ASPO INTERIM REPORT JANUARY 1 – SEPTEMBER 30, 2000

The net sales of the Aspo Group rose by 31 % to EUR 77.4 million. The operating profit for the period totaled EUR 3.7 million
(MEUR 0.8) and the profit before extraordinary items and taxes was EUR 3.1 million (MEUR 0.7). Earnings per share were EUR 0.25 (EUR 0.10). Net sales and earnings are expected to follow the trend for the first half of the year through the year end.

GROUP NET SALES AND PROFITS

Net sales for the Aspo Group totaled EUR 77.4 million for the period from January 1 to September 30, 2000, compared with the previous year’s figure (Pro Forma) of EUR 59.3 million. All divisions increased their net sales. The earnings of the Chemicals Division declined to some extent from last year, while Systems Division’s financial performance fell off substantially. The Shipping Division improved its performance. Divisional and company-specific net sales figures and earnings by division are presented in the tables below.

The Group’s operating profit was EUR 3.7 million or 4.8 % of net sales (EUR 0.8 million; 1.3 % in 1999). Depreciation decreased by EUR 0.8 million to EUR 5.2 million. Net financial costs totaled EUR 0.7 million (EUR 0.1 million).

The profit before extraordinary items and taxes totaled EUR 3.1 million (EUR 0.7 million). The Group’s pre-tax profit was EUR 2.8 million (EUR 0.7 million). Earnings per share totaled EUR 0.25 (EUR 0.10). Share-specific ratios have been calculated on the basis of the number of shares outstanding after the bonus issue.
Extraordinary items include the final installments of insurance payments related to the transfer of the Aspo Group Pension Fund’s assets and liabilities.

FINANCING AND INVESTMENTS

The Group’s financial position was satisfactory throughout the period. The Group held liquid assets totaling EUR 5.4 million at the end of the period. Gross investments for the period totaled EUR 5.5 million. The major part of these investments consisted of advance payments made by ESL Shipping Oy on its new ship. The ship will be commissioned at the beginning of 2001. The Group’s net financial costs as a percentage of net sales totaled 0.8 % (0.2).

The Group’s equity ratio was 51.7 % (51.7 %). The year end figure was 53.2 %.

EQUITY

The total share capital of Aspo Plc as of September 30, 2000 was EUR 17,540,832 with 8,770,416 shares outstanding, each of which has a book value of EUR 2. At the Annual General Meeting of Aspo Plc held on April 13, 2000, the shareholders decided that the company’s share capital will be raised through a bonus issue from EUR 8,770,416 to EUR 17,540,832 by transferring a sum amounting to EUR 8,770,416 from the unrestricted equity account to the share capital account. The increase in the share capital was registered on April 18, 2000. The new shares issued in connection with the bonus issue were listed on the Helsinki Stock Exchange, from April 19, 2000. The rights and privileges associated with the new shares took effect from the registration date.

During the period extending from January through September 2000 a total of 1,681,081 shares with a value of EUR 13,637,971 changed hands on the Helsinki Stock Exchange. The non-domestic share in the ownership of the stock was 4.2 % as of September 30, 2000. The adjusted share price reached a high of EUR 11.20 and a low of EUR 4.50 during the period under review.

Mr. Otto Henrik Bernhard Nyberg announced on May 5, 2000 that his share of Aspo Plc shares and voting rights had exceeded 10 %. European Strategic Investors Holdings NV announced on May 18, 2000 that its share of Aspo Plc shares had decreased to below 5 %. On August 8, 2000 Mr. Aatos Ensio Vehmas announced that his share of Aspo Plc shares had exceeded 5 %.

The Aspo Plc Board made a decision on May 29, 2000 on the basis of the authorization granted at the shareholders’ meeting of April 13, 2000 to repurchase a maximum of 219,260 Aspo Plc shares at the publicly quoted market price in a public trade organized by the Helsinki Stock Exchange. The shares equal 2.5 % of the company’s total number of shares outstanding. The shares will be repurchased with a view to using them as consideration when the company is acquiring operationally-related assets, or when it requires such assets in connection with mergers and acquisitions, divestitures or other corporate arrangements, capital restructuring programs or other programs to be determined in type and scope by the Board. The Board may also bring proposals before the shareholders concerning the invalidation of repurchased shares. The authorization will be effective until April 13, 2001.

Between June 7 and September 30, 2000, Aspo Plc has acquired a total of 143,234 Aspo Plc shares from the Helsinki Stock Exchange at an average price of EUR 5.57 with a total purchasing cost of EUR 797,558. This sum has been deducted from the unrestricted equity account. As of November 1, 2000, the company has a total of 143,234 shares in its possession representing 1.6 % of the total shares and votes outstanding.

At the Annual General Meeting the shareholders also authorized the Board to administer the disposal of the repurchased shares in a manner which differs from the preferred status of shareholders in the acquisition of shares. The shareholders further authorized the Board to make decisions to raise the company's share capital through new share issues and/or convertible bond or stock option issues. In connection with these issues the company's share capital can be increased by a maximum amount of EUR 1,315,562 through a maximum subsciption of 657,781 new shares. The authorization entitles the Board to deviate from normal pre-emptive shareholder subscription rights for new shares. The authorizations will expire April 13, 2001.

