# ASPO INTERIM REPORT JANUARY 1 – SEPTEMBER 30, 2008
## Net sales grew to EUR 258.0 million, operating profit EUR 12.9 million

- Net sales for Aspo Group's continuing operations in January-September amounted to EUR 258.0 million (EUR 154.7 million)
- Operating profit totaled EUR 12.9 million (EUR 11.3 million and a sales gain of EUR 10.2 million in addition)
- Profit before taxes amounted to EUR 9.9 million (EUR 10.4 and a sales gain of EUR 10.2 million in addition)
- Earnings per share for continuing operations were EUR 0.26 (EUR 0.31 and the sales gain representing EUR 0.29)
- Solvency improved and the gearing ratio decreased considerably in the third quarter thanks to good cash flow and M&A arrangements
- The Group's financing situation has been good and there is no need for renewed short-term financing
- M/S Eira was repurchased from SEB Leasing for EUR 14.7 million
- Discontinued operations include a EUR 8.2 million sales gain from the sale of Autotank
- The Group's profit after taxes in January-September was EUR 6.3 million and a sales gain of EUR 8.2 million in addition (EUR 4.4 million and a sales gain representing EUR 10.2 million)
- The Group's net sales will continue to grow and the full-year earnings per share are expected to be close to last year's record high

KEY FIGURES**)

| | 1-9/2008 | 1-9/2007 | 1-12/2007 |
|---|---|---|---|
| Continuing operations | | | |
| Net sales, MEUR | 258.0 | 154.7 | 208.9 |
| Operating profit, MEUR | 12.9 | 21.5* | 25.3* |
| Share of net sales, % | 5.0 | 13.9 | 12.1 |
| Profit before tax, MEUR | 9.9 | 20.6 | 24.3 |
| Share of net sales, % | 3.8 | 13.3 | 11.6 |
| Personnel at the end of period | 804 | 387 | 390 |
| | | | |
| Earnings per share, EUR, continuing operations | 0.26 | 0.60 | 0.71 |
| Earnings per share, EUR, discontinued operations | 0.30 | -0.03 | -0.12 |
| Earnings per share, EUR, total | 0.56 | 0.57 | 0.59 |
| EPS adjusted for dilution, EUR, continuing operations | 0.25 | 0.56 | 0.67 |
| EPS adjusted for dilution, EUR, discontinued operations | 0.28 | -0.04 | -0.11 |
| EPS adjusted for dilution, EUR, total | 0.53 | 0.52 | 0.56 |
| Comparable earnings per share, EUR, continuing operations | 0.26 | 0.31 | 0.41 |
| Comparable earnings per share, EUR, discontinued operations | -0.01 | -0.03 | -0.12 |
| | | | |
| The Group as a whole | | | |
| Equity per share, EUR | 2.55 | 2.42 | 2.43 |
| Equity ratio, % | 25.9 | 42.8 | 45.1 |
| Gearing, % | 139.4 | 41.5 | 32.4 |

*) including a sales gain of EUR 10.2 million
**) Kauko-Telko's figures for May-September 2008 are consolidated in Aspo Group's figures

Gustav Nyberg, CEO of Aspo:

” Despite the uncertainty that prevails in the world, Aspo Group’s operations developed well. Net sales grew strongly and the operative result excluding sales gains clearly improved. The operating profit for July-September was the best in the Group’s history.

In accordance with its strategy, Aspo has decentralized its risks by focusing on several small niche areas: together, these areas enable better than average development in a weaker economic cycle as well. The company has also focused on the growth possibilities in the CIS market: this was visible for instance as a tripling of the profitable Russian-based net sales.

During the review period, all business units improved their net sales and profits. The market situation has remained relatively good in our main market areas and we are confident about the development in the last quarter. However, the weak economic situation, which may become prolonged, naturally affects Aspo Group’s operations as well.

The acquisition made earlier in the year depressed the key ratios in the consolidated balance sheet. In July-September successful M&A arrangements and good operational cash flow improved the Group’s equity ratio by over 20 percent and lowered the gearing that had temporarily risen to nearly 200 percent by more than 30 percent to 139.4 percent.”

