

ASPOCOMP GROUP OYJ STOCK EXCHANGE RELEASE May 10, 2004 at 8:00 AM 1(11)

ASPOCOMP GROUP INTERIM REPORT 1.1.2004 - 31.3.2004

ASPOCOMP SIGNIFICANTLY IMPROVED ITS NET SALES AND PROFITS

During the first quarter of 2004, Aspocomp increased its net sales by 16% to EUR 47.6 million, thanks to the strong increase in volume, while the earnings per share increased to EUR 0.17 (-0.04).

Highlights first quarter 2004 (all comparisons are year on year to first quarter 2003 results):

- Net sales increased to EUR 47.6 million (41.1). Most of the increase in net sales was contributed by the Chinese subsidiary ACP Electronics, but the Finnish PCB factories and the Mechanics and Modules business segment also started the year well.
- Operating profit increased to EUR 2.7 million (-1.7), representing 5.6% of net sales (-4.1%). Profitability was in particular improved by increased volume, better efficiency and the increased share of high-tech PCBs (printed circuit boards) in Aspocomp's product portfolio.
- The profit before tax increased to EUR 2.3 million (-2.2), and earnings per share increased to EUR 0.17 (-0.04).
- Cash flow from operations totalled EUR 4.6 million (2.9).
- Investments increased to EUR 2.4 million (1.4). The most significant investment was starting the extension of the production line for High Density Interconnection PCBs at the ACP Electronics subsidiary.

Prospects:

- The net sales and earnings in April-June are expected to remain at the same level as in the first quarter. The net sales, operating profit and earnings per share for the whole year are expected to be significantly better than in the previous year.

MAIJA-LIISA FRIMAN, PRESIDENT AND CEO OF ASPOCOMP:

"During the first quarter, the business of Aspocomp developed favourably: sales increased significantly, and internal efficiency in the Group improved. Net sales increased by 16% compared with the

same period in the previous year, and the results were clearly in the profit.

Our key objectives for 2004 include the expansion of our customer base and intensifying the co-operation with our current customers as well as improvement in internal efficiency. The investments made in our subsidiary in China improve particularly our position in high-tech HDI printed circuit boards.

Our methods of operation include close co-operation with customers in product development and design, a quick development path from R&D to serial production and further to cost-effective large series. The well-focussed technology development of Aspocomp also provides our customers with opportunities to improve the features of their new products as pioneers. The total benefits for our customers are based on the combination of this method of operation, the product range and technological development. The combination gives Aspocomp a significant competitive edge over nearly all other PCB manufacturers."

NET SALES AND PROFIT, JANUARY-MARCH 2004 (comparison figures are for Q1 2003)

During the first quarter, the net sales of the Aspocomp Group increased to EUR 47.6 million (41.1). The increased sales in the PCB segment, resulted mainly from markedly increased volumes, and in the Mechanics and Modules segment due to several large deliveries in the first quarter. The changes in the USD-EUR exchange rate had a 6% negative effect on net sales.

During the first quarter, the net sales of the Aspocomp Group were divided by region as follows: Europe 67% (70%), Asia 17% (12%) and the Americas 16% (18%).

Roughly 70% of Group net sales were accrued by products used in mobile phones and telecom infrastructure and approximately 30% was made up by automotive, industrial and consumer electronics.

The Group's five largest customers, Nokia, Ericsson, Sanmina-SCI, Philips and Siemens, made up 61% of net sales (61%). Philips returned among the Group's five largest customers.

Operating profit before depreciation was 18.4% of net sales (13.1%), amounting to EUR 8.8 million (5.4). Operating profit was EUR 2.7 million (-1.7). The improved profitability was in particular

attributable to the considerably increased delivery volumes from PCB factories and the restructuring carried out in the Group during 2003. Profitability was also improved by better efficiency at ACP Electronics, and the increased share of high-tech PCBs in Aspocomp's product portfolio.