BUY-OUT OF ESL SHIPPING OY SHARES

The Board of Aspo Plc made a decision to buy out the other shareholders of its subsidiary, ESL Shipping Oy, in accordance with Finnish equity legislation provisions. As a consequence of the buy-out decision Aspo Plc's holding in ESL Shipping has risen to approximately 99.9 %. The buy-out is being discussed with an arbitrator appointed by the Board of Arbitration of the Central Chamber of Commerce of Finland with respect to the repurchasing price. Aspo Plc's target is to take a 100 % holding in ESL Shipping Oy before the year end.

LITIGATION IN PROGRESS

The division plan called for taxation-related litigation to be transferred to Aspo Plc. The Helsinki tax auditors have continued pursuing their application for a change in Aspo's 1994 taxation. The Provincial Court gave its verdict on October 15, 1999 and returned the matter to the provincial tax authorities for reconsideration. Aspo Plc has applied an appeal from the Supreme Administratiove Court concerning certain of the substantive issues decided upon by the Provincial Court. The case is examined in more detail in the company's Stock Exchange Bulletins published on December 23, 1999 and March 3, 2000.

PERSONNEL

The Group's personnel averaged 378 from January 1 to September 30, 2000 compared with 295 for the same period the previous year. Personnel averaged 300 for 1999.

PROSPECTS FOR 2000

The Group net sales and operating profit in 2000 are expected to increase significantly over last year. This forecast is based upon market conditions prevailing as of this report.

The net sales of all divisions are expected to rise, with Systems sales showing the strongest relative growth. Prospects for the Shipping Division appear to be good, as forecasts are based upon an existing order book. The order books for the Chemicals and Systems Divisions are not as firm, but no sudden changes in market conditions are currently expected.

With respect to earnings, Shipping is expected to improve its financial performance. Chemicals is expected to generate profits on par with last year’s level. Systems will fall short of last year’s performance.

DIVISIONAL PERFORMANCES

CHEMICALS

The Chemicals Division consists of Aspokem Ltd and its subsidiaries. They distribute, store and market chemicals, plastics and solid fuels. Aspokem Ltd is also engaged in East-West trading of chemicals. The company has subsidiaries in Estonia, Latvia and Lithuania and sales offices in Moscow and St. Petersburg.

	1-9/00	1-9/99	1-12/99
Net sales, MEUR	40.5	32.9	45.5
Operating profit, MEUR	1.4	1.7	2.1
Personnel	60	58	58

In the domestic market, sales of both industrial chemicals and plastics rose, while the automotive chemicals in contrast, did not show satisfactory development. The net sales of non-domestic subsidiaries more than doubled from last year, and trading activities also continued its strong growth.

The profitability of the automotive chemicals sector was unsatis-factory. Industrial chemicals and plastics also generated slightly weaker earnings than last year. On the other hand, trading and non-domestic subsidiaries strengthened the division’s profitability.

During the remainder of the year the financial performance of the Chemicals Division is expected to improve and reach the same level as was generated last year. Net sales for the year as a whole are expected to significantly exceed 1999 sales.

SHIPPING

The Shipping Division consists of ESL Shipping Oy along with its wholly owned subsidiaries Oy Bomanship Ab and O.Y. Näppärä.

	1-9/00	1-9/99	1-12/99
Net sales, MEUR	24.9	19.7	27.5
Operating profit, MEUR	4.2	1.1	2.4
Personnel	160	159	158

The Shipping Division’s five vessels primarily sail in the Baltic and North Seas. Demand for the Division’s shipping services remained stable during the period. A strong dollar in combination with the fact that the ships did not require a lot of docking services had a positive impact on the sales and earnings performance of the division.

Most of the cargo shipped by the division was coal and iron ore. Coal consumption in Finland continued to increase compared with last year. Prospects for the year end appear to be in line with what has happened thus far with respect to both sales and earnings.

SYSTEMS

The Systems Division comprises Aspo Systems Oy and its subsidiaries, and Navintra Ltd. Aspo Systems Oy is Finland’s leading producer of automated fuel payment and dispensing systems. Navintra Ltd focuses on marine navigation systems and equipment.

	1-9/00	1-9/99	1-12/99
Net sales, MEUR	12.0	6.7	10.5
Operating profit, MEUR	-0.2	0.2	0.5
Personnel	147	60	67

Aspo Systems Oy carried on the consolidation of the operations acquired last year. The Tampere unit moved into new facilities in the third quarter and rolled out a new IT system. Operations were unprofitable, but net sales rose dramatically as a consequence of the acquisition and exports also rose significantly.

The operations of Navintra Ltd started up on March 1, 2000. It’s sales performance has progressed as expected, nor are any changes in sales trends expected through the year end.

The net sales of Aspo Systems Oy are expected to progress at the current pace throughout the year but earnings are expected to drop off significantly from last year’s level.

Systems operations as a whole are expected to generate a significant increase in net sales for 2000 while earnings forecasts call for weaker profits than last year.

ASPO GROUP INCOME STATEMENT

	1-9/00 MEUR	1-9/00 %	1-9/99 MEUR	1-9/99 %	1-12/99 MEUR	1-12/99 %
NET SALES	77.4	100.0	59.3	100.0	83.5	100.0
Other operating income	1.7	2.2	0.9	1.5	1.2	1.4
Depreciation and write-downs	5.2	6.7	6.0	10.1	7.6	9.1
OPERATING PROFIT AFTER DEPRECIATION	3.7	4.8	0.8	1.3	1.6	1.9
Financial income and expenses	-0.7	-0.8	-0.1	-0.2	-0.2	-0.2
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	3.1	4.0	0.7	1.2	1.4	1.7
Extraordinary income	0.2	0.1	-	-	7.3	8.8
Extraordinary expenses	0.4	-	-	-	1.8	-
PROFIT BEFORE TAXES AND MINORITY INTEREST	2.8	3.7	0.7	1.2	6.9	8.3
PROFIT FOR THE PERIOD	2.0	2.6	0.4	0.7	6.2	7.4
EARNINGS/SHARE, EUR	0.25		0.10		0.13	

Figures are unaudited.

The figures for the comparative period and for 1999 are pro forma. Share-specific figures and ratios have been calculated on the basis of post-bonus issue share volumes.

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. The calculation of earnings/share excludes taxes on extraordinary items.

ASPO GROUP BALANCE SHEET

	9/00 MEUR	9/99 MEUR	Change %	12/99 MEUR
Fixed and other long-lived assets	86.8	85.9	1.0	86.1
Inventories	11.4	7.6	49.6	9.8
Receivables	19.0	9.7	96.3	31.8
Cash and bank deposits	1.1	21.6	-94.9	1.5
TOTAL ASSETS	118.3	124.7	-5.2	129.2

Shareholders' Equity	61.8	62.6	-1.3	68.5
Minority interest	0.2	1.7	-87.1	0.2
Mandatory reserves	0.9	-		0.7
Long-term liabilities	34.8	48.2	-27.8	39.7
Short-term liabilities	20.6	12.2	69.0	20.1
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	118.3	124.7	-5.2	129.2
EQUITY / SHARE, EUR	7.06	7.14		7.81
EQUITY RATIO, %	51.7	51.7		53.2

Figures are unaudited.

The figures for the comparative period are pro forma. Share-specific figures and ratios have been calculated on the basis of post-bonus issue share volumes.

Accumulated excess depreciation and voluntary reserves totalling EUR 39.8 million have been divided among shareholders' equity, nominal tax liabilities and as part of minority interest.

CONTINGENT LIABILITIES

	9/00 MEUR	12/99 MEUR
Securities on Group liabilities	37.8	37.8

NET SALES BY DIVISION

	1-9/00 MEUR	1-9/99 MEUR	1-12/99 MEUR
CHEMICALS			
Aspokem Ltd	38.3	32.3	44.2
Aspokem Eesti AS	2.4	1.4	2.4
Aspokem Latvia SIA	1.4	0.5	1.1
UAB Aspokemlit	0.7	0.3	0.6
Internal eliminations	-2.4	-1.6	-2.8
TOTAL	40.5	32.9	45.5
SHIPPING			
ESL Shipping Oy	24.9	19.7	27.4
Oy Bomanship Ab	0.1	0.1	0.2
Internal eliminations	-0.1	-0.1	-0.1
TOTAL	24.9	19.7	27.5
SYSTEMS			
Aspo Systems Oy	9.0	6.7	10.5
Aspo Systems Eesti Ou	0.6	-	-
Aspo Systems Ceska s.r.o.	0.05	-	-
Navintra Ltd	2.8	-	-
Internal eliminations	-0.4	-	-
TOTAL	12.0	6.7	10.5

TOTAL NET SALES	77.4	59.3	83.5

OPERATING PROFIT BY DIVISION

	1-9/00 MEUR	1-9/99 MEUR	1-12/99 MEUR
Chemicals	1.4	1.7	2.1
Shipping	4.2	1.1	2.4
Systems	-0.2	0.2	0.5
Corporate Administration	-1.7	-2.3	-3.4
TOTAL	3.7	0.8	1.6

INVESTMENTS BY DIVISION

	1-9/00 MEUR	1-9/99 MEUR	1-12/99 MEUR
Chemicals	0.5	0.4	0.5
Shipping	4.6	4.5	4.6
Systems	0.3	0.3	2.9
Corporate Administration	0.1	0.4	1.4
TOTAL	5.5	5.6	9.4

AVERAGE PERSONNEL BY DIVISION

	1-9/00	1-9/99	1-12/99
Chemicals	60	58	58
Shipping	160	159	158
Systems	147	60	67
Corporate Administration	11	18	17
TOTAL	378	295	300

Helsinki, November 1, 2000

ASPO Plc

Board of Directors

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