## GROUP STRUCTURE

After the Kauko-Telko acquisition, Aspo reorganized its operations and abandoned the previous Chemicals, Shipping and Systems Divisions. As part of the reorganization, Kauko-Telko Ltd will be divided into Telko Ltd, Leipurin Ltd, Hamina Terminal Services Ltd and Kaukomarkkinat Ltd. Kauko-Telko’s centralized administration will be dissolved and appropriate parts of it will be transferred to operating activities and Group administration by the end of the year.

The new Aspo features three independent companies with a strong market position: ESL Shipping, Leipurin and Telko. Aspo Group’s financial reporting will reflect the new segment division as of May 1, 2008. Aspo Group also includes Kaukomarkkinat, which focuses on business-to-business sales in electronics and industrial machinery. Kaukomarkkinat is reported as part of other operations.

The divestment of the Autotank Group was completed in August and the Finnish adhesive tape operations of Kaukomarkkinat were sold in September. In August, an agreement was signed to sell the sourcing services unit of Kaukomarkkinat. These operations have been reported as discontinuing operations in accordance with IFRS 5.

The possibilities to divest Kaukomarkkinat’s electronic operations were investigated. As a result of the investigation a decision was made to continue and develop the operations as part of Aspo's corporate strategy.

## OPERATIONAL PERFORMANCE

The general uncertainty on international markets will continue. The prices of crude oil and other raw materials have, after a steep rise, made a downturn. The concerns around the world as to whether the healthy demand conditions would continue to prevail are growing. Uncertainty has increased on international financial markets and the exchange rate fluctuations in our operating areas have increased.

Uncertainty has increased in the Baltic Sea region and CIS markets, which are important for Aspo, but Aspo's operations still developed well in the review period. In the shipping business, healthy demand for transport continued. The decrease in fuel prices has lowered freight prices, but it had no effect on earnings. The Leipurin Group's business development has continued as good in Finland and Russia. In Telko's operations the slight decrease in prices and market uncertainty has mainly been seen in Scandinavia. All of Aspo's operations improved their results in Russia.

On the whole, the Aspo Group performed as planned. The disturbances in international economics did not have a significant effect on operations.

## ESL Shipping

ESL Shipping is the leading dry bulk sea transport company operating in the Baltic Sea area. As of the end of the period, the fleet operated by the company comprised 15 units.

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| Net Sales, MEUR | 21.8 | 20.5 | 1.3 | 63.2 | 62.9 | 85.1 |
| Operating Profit, MEUR | 4.4 | 3.8 | 0.6 | 11.4 | 21.0* | 25.1* |
| Personnel | 229 | 240 | -11 | 229 | 240 | 239 |

*) including a sales gain of EUR 10.2 million

The market situation for dry bulk cargo transport on the Baltic Sea continued as good in the third quarter. Uncertainty has increased on the international markets and freight prices have decreased. The year has been challenging for ESL Shipping because both its own and leased tonnage decreased. Furthermore, tonnage was docked for scheduled maintenance as well as for repairs.

Fleet operations were very successful. In the first nine months and also in the third quarter, smaller tonnage was able to transport almost the same cargo volume as last year. The net sales for the third quarter rose to EUR 21.8 million (EUR 20.5 million). Cost management was successful and the third quarter result improved compared to the comparison period.

The cargo volume carried in the January to September period amounted to 10.4 million tons (11.4). No major changes occurred in the cargo distribution. The steel industry accounted for 65% of the transport volumes, the energy industry for 27% and other industries for 8%. The demand for energy coal caused periodic problems in the logistics chain. The bottlenecks experienced in Russian coal rail transport to the Baltic Sea export harbors were mainly caused by a shortage of rail wagons.

The shipping company currently has two 20,000 gross register ton vessels being constructed in India. The first vessel will be completed in summer 2009, and the second in early 2010. Both vessels are in ESL Shipping's Eira class and will be built to the highest ice class, 1A Super.

## Leipurin

The Leipurin Group serves the baking and other food industry by supplying ingredients, production machinery and production lines, as well as related expertise. Besides Finland, the Leipurin Group operates in Russia, Poland, Estonia, Latvia and Lithuania. In Russia, the Group operates in Tselyabinsk and Yekaterinburg, in addition to St. Petersburg and Moscow.

The Leipurin Group became part of Aspo as a result of the Kauko-Telko acquisition. After the reorganization of the group structure, the Leipurin Group makes a separate business unit. The figures for the Leipurin Group presented in the interim report are for May-September, 2008.