The net financing costs amounted to EUR 0.4 million (0.5), and profit before taxes was EUR 2.3 million (-2.2). The profit for the period after taxes and minority interests increased to EUR 1.7 million (-0.4), and earnings per share increased to EUR 0.17 (-0.04). The cash flow from operations totalled EUR 4.6 million (2.9).

Printed Circuit Boards

During the first quarter, the net sales of the PCB segment increased to EUR 36.4 million (32.0), thanks to the positive growth in volumes. The increased share of high-tech products resulted in improved profitability compared with the previous year.

The net sales figures for the previous year include the Teuva factory that was divested by Aspocomp in 2003. During the same period in 2003, the factory had net sales amounting to EUR 2.2 million. The comparable net sales of the factories in Finland (Salo and Oulu) increased by approximately one quarter, while the factories in Asia (China and Thailand) increased their net sales by 46%. The Asian factories' share of the PCB segment net sales increased to 45%.

During the first quarter, the net sales of the PCB segment were divided by region as follows: Europe 57% (61%), Asia 22% (16%) and the Americas 21% (23%).

The operating profit of the PCB segment was EUR 1.3 million (-2.7). The improvement in profitability was strongest at the subsidiary ACP Electronics.

Mechanics and Modules

The net sales of the Mechanics and Modules business segment during the first quarter increased by 23% to EUR 11.2 million (9.1). The increase in net sales was attributable to large deliveries being scheduled for the first quarter, as well as to the fact that the telecom network markets picked up.

The operating profit for the segment increased to EUR 1.4 million (1.0), mainly due to increased volumes.

FINANCING, INVESTMENTS and EQUITY RATIO

The Group's liquidity during the period under review was good. The Group's liquid assets totalled EUR 28.5 million (21.6). Interest-bearing net debt totalled EUR 23.3 million (38.0), including EUR 25.4 million (30.3) in financial leasing liabilities consolidated in the Group Balance Sheet. The gearing was 18.6% (28.7), while gearing without the consolidated financial leasing liabilities was -1.7% (5.9%). Non-interest-bearing debts amounted to EUR 35.6 million (27.3).

Investments totalled EUR 2.4 million (1.4), or 5.0% of net sales (3.4%). EUR 1.4 million of the investments were made in Asia and EUR 1.0 million in Europe. Net financial expenses as a percentage of net sales totalled 0.8% (1.3%).

The Group's equity ratio at the end of March was 58.9% (60.4%).

SHARES AND SHARE CAPITAL

On March 31, 2004, the total number of Aspocomp shares was 10,041,026 and the share capital was EUR 10,041,026. Of the total, 100,000 shares are held by the company itself. The number of shares adjusted for Aspocomp's own shareholding was 9,941,026. During the period, a total of 882,371 shares in Aspocomp Group Oyj were exchanged on the Helsinki Exchanges. The grand total of these transactions amounted to EUR 11,091,282.73. The lowest price paid for the shares was EUR 11.63, the highest was EUR 14.54, and the average was EUR 12.57. The closing price on March 31, 2004 was EUR 12.00, and the market capitalization of the company was EUR 119,292,312.00. Nominee registered shares represented 11.00% of share capital while 0.88% was held directly by foreign shareholders.

On April 2, 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 shares issue and/or taking 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 the similar authorizations granted on April 4, 2003.

PERSONNEL

The average number of employees in the Aspocomp Group during the period January 1 - March 31, 2004 was 3,277 (3,053). At the end of March 2004, there were 3,304 employees (3,041).

	Average number 2004 1.1.-31.3.	Average number 2003 1.1.-31.3.	Number 2004 31.3.	Number 2003 31.3.
Europe	963	1,154	966	1,053
Thailand	1,206	1,037	1,206	1,079
China	1,108	862	1,132	909
Total	3,277	3,053	3,304	3,041

MANAGEMENT

On February 2, 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 started in her new position on April 1, 2004.

The Annual General Meeting of Aspocomp Group Oyj held on April 2, 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 the Members are now elected for one year at a time.

On April 2, 2004, the Annual General Meeting of Aspocomp Group Oyj decided that the Board of Directors shall consist of six Members. 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. Authorized Public Accounting Firm PricewaterhouseCoopers Oy was appointed as the Auditor for the company.

