

ASPOCOMP GROUP OYJ STOCK EXCHANGE RELEASE Oct 30, 2003 8:00AM

ASPOCOMP GROUP INTERIM REPORT JANUARY 1 - SEPTEMBER 30, 2003

- Due to good volume growth the Q3 net sales grew by 15.4 % to EUR 48.6 million compared to the Q2 net sales, despite the pressures coming from the depreciation of the exchange rates and price level.
- Q3 profit before extraordinary items increased to EUR 0.4 million from the loss of EUR 1.9 million during Q2.
- Both the net sales and profit during the last quarter of the year 2003 are expected to continue growing. The result of the fiscal year 2003 before the non-recurring costs is expected to be slightly positive, but after the non-recurring costs negative. The financial status is expected to be stronger.
- General economic environment continued to be unstable during the Q3. The rapid depreciation of the US dollar compared to the Euro stabilized. The average currency rate of the US Dollar compared to the Euro during the third quarter was about 2 % above the second quarter level and about 10 % below the level of the third quarter previous year.
- The capacity utilization rate of the global printed wiring board (PWB) market was higher than during the Q2. At the same time more electronics manufacturing was moved to low labor cost countries in Asia, especially to China.

GROUP NET SALES AND PROFIT, JULY - SEPTEMBER 2003 (comparable figures, 7-9 / 2002)

Net sales totaled EUR 48.6 million for the third quarter compared with EUR 44.8 million during the corresponding period previous year. The negative impact of the depreciation of the US Dollar on the net sales was about EUR 2.5 million. Profit before depreciation totalled EUR 7.3 million (EUR 8.9 million). Operating profit for the period totalled EUR 0.7 million (EUR 1.6 million). Net financial expenses were EUR 0.3 million (EUR 0.7 million).

The profit before taxes was EUR 0.4 million (EUR 0.9 million). The net profit after taxes and minority interest for the period was EUR 1.4 million (EUR 3.7 million). The reported earnings per share totalled EUR 0.14 (EUR 0.36). Cash flow from operations totalled EUR 4.6 million (EUR 3.7 million).

GROUP NET SALES AND PROFIT, JANUARY - SEPTEMBER 2003 (comparable figures, 1-9 / 2002)

Net sales totaled EUR 131.8 million for the first nine months of the year compared with the reported EUR 131.3 million during the corresponding period previous year. The negative impact of the depreciation of the US Dollar on the net sales was about EUR 7.5 million.

The share of the sales to company's five biggest customers, Nokia, Sanmina-SCI, Elcoteq, Siemens and Ericsson, was 60 % (the share of the five biggest during the corresponding period in 2002 was 67 %).

Profit before depreciation totaled EUR 16.1 million (EUR -5.0 million). Operating loss for the period totaled EUR 7.3 million (loss of EUR 28.0 million). The operating loss for the period include the EUR 4.8 million's non-recurring costs, EUR 4.1 million of which resulted from the downsizing of the Padasjoki factory. Net financial expenses decreased to EUR 1.1 million (EUR 2.3 million).

The loss before extraordinary items was EUR 8.4 million (loss of EUR 30.3 million). The loss before taxes was EUR 8.4 million (loss of EUR 30.3 million), and the net loss for the period after taxes and minority interest was EUR 4.8 million (loss of EUR 23.7 million). Earnings per share totaled EUR -0.48 (EUR -2.37). Cash flow from operations totaled EUR 9.1 million (EUR 8.6 million).

#### BUSINESS SEGMENTS

	7-9/03	7-9/02	1-9/03	1-9/02	2002
Printed Wiring Boards Net Sales, MEUR	39.9	36.1	104.0	106.2	150.0
Printed Wiring Boards EBIT, MEUR	-0.7	1.6	-11.0	-27.9	-24.0
Mechanics and Modules Net Sales, MEUR	8.7	8.8	27.8	25.0	32.9
Mechanics and Modules EBIT, MEUR	1.4	0.0	3.7	-0.1	0.8

Printed Wiring Boards (PWB), July - September 2003 (comparable figures, 7-9 / 2002)

Third-quarter net sales for the PWB segment increased to EUR 39.9 million (7-9/2002: EUR 36.1 million). The negative impact of the depreciation of the US Dollar on the PWB net sales was about EUR 2.5 million. The net sales of the Asian units increased almost 53 % and their share of the segment's net sales was close to 40 % (21 %). The EBIT was EUR -0.7 million (EUR 1.6 million). Capacity utilization rates are expected to grow during the last quarter of the year.