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| Net Sales, MEUR | 25.2 | | 25.2 | 42.2 | | |
| Operating Profit, MEUR | 1.2 | | 1.2 | 2.0 | | |
| Personnel | 161 | | 161 | 161 | | |

The Leipurin Group enjoyed a favorable market situation in the Baltic Sea region in May-September. The price level for basic raw materials for bakery products has remained unchanged. For some raw material groups, e.g. cooking oils, the prices have decreased.

The Group’s operations continued developing strongly. Sales grew in Finland, Russia, the Baltic region and Poland as planned. There were no significant bakery line project deliveries during the review period. The order book for the last quarter is normal.

The net sales for July-September were EUR 25.2 million and operating profit was EUR 1.2 million, the corresponding figures for May-September were EUR 42.2 million and EUR 2.0 million respectively. Leipurin Group’s figures are included in Aspo Group’s figures for May-September.

Telko

Telko is the leading industrial raw materials and services supplier in the Baltic Sea region. Telko has two business areas – Plastics and Chemicals – and it has operations in Finland, Russia, Ukraine, Belarus, Poland, Estonia, Latvia, Lithuania, Sweden, Denmark and Norway. Processing operations are based in Finland and Latvia. In addition, Telko has chemical terminals in Hamina and Rauma.

Telko was formed by combining Aspokem and the raw materials business of Kauko-Telko. Figures for the acquired business are included in Telko’s figures for May-September, 2008.

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| Net Sales, MEUR | 51.9 | 31.5 | 20.4 | 132.3 | 91.8 | 123.8 |
| Operating Profit, MEUR | 1.4 | 0.6 | 0.8 | 3.5 | 2.5 | 3.1 |
| Personnel | 227 | 128 | 99 | 227 | 128 | 132 |

The oil price decreased in the third quarter. As a result the prices of some product groups also made a downturn. On the markets, the uncertainty regarding the development of prices, consumption and demand increased. The uncertainty in the general economic situation was reflected on the markets in Scandinavia and Finland in particular.

The company was able to forecast a possible price decrease to some extent and thus limit storage loss. Of the two product groups, Plastics were successful in Finland, Ukraine and Russia. In Scandinavia, earnings were depressed by integration costs related to the business acquisition and decreased sales volumes for an important client. Chemicals performed well in Finland and in particular in Russia.

Telko’s net sales have increased considerably since the acquisition and rose to EUR 132.3 million (EUR 91.8 million) in January-September. Operating profit amounted to EUR 3.5 million (EUR 2.5 million). The net sales for July-September were EUR 51.9 million (EUR 31.5 million) and operating profit was EUR 1.4 million (EUR 0.6 million). As a result of the integration extra costs were also booked in the third quarter.

Telko’s business operations have been reorganized and the management system has been renewed. In the future, Telko will focus on improving efficiency in logistics and customer services.

Other operations

Other operations include Group administration and the electronics and industrial machinery operations of Kaukomarkkinat.

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| Net Sales, MEUR | 13.8 | | 13.8 | 20.3 | | |
| Operating Profit, MEUR | -1.1 | -0.6 | -0.5 | -4.0 | -2.0 | -2.9 |
| Personnel | 187 | 10 | 177 | 187 | 10 | 11 |

NET SALES AND PROFIT, CONTINUING OPERATIONS

Net sales for Aspo Group’s continuing operations in January-September 2008 amounted to EUR 258.0 million (EUR 154.7 million). Despite the decreased capacity, ESL Shipping’s net sales improved on last year. Telko’s net sales have grown considerably thanks to positive development in the CIS market and the business acquisition. Leipurin Group’s raw material sales developed well.

Net sales for Aspo Group’s continuing operations in July-September amounted to EUR 112.6 million (EUR 52.0 million).

Net Sales by Division, MEUR *)

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| ESL Shipping | 21.8 | 20.5 | 1.3 | 63.2 | 62.9 | 85.1 |
| Leipurin | 25.2 | | 25.2 | 42.2 | | |
| Telko | 51.9 | 31.5 | 20.4 | 132.3 | 91.8 | 123.8 |
| Other operations | 13.7 | | 13.7 | 20.3 | | |
| Continuing operations total | 112.6 | 52.0 | 60.6 | 258.0 | 154.7 | 208.9 |
| Discontinued operations | 10.8 | 14.4 | -3.6 | 43.3 | 40.5 | 57.7 |
| Total | 123.4 | 66.4 | 57.0 | 301.3 | 195.2 | 266.6 |