In its meeting on April 2, 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 Nomination 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 Audit Committee.

On 2 April 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 May 10 - June 18, 2004, subject to the limitations of insider trading rules. The Board also decided not to convey the acquired shares before the Annual General Meeting of 2005.

IFRS IMPLEMENTATION

The Aspocomp Group will introduce IFRS reporting in the beginning of 2005. The Aspocomp Group has already been recording all financial leasing agreements as assets and liabilities since 1999. The fixed expenditure of finished product stores have been capitalized, and imputed tax liabilities and receivables have been recorded. The guidelines for recording the disability pension part of the Finnish statutory pension system renewed in March 2004. According to these new guidelines this part of the pension system should be recorded under IFRS as defined benefit pension plan. This means that a long term liability must be recorded for this part of the pension plan. The amount of the long term liability will be determined as soon as the actuary calculations will be finished. It is assumed that the adoption of the IFRS standards will not have any other significant effects on the Group equity.

PROSPECTS

The growth of mobile phone markets intensified significantly during the first quarter which increased the demand for Aspocomp PCBs, particularly towards the end of the quarter. The estimates given by research institutes and equipment manufacturers regarding the size of the total market in 2004 vary between 540 and 600 million (just over 470 million in 2003). The estimates regarding the growth of telecom network markets have been increased during recent months, and the growth is now estimated at close to 10%. The vehicle and industrial electronics manufacturing is expected to continue its steady growth of a few per cent annually.

The net sales of Aspocomp's PCB segment are expected to increase considerably in 2004. The net sales of the Mechanics and Modules segment are expected to show slower growth for the whole year than that experienced during the first quarter. Aspocomp's operating profit and earnings per share are expected to be significantly better than in the previous year.

The net sales and profits of Aspocomp for the second quarter are expected to be in line with those of the first quarter.

In 2004, gross investments are expected to amount to a little less than 10% of the Group's net sales.

PROFIT AND LOSS ACCOUNT

	1-3/04		1-3/03		1-12/03	
	MEUR	%	MEUR	%	MEUR	%
NET SALES	47.6	100.0	41.1	100.0	182.3	100.0
Other operating income	-0.2	-0.3	-0.1	-0.2	1.2	0.7
Depreciation and write-downs	6.1	12.8	7.1	17.3	29.7	16.3
OPERATING PROFIT/LOSS	2.7	5.6	-1.7	-4.1	-5.3	-2.9
Financial income and expenses	-0.4	-0.8	-0.5	-1.3	-1.3	-0.7
PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS AND TAXES	2.3	4.9	-2.2	-5.4	-6.6	-3.6
Extraordinary income	0.0	0.0	0.0	0.0	0.0	0.0
Extraordinary expenses	0.0	0.0	0.0	0.0	0.0	0.0
PROFIT/LOSS BEFORE TAXES	2.3	4.9	-2.2	-5.4	-6.6	-3.6
Taxes	-0.1	-0.1	1.1	2.8	3.5	1.9
Minority interests	-0.5	-1.1	0.7	1.7	2.2	1.2
PROFIT/LOSS FOR THE PERIOD	1.7	3.6	-0.4	-0.9	-0.9	-0.5
EARNINGS PER SHARE	0.17		-0.04		-0.09	

Accrued taxes for this interim period have been calculated in accordance with the corporate tax rate in force during the period under review and they include taxes brought forward from earlier periods.