Printed Wiring Boards (PWB), January - September 2003 (comparable figures, 1-9 / 2002)

The PWB segment net sales for the period decreased to EUR 104.0 million (1-9/2002: EUR 106.2 million). The negative impact of the depreciation of the US Dollar on the segment's net sales was about EUR 7.5 million. The EBIT was EUR -11.0 million (EUR -27.9 million).

As a result of the personnel negotiations concluded on May 26, 2003 the operations of the Padasjoki PWB factory were notably downsized. The Padasjoki factory's share of the Group net sales in 2002 was about 5 %. The non-recurring cost related to the downsizing totaled EUR 4.1 million. The share of the fixed assets was EUR 3.2 million and the share of the personnel costs related to the redundancy were EUR 0.5 million.

Aspocomp Group's subsidiary Aspocomp Oy sold the fixed assets and inventories related to the printed wiring board business of its Teuva factory to Cibo-Print Oy. The sale of the business does not have any significant effect on the Aspocomp Group's profitability. The closing date was in the beginning of September. Aspocomp Oy became a shareholder of the company with a 19.1 % share. The share of the Teuva PWB factory of the Aspocomp Group's net sales in 2002 was about 6 %.

P.C.B. Center (Thailand) Co., Ltd. increased its share in its subsidiary Calcorp Ltd. from 50 % to 100 %. As a result, the Aspocomp Group's share in P.C.B. Center increased to 56.4 %.

Mechanics and Modules, MM, July - September 2003 (comparable figures, 7-9 / 2002)

Net sales for the Mechanics and Modules business segment during the third quarter totaled EUR 8.7 million (EUR 8.8 million). As a result of the structural change in the sales of the segment the EBIT increased to EUR 1.4 million or to 16.1 % of the net sales (EUR 0.0 million).

Mechanics and Modules, MM, January - September 2003 (comparable figures, 1-9 / 2002)

The Mechanics and Modules segment net sales for the period increased to EUR 27.8 million (1-9/2002: EUR 25.0 million). The EBIT for the segment was EUR 3.7 million (EUR -0.1 million).

#### Joint Ventures

The research and development companies Asperation Oy and Imbera Electronics Oy made good progress according to their plans during the period under review.

Asperation Oy, a research and product development company jointly owned by Aspocomp Group Oyj and Perlos Corporation, announced its first year achievements to investors, analysts and media on September 19, 2003 in Helsinki. The company showcased two new product prototypes, a speaker and a microphone, both of which can be integrated into the casing of a mobile phone. Size, weight, cost, manufacturability, acoustic quality and design flexibility in product design of mobile devices are all obviously key issues that these solutions address admirably. The principles and manufacturing processes of the aforesaid innovations are filed for patents.

## Business by area

During the first nine months of the year 2003 the Aspocomp Group net sales were divided by area as follows: Europe 66 % (59 %), Asia 17 % (14 %) and the Americas 17 % (27 %). The transfer from the Americas to Europe is related to the product project life cycles of the Aspocomp's customers.

The total manufacturing by area was as follows: Europe 70 % (79 %) and Asia 30 % (21 %).

## FINANCING, INVESTMENTS AND EQUITY RATIO

The Group's liquidity during the period under review was good. Interest-bearing net debt for the period totaled EUR 39.8 million (EUR 56.2 million), including EUR 27.1 million (EUR 31.7 million) in financial leasing liabilities, consolidated in the Group balance sheet. The liquid funds of the Group totaled EUR 19.2 million (EUR 7.3 million) and the gearing was 32.7 % (42.0 %). The gearing without the consolidated financial leasing liabilities was 10.4 % (18.3 %). The non-interest-bearing debts were EUR 32.9 million (EUR 25.6 million).

Gross investments for the period totaled EUR 8.9 million (EUR 14.5 million) or 6.8 % of the net sales (11.0 %). Most of the investments, EUR 5.3 million, were in Asia. Net financial expenses as a percentage of the net sales totaled 0.8 % (1.7 %). The equity ratio at the end of the period was 56.9 % (60.0 %) and at the end of the year 2002 61 %.