Net Sales by Market Area, MEUR*)

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| Finland | 61.3 | 31.0 | 30.3 | 140.7 | 96.5 | 127.7 |
| Nordic countries | 12.8 | 8.9 | 3.9 | 35.3 | 24.8 | 33.0 |
| Baltic countries | 9.6 | 3.8 | 5.8 | 20.6 | 11.4 | 15.9 |
| Russia, etc. | 28.9 | 8.3 | 20.6 | 61.4 | 22.0 | 32.3 |
| Continuing operations total | 112.6 | 52.0 | 60.6 | 258.0 | 154.7 | 208.9 |
| Discontinued operations | 10.8 | 14.4 | -3.6 | 43.3 | 40.5 | 57.7 |
| Total | 123.4 | 66.4 | 57.0 | 301.3 | 195.2 | 266.6 |

*) Kauko-Telko's figures for May-September 2008 are consolidated in Aspo Group's figures

The significance of Russia and other CIS markets in Aspo's business will be further emphasized when ESL Shipping's raw material transports from Russia are included in the Russian market area. When the calculation is carried out this way, the distribution of net sales between Finland and Russia is as follows:

Net Sales, MEUR

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| Finland | 53.6 | 22.8 | 30.8 | 117.9 | 69.5 | 91.9 |
| Russia, etc. | 36.6 | 16.5 | 20.1 | 84.2 | 49.0 | 68.1 |

January-September performance, continuing operations

Aspo Group recorded for January-September an operating profit of EUR 12.9 million or 5.0% of net sales (EUR 21.5 million, including a sales gain of EUR 10.2 million, or 13.9% of net sales). Planned depreciation totaled EUR 7.8 million (EUR 7.0 million). The Group's net financial costs amounted to EUR 3.0 million (EUR 0.9 million).

The January-September profit before taxes was EUR 9.9 million (EUR 20.6 million, including a sales gain of EUR 10.2 million) and the net profit for the period totaled EUR 6.5 million (EUR 15.7 million). The profit for January-September was depressed by the non-recurring costs of EUR 0.8 million from the Kauko-Telko acquisition.

July-September performance, continuing operations

Aspo Group recorded for July-September an operating profit of EUR 5.9 million or 5.2% of net sales (EUR 3.8 million or 7.3% of net sales). Planned depreciation totaled EUR 2.9 million (EUR 2.3 million). The Group's net financial costs amounted to EUR 1.4 million (EUR 0.4 million).

The July-September profit before taxes was EUR 4.5 million (EUR 3.4 million) and the net profit for the period totaled EUR 2.7 million (EUR 2.8 million).

Operating Profit by Division, MEUR**)

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| ESL Shipping | 4.4 | 3.8 | 0.6 | 11.4 | 21.0* | 25.1* |
| Leipurin | 1.2 | | 1.2 | 2.0 | | |
| Telko | 1.4 | 0.6 | 0.8 | 3.5 | 2.5 | 3.1 |
| Other operations | -1.1 | -0.6 | -0.5 | -4.0 | -2.0 | -2.9 |
| Continuing operations total | 5.9 | 3.8 | 2.1 | 12.9 | 21.5 | 25.3 |
| Discontinued operations | 7.7 | -0.1 | 7.8 | 9.1 | -0.4 | -1.5 |
| Total | 13.6 | 3.7 | 9.9 | 22.0 | 21.1 | 23.8 |

*) including a sales gain of EUR 10.2 million
**) Kauko-Telko's figures for May-September 2008 are consolidated in Aspo Group's figures

## DISCONTINUED OPERATIONS

The divestment of Autotank Ltd to Gilbarco Veeder-Root was completed in August. A non-recurring sales gain of EUR 8.2 million was recorded for the third quarter.

The sourcing services unit of Kaukomarkkinat was sold to Kaukopartio Oy. The deal will produce a sales gain of approximately one million euro, which will be recorded for the fourth quarter in connection with the transfer of ownership.

The Finnish adhesive tape business of the Kaukomarkkinat unit was sold to Oy Telpak Ab in September. A sales gain of EUR 0.2 million was recorded for the third quarter. The possibilities to divest the Swedish adhesive tape business of the Kaukomarkkinat unit will be investigated.

The above operations have been recorded as discontinued operations in accordance with IFRS 5.