BALANCE SHEET

	3/04	3/03	Change	12/03
	MEUR	MEUR	%	MEUR
Fixed Assets				

				8(11)
Intangible assets	3.9	5.8	-33.7	4.2
Tangible assets	103.3	124.0	-16.6	105.2
Investments	1.1	1.4	-21.8	1.7
Current Assets				
Stocks	23.9	21.3	12.3	20.8
Receivables	52.8	46.2	14.3	52.7
Investments	21.4	0.0		20.8
Cash and bank deposits	7.1	21.6	-67.4	8.9
TOTAL ASSETS	213.5	220.3	-3.1	214.2
Shareholders' equity				
Share capital	10.0	10.0	0	10.0
Other shareholder's equity	94.3	97.4	-3.1	92.1
Minority interest	21.8	25.9	-15.8	20.5
Mandatory reserves	2.1	2.0	3.9	1.7
Long-term liabilities	27.8	37.6	-25.9	28.7
Short-term liabilities	57.5	47.4	21.3	61.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	213.5	220.2	-3.1	214.2

CASH FLOW STATEMENT

	1-3/04 MEUR	1-3/03 MEUR	1-12/03 MEUR
Cash flow from operations	4.6	2.9	25.4
Cash flow from investments	-2.4	-1.3	-11.3
Cash flow before financial items	2.2	1.6	14.1
Decrease in long-term financing	-0.9	-0.1	-7.0
Decrease/increase in short-term financing	-2.4	0.3	5.0
Dividends paid	-	-	-3.0
Total financing	-3.3	0.2	-5.0
Decrease/increase in liquid assets	-1.1	1.8	9.0
Liquid assets at the end of the period	28.5	21.6	29.8

BUSINESS SEGMENTS

	1-3/04 MEUR	1-3/03 MEUR	1-12/03 MEUR
--	----------------	----------------	-----------------

Printed Circuit Boards

Net sales	36.4	32.0	9(11) 142.5
Printed Circuit Boards Operating profit	1.3	-2.7	-11.1
Mechanics and Modules Net sales	11.2	9.1	39.8
Mechanics and Modules Operating profit	1.4	1.0	5.8
KEY FINANCIAL INDICATORS			
	3/04	3/03	12/03
Return on Investment (ROI), %	3.7	-3.1	-5.2
Return on Equity, %	7.7	-3.2	-2.4
Equity/share, EUR	10.41	10.74	10.20
Equity ratio, %	58.9	60.4	57.1
Gearing, %	18.6	28.7	20.3
Gross investments, MEUR	2.4	1.4	13.8
Average number of personnel	3,277	3,053	3,330
CONTINGENT LIABILITIES			
	3/04 MEUR	12/03 MEUR	
Securities on Group liabilities	8.1	8.0	
Operational leasing liabilities	0.2	0.2	
Other liabilities	26.1	24.4	
TOTAL	34.4	32.6	
DERIVATIVE CONTRACTS			
	3/04 MEUR	12/03 MEUR	
Foreign Currency Forward Contracts			

			10(11)
Market Value	0.1	0.0	
Nominal Value	3.9	4.6	
Electricity Forward Contracts			
Market Value	0.0	0.0	
Nominal Value	0.4	0.7	

All figures are unaudited.

Vantaa, May 10, 2004

ASPOCOMP GROUP OYJ

Board of Directors

For further information, please contact CEO Maija Liisa Friman,
tel. +358 09 7597 0711.

ASPOCOMP GROUP OYJ

Maija-Liisa Friman
President and CEO

PRESS CONFERENCE

A press conference intended for investors, analysts and media representatives will be held on 10 May at 11:00 a.m. in the Paavo Nurmi conference hall of Hotel Kämp at Pohjoisesplanadi 29, Helsinki.

ASPOCOMP IN BRIEF

The Aspocomp Group serves the electronics industry by supplying high-tech electronic components and services such as PCBs (printed circuit boards), and PCB-related designs as well as mechanics and modules. Aspocomp's products are used in the electronics industry, mobile handsets, telecommunications infrastructure, automotive and other industrial applications. The Aspocomp Group's production facilities are located in Finland, China and Thailand. In 2003, the Group net sales were EUR 180 million approximately, and the Group

had some 3,300 employees. The parent company, Aspocomp Group Oyj, has been listed on the Helsinki Exchanges since 1999.

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 in PCB industry capacity and competition, and the ability of the company to implement its investment programme and to continue to expand its business outside the European market.

DISTRIBUTION:

The Helsinki Exchanges

Major Media

www.aspocomp.com