## SHARES AND SHARE CAPITAL

The number of Aspocomp's issued shares on September 30, 2003, was 10,041,026 and the share capital was EUR 10,041,026. 100,000 shares were in the possession of the company. The number of shares adjusted for the treasury shares was 9,941,026. During the period from January 1 to September 30, a total of 1,517,870 shares with a value of EUR 11,816,775.98 were traded on the Helsinki Exchanges. The nominee-registered portion of the shareholding was 15.85 % and the foreign portion 0.73 % at the end of the period. The share price reached a high of EUR 8.82 and a low of EUR 6.11 between January 1 and September 30, 2003. The average price was EUR 7.79. The closing price on September 29, 2003, was EUR 8.10 and the market capitalization of the company was EUR 80,522,310.60.

The Aspocomp Group Oyj's Annual General Meeting of April 4, 2003, authorized the Board of Directors to decide on acquiring and conveying of own shares and on increasing the share capital by a share issue and/or by taking a convertible loan. The authorizations are valid for one year from the date of the Annual General Meeting.

On September 18, 2003 the insurance company Sampo Plc announced that the share of the insurance company Sampo Life in the voting rights and share capital of Aspocomp Group Oyj has exceeded 10 %.

On September 18, 2003 the insurance company If Skadeförsäkring Holding Ab announced that the share of the If P&C Insurance Company Ltd in the voting rights and share capital of Aspocomp Group Oyj decreased to less than 5 %.

#### PERSONNEL

The number of employees averaged 3,123 from January 1 to September 30, 2003, compared with 3,090 for the same period in the previous year. At the end of September 2003 there were 3,183 employees in all (2,894).

	Average number 2003 Jan 1-Sept 30	Average number 2002 Jan 1-Sept 30	Number 2003 Sept 30	Number 2002 Sept 30	Number 2002 Dec 31
Europe	1,074	1,525	966	1,093	1,076
Thailand	1,108	897	1,176	1,025	973
China	941	668	1,041	776	858
Total	3,123	3,090	3,183	2,894	2,907

A proposal related to the personnel negotiations of the Padasjoki printed wiring board factory was given on April 9, 2003 and the negotiations were concluded on May 26, 2003. As a consequence of the negotiations the operations of the factory were notably downsized. A part of the personnel was relocated to the other Group factories, about 30 persons continue to run the Padasjoki operations and about 40 persons were redundant.

The Padasjoki factory's share of the Group personnel in 2002 was about 3 %.

As a result of the sale of the fixed assets and inventories related to the printed wiring board business of the Teuva factory, the whole personnel of the factory is employed by Cibo-Print Oy. The number of the personnel of the Teuva PWB factory on June 30, 2003 was about 100.

The Aspocomp Group has incentive systems that cover the whole personnel of the Group. In Finland factory personnel belong to a result-related bonus system and other personnel is included in the economic value added (EVA) based bonus system. The Group companies in China and in Thailand have their own incentive systems.

The management and certain key persons are included in a new shareholding based incentive scheme started during the period. Precondition for belonging to the incentive scheme is that the participants to the scheme own Aspocomp Group Oyj shares. The bonus is based on the share price increase of the Aspocomp Group Oyj share during the next two years and the potential bonus will be paid in June 2005, provided that the person is still employed by the Aspocomp Group.

A person is able to belong only to one incentive system at a time.

## MANAGEMENT

The Annual General Meeting of Aspocomp Group Oyj decided at its meeting on April 4, 2003, that the number of the Board Members is six. Mr. Gustav Nyberg was re-elected as a Board Member. At its meeting of April 4, 2003, the Board of Directors elected Mr. Tuomo Lähdesmäki as Chairman of the Board and Mr. Jorma Eloranta as Vice-Chairman of the Board. The Board elected also Members for the Board Committees: Mr. Tuomo Lähdesmäki is Chairman of the Compensation and Nomination Committees and Mr. Jorma Eloranta a Member. The Chairman of the Auditing Committee is Mr. Gustav Nyberg, Mr. Karl Van Horn being a Member.

The Annual General Meeting of Aspocomp Group Oyj decided that the remuneration of the Board Members is paid on an annual basis. The Members of the Board of Directors decided that they acquire directly or indirectly Aspocomp Group Oyj shares with 40% of their gross remuneration during the time period from May 6 to June 15, 2003. The purchases were made within the limits set by the insider regulations. The Board Members have decided not to convey the acquired shares before the Annual General Meeting of 2004.