## INVESTMENTS

Investments for Aspo Group’s continuing operations in January-September amounted to EUR 115.2 million (EUR 8.7 million). Of this, the acquisition of Kauko-Telko’s stock represented EUR 95.5 million. This is the largest investment the Group has ever made. A majority of the remaining investments, EUR 19.7 million, was used to repurchase ESL Shipping’s M/S Eira from SEB Leasing (EUR 14.7 million) and advance payments for vessel acquisitions.

Investments by Division,
acquisitions excluded, MEUR*)

| | 7-9/ 2008 | 7-9/ 2007 | Change | 1-9/ 2008 | 1-9/ 2007 | 1-12/ 2007 |
|---|---|---|---|---|---|---|
| ESL Shipping | 16.1 | 0.0 | 16.1 | 18.6 | 3.8 | 3.8 |
| Leipurin | 0.0 | | 0.0 | 0.0 | | |
| Telko | 0.2 | 0.0 | 0.2 | 0.3 | 4.8 | 5.7 |
| Other operations | 0.0 | 0.0 | 0.0 | 0.8 | 0.1 | 0.1 |
| Continuing operations total | 16.3 | 0.0 | 16.3 | 19.7 | 8.7 | 9.6 |
| Discontinued operations | 0.2 | 0.3 | -0.1 | 0.6 | 0.7 | 1.4 |
| Total | 16.5 | 0.3 | 16.2 | 20.3 | 9.4 | 11.0 |

*) Kauko-Telko’s figures for May-September 2008 are consolidated in Aspo Group’s figures

## FINANCING

At the end of the review period, the Group had EUR 22.0 million (EUR 11.9 million) in liquid assets. There was a total of EUR 113.8 million (EUR 37.9 million) in interest-bearing liabilities on the consolidated balance sheet at the end of the period. The bank loan withdrawn in the previous quarter to finance the Kauko-Telko acquisition increased the amount of interest-bearing debt considerably. In the third quarter the interest-bearing liabilities were significantly affected by a EUR 14 million long-term bank loan taken to finance the repurchase of the M/S Eira and the EUR 28 million price from the divestment of Autotank Ltd's shares. Interest-free liabilities totaled EUR 78.0 million (EUR 38.1 million). The Group's gearing was 139.4% (41.5%) and the equity ratio adjusted for deferred tax liabilities was 25.9% (42.8%).

Aspo Plc and its key financing banks have signed binding financial limits for a total of EUR 125 million. Credit withdrawn within the framework of these financial limits amounted to EUR 65.5 million at the end of the period.

In May, Aspo Plc signed a domestic EUR 50 million commercial paper program to expand its financing base. Within the framework of this program, the company can issue commercial papers having a maturity of less than one year to be used to finance Aspo's net working capital and other short-term funding needs. At the end of the period EUR 10.0 million of the domestic commercial paper program had been used.

After the review period, Aspo signed a EUR 20 million two year loan contract.

## PERSONNEL, CONTINUING OPERATIONS

Aspo Group's personnel in continuing operations averaged 804 (378) for January-September, compared with 382 for the entire fiscal year 2007. As a result of the Kauko-Telko acquisition, the Group's personnel doubled.

Average Personnel by Division*)

| | 1-9/2008 | 1-9/2007 | 1-12/2007 |
|---|---|---|---|
| ESL Shipping | 229 | 240 | 239 |
| Leipurin | 161 | | |
| Telko | 227 | 128 | 132 |
| Other operations | 187 | 10 | 11 |
| Continuing operations total | 804 | 378 | 382 |
| Discontinued operations | 39 | 307 | 309 |
| Total | 843 | 685 | 691 |

*) Kauko-Telko's figures for May-September 2008 are consolidated in Aspo Group's figures

Following the Kauko-Telko acquisition, Aspo is reorganizing its operations. As part of the reorganization, Kauko-Telko Ltd will be divided into Telko Ltd, Leipurin Ltd, Hamina Terminal Services Ltd and Kaukomarkkinat Ltd. Kauko-Telko's centralized administration will be dissolved and appropriate parts of it will be transferred to operating activities and Group administration by the end of the year.

Due to the planned reorganization, Aspo has initiated statutory negotiations with personnel representatives, as required under the Act on Co-Operation Within Undertakings, concerning all Kauko-Telko's administrative personnel.

