	8.5	6.7
Operating result before depreciation (EBITDA), M€	0.8	1.7	1.1	1.5	0.9
Operating result (EBIT), M€	0.5	1.4	0.9	1.2	0.6
<i>of net sales, %</i>	7%	16%	11%	15%	9%
Profit/loss before taxes, M€	0.5	1.4	0.8	1.2	0.5
<i>of net sales, %</i>	7%	16%	11%	14%	8%
Net profit/loss for the period, M€	0.5	0.8	0.8	1.7	0.5
<i>of net sales, %</i>	7%	10%	11%	20%	8%
Equity ratio, %	63%	60%	59%	58%	60%
Gearing, %	6%	17%	12%	19%	14%
Gross investments in fixed assets, M€	0.5	0.7	1.0	0.7	0.6
<i>of net sales, %</i>	8%	8%	13%	9%	10%
Personnel, end of the quarter	130	124	118	117	120
Earnings/share (EPS), €	0.07	0.20	0.13	0.25	0.08
Equity/share, €	2.50	2.43	2.36	2.23	1.98

## The Alternative Performance Measures (APM) used by the Group

Aspocomp presents in its financial reporting alternative performance measures, which describe the businesses' financial performance and its development as well as investments and return on equity. In addition to accounting measures which are defined or specified in IFRS, alternative performance measures complement and explain presented information. Aspocomp presents in its financial reporting the following alternative performance measures:

EBITDA = Earnings before interests, taxes, depreciations and amortizations

*EBITDA indicates the result of operations before depreciations, financial items and income taxes. It is an important key figure, as it shows the profit margin on net sales after operating expenses are deducted.*

Operating result	=	Earnings before income taxes and financial income and expenses presented in the IFRS consolidated income statement.
		<i>The operating result indicates the financial profitability of operations and their development.</i>
Profit/loss before taxes	=	The result before income taxes presented in the IFRS consolidated statements.
Equity ratio, %	=	$\frac{\text{Equity}}{\text{Total assets - advances received}} \times 100$
Gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$
		<i>Gearing indicates the ratio of capital invested in the company by shareholders and interest-bearing debt to financiers. A high gearing ratio is a risk factor that may limit a company's growth opportunities and financial latitude.</i>
Gross investments	=	Acquisitions of long-term intangible and tangible assets (gross amount).
Order book	=	Undelivered customer orders at the end of the financial period.
Cash flow from operating activities	=	Profit for the period + non-cash transactions +- other adjustments +- change in working capital + received interest income - paid interest expenses - paid taxes

## CONTINGENT LIABILITIES

	1 000 €	9/2019	9/2018	12/2018
Business mortgage		4,000	4,000	4,000
Operating lease liabilities		60	44	330
Other liabilities		1,235	1,234	1,235
<b>Total</b>		<b>5,295</b>	<b>5,278</b>	<b>5,565</b>

All figures are unaudited.

### Further information

For further information, please contact Mikko Montonen, President and CEO, tel. +358 40 5011 262, mikko.montonen(at)aspocomp.com.

## **Aspocomp - a service company specializing in PCB technologies**

A printed circuit board (PCB) is used for electrical interconnection and as a component assembly platform in electronic devices. Aspocomp provides PCB technology design, testing and logistics services over the entire lifecycle of a product. The company's own production and extensive international partner network guarantee cost-effectiveness and reliable deliveries.

Aspocomp's customers are companies that design and manufacture telecommunication systems and equipment, automotive and industrial electronics, and systems for testing semiconductor components for security technology. The company has customers around the world and most of its net sales are generated by exports.

Aspocomp is headquartered in Espoo and its plant is in Oulu, one of Finland's major technology hubs.

**[www.aspocomp.com](http://www.aspocomp.com)**