The President and Chief Executive Officer of Aspocomp Group Oyj, Mr Jarmo Niemi requested to resign from his post as President and CEO of the company effective August 14, 2003. The Board of Directors of Aspocomp Group Oyj accepted Mr Niemi's request to resign and agreed with him that he will be at the Board's disposal until the end of the year 2003.

The Board of Directors of Aspocomp Group Oyj has started the search for a new CEO. The duties of Chief Executive Officer of the company will be performed by Mr Pertti Vuorinen, Chief Financial Officer and Deputy CEO of Aspocomp, until the new CEO has been nominated.

## ENVIRONMENT

The environmental issues at the Aspocomp Group are developed in accordance with the principles for environmental management of the Business Charter for Sustainable Development defined by the International Chamber of Commerce. All the Aspocomp Group production sites are ISO 14001 certified.

## PROSPECTS

Net sales of the PWB segment during the fourth quarter is expected to exceed the level of the previous quarter. In 2003 the growth of the mobile phone market is estimated to reach the level of about 15 %. In the automotive and industrial business the steady yearly growth of about 5 % is estimated to continue. The telecommunication infrastructure market, instead, is expected to decrease about 15 % this year. Outlook for the net sales of the Mechanics and Modules segment during the fourth quarter is estimated to be on the current level.

Aspocomp's net sales are expected to increase also during the fourth quarter and the global PWB market position to strengthen during 2003. The Asian units' share of the Group monthly net sales is forecasted to be close to 40 % by the end of 2003 (22 % in 2002).

The profit before extraordinary items during the last quarter of the year 2003 is expected to continue growing. The result of the fiscal year 2003 before the non-recurring costs is expected to be slightly positive, but after the non-recurring costs negative. The financial status is expected to be stronger.

#### ASPOCOMP GROUP INCOME STATEMENT, JULY - SEPTEMBER

	7-9/03		7-9/02	
	MEUR	%	MEUR	%
NET SALES	48.6	100.0	44.8	100.0
Other operating income	0.1	0.1	-0.1	-0.3
Depreciation and write-downs	6.5	13.5	7.2	16.1
OPERATING PROFIT AFTER DEPRECIATION	0.7	1.5	1.6	3.6
Financial income and expenses	-0.3	-0.6	-0.7	-1.7
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	0.4	0.9	0.9	1.9
Extraordinary income	0.0	0.0	0.0	0.0
Extraordinary expenses	0.0	0.0	0.0	0.0
PROFIT BEFORE TAXES	0.4	0.9	0.9	1.9
Minority interest	0.6	1.3	0.7	1.6
PROFIT FOR THE PERIOD	1.4	2.9	3.7	8.2
Earnings / Share, EUR	0.14		0.36	

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.

#### CASH FLOW STATEMENT

	7-9/03	7-9/02
	MEUR	MEUR
Cash flow from operations	4.6	3.7
Cash flow from investments	-0.4	-0.7
Cash flow before financing	4.2	3.1
Decrease in long-term financing	-1.5	-0.2

Increase/decrease in short-term financing	3.4	-5.5
Dividends paid	-	-
Other financing	-	-0.1
Total financing	1.9	-5.8
Increase/decrease in liquid funds	6.1	-2.7
Liquid funds at the end of the period	19.2	7.3

## ASPOCOMP GROUP INCOME STATEMENT, JANUARY - JUNE

	1-9/03		1-9/02		1-12/02	
	MEUR	%	MEUR	%	MEUR	%
NET SALES	131.8	100.0	131.3	100.0	182.9	100.0
Other operating income	0.0	0.0	0.1	0.1	1.0	0.1
Depreciation and write-downs	23.4	17.8	23.1	17.6	30.4	16.6
Non-recurring costs (included both in depreciation and other costs)	4.8		28.6		27.7	
OPERATING PROFIT/LOSS AFTER DEPRECIATION	-7.3	-5.5	-28.0	-21.4	-23.2	-12.7
Financial income and expenses	-1.1	-0.8	-2.3	-1.7	-2.7	-1.5
PROFIT/LOSS BEFORE EXTRAORDINARY ITEMS AND TAXES	-8.4	-6.4	-30.3	-23.1	-25.9	-14.2
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	-8.4	-6.4	-30.3	-23.1	-25.9	-14.2
Minority interest	2.0	1.5	3.0	2.2	3.7	2.0
PROFIT/LOSS FOR THE PERIOD	-4.8	-3.6	-23.7	-18.1	-18.6	-10.1
Earnings / Share, EUR	-0.48		-2.37		-1.86	

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.

## ASPOCOMP GROUP BALANCE SHEET

	9/03	9/02	Change	12/02
	MEUR	MEUR	%	MEUR
Non-Current Assets				

Intangible assets	4.8	4.2	15.1	5.7
Tangible assets	111.3	140.5	-20.8	131.3
Investments	1.7	3.0	-41.5	1.6

## Current Assets

Inventories	21.3	21.2	0.4	20.0
Receivables	55.9	47.6	17.5	43.9
Investments	0.0	0.0	-	0.0
Cash and bank deposits	19.2	7.3	161.7	19.7
<b>TOTAL ASSETS</b>	<b>214.3</b>	<b>223.8</b>	<b>-4.3</b>	<b>222.2</b>

## Shareholders' equity

Share capital	10.0	10.0	0.0	10.0
Other shareholders' equity	89.9	94.7	-5.0	98.6
Minority interest	22.4	29.9	-25.1	27.3
Mandatory reserves	1.9	2.7	-29.0	2.1
Long-term liabilities	31.7	45.7	-30.6	38.4
Short-term liabilities	58.3	40.8	43.0	45.7
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>214.3</b>	<b>223.8</b>	<b>-4.3</b>	<b>222.2</b>

## CASH FLOW STATEMENT

	1-9/03 MEUR	1-9/02 MEUR	1-12/02 MEUR
Cash flow from operations	9.1	8.6	26.0
Cash flow from investments	-6.5	-13.6	-19.7
Cash flow before financing	2.7	-5.0	6.4
Increase/decrease in long-term financing	-5.7	1.0	-6.7
Increase/decrease in short-term financing	4.6	-9.1	-3.8
Dividends paid	2.5	-	-
Other financing	-	0.1	1.8
Total financing	-3.6	-8.0	-8.7
Decrease in liquid funds	-0.9	-12.9	-2.4
Liquid funds at the end of the period	19.2	7.3	19.7

## KEY FIGURES

	9/03	9/02	12/02
Equity/share, EUR	9.98	10.46	10.85
Equity ratio, %	56.9	60.0	61.0
Gearing, %	32.7	42.0	30.0
Gross investments, MEUR	8.9	14.5	19.8
Average Personnel	3,123	3,090	3,075

Accumulated excess depreciation and voluntary reserves totaling EUR 0.1 million have been divided among shareholders' equity and nominal tax liabilities.

#### CONTINGENT LIABILITIES

	9/03	12/02
	MEUR	MEUR
Securities on Group liabilities	30.9	9.6
Operational leasing liabilities	0.1	0.1
Other liabilities	0.3	0.3
TOTAL	31.3	10.0

There are no derivative contracts.

All figures are unaudited.

Vantaa, October 30, 2003

ASPOCOMP GROUP OYJ

Board of Directors

For more information, please contact Acting CEO Pertti Vuorinen at +358 9 7597 0714.

ASPOCOMP GROUP OYJ

Pertti Vuorinen  
Acting CEO

#### ASPOCOMP IN BRIEF

Aspocomp Group serves the electronics industry by supplying high-tech electronic components and services like PWBs (printed wiring boards), PWB-related design as well as mechanics and modules. Aspocomp's products are used in mobile handsets, telecommunications infrastructure, automotive and other industrial applications.

Aspocomp Group's production sites are located near the customers in Finland, China and Thailand. The Group net sales in 2002 were about EUR 180 million and the number of personnel was about 3000.

The Group parent company Aspocomp Group Oyj is listed on the Helsinki Stock Exchanges since year 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 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; fluctuation of currency exchange rates; increases in PWB industry capacity and competition; the ability of the company to implement its investment program and to continue to expand its business outside the European market.

DISTRIBUTION:  
Helsinki Exchanges  
Press and Media  
[www.aspocomp.com](http://www.aspocomp.com)