## SHARES AND SHAREHOLDERS

From January to September 2008 a total of 2,732,350 Aspo Plc shares worth EUR 16.8 million, or 10.3% of the stock were traded on the NASDAQ OMX Exchange in Helsinki. During the period, the stock reached a high of EUR 6.90 and a low of EUR 5.05. The average price was EUR 6.19 and the closing price EUR 5.16. The market capitalization excluding treasury shares was EUR 133.2 million at the end of the period.

On September 30, 2008, Aspo Plc's registered share capital was EUR 17,690,603.97 and the number of shares was 26,404,383. The company held 587,974 of its own shares, representing 2.2% of Aspo Plc's share capital.

Aspo Plc has on April 1, 2008, disposed of 1,500 shares and on June 6, 2008, 13,130 shares within the context of the company's management incentive program.

At the end of the period, the number of Aspo Plc shareholders was 4,914. A total of 600,548 shares or 2.3% of the total share capital were nominee registered or held by non-domestic shareholders.

EVENTS AFTER THE REPORTING PERIOD

Following the Kauko-Telko acquisition, Aspo is reorganizing its operations. As part of the reorganization, Kauko-Telko Ltd will be divided into Telko Ltd, Leipurin Ltd, Hamina Terminal Services Ltd and Kaukomarkkinat Ltd. Kauko-Telko's centralized administration will be dissolved and appropriate parts of it will be transferred to operating activities and Group administration by the end of the year.

Due to the reorganization, Aspo has initiated statutory negotiations with personnel representatives, as required under the Act on Co-Operation Within Undertakings, concerning all Kauko-Telko's administrative personnel groups and no more than 50 people. The potential reduction in personnel due to the reorganization of operations is estimated at 10 to 15 persons. The statutory negotiations were commenced on October 9, 2008, and they will last six weeks.

OUTLOOK FOR REST OF 2008

The Group's net sales will continue to grow and the full-year earnings per share are expected to be close to last year's record high.

Aspo's business operations focus on small niche areas. Operational growth and performance mainly depends on industrial demand in the Baltic Sea region and CIS market. The uncertainty on the financial markets may decrease industrial investments and make it difficult for customers to acquire working capital on the CIS market in particular. Exchange rate fluctuations may increase in our operating areas. General uncertainty on international raw material markets concerning the sustainability of price levels has increased and the prices of some raw materials have decreased heavily.

The May-September figures for the acquired Kauko-Telko are consolidated. The acquisition will increase the net sales towards the end of the year and the Group earnings are expected to improve. Sales growth is held back by the divestments made in the third quarter, with the sale of Autotank being the biggest one. Possible non-recurring costs caused by the co-operation negotiations initiated in Kauko-Telko will affect the result in the last quarter.

ESL Shipping

If fleet operations are successful and there are no problems with the availability of cargoes, the comparable full-year operating profit may be close to last year's level.

The freight rates in international bulk freight markets have made a downturn. In the Baltic Sea, the price level is not expected to drop significantly because the freight prices on the Baltic Sea have not followed the international increase in full either.

The company's operations have become more diversified over the past few years, and a wide service range for the needs of exporting and importing industry in the Baltic Sea region have been developed besides traditional shipping. The steel industry has become the company's largest customer group. The proportion of the energy industry is less than one-third.

The transport capacity is expected to be in full use towards the end of the year. A considerable share of the transportation capacity of 2009 has been covered with long-term agreements. All repair dockages planned for this year have been completed.

The exchange rate risks related to shipping operations have been hedged by forward contracts for the most part. To protect ourselves against the risks associated with the fluctuation of fuel prices, our customer contracts include special bunker clauses.

Leipurin

The demand from the food industry has been good despite the economic uncertainty. The prices of raw materials are expected to remain at the historically high level. The growth is expected to continue as strong in Russia and remain unchanged in Finland and the Baltic countries. Leipurin Group is looking into the possibility of expanding its operations to Russia’s new metropolises and to Ukraine. A new logistics center will be taken into use in St. Petersburg, a move which will increase costs towards the end of the year.

The economic uncertainty and international financial crisis may affect the liquidity of customers and decrease investments in machinery. Exchange rate fluctuations may increase the operational risk.

Telko

As a result of the acquisition, Telko’s net sales will grow strongly in the last quarter as well. Operating profit is also expected to grow from last year.

Uncertainty has increased in the markets. The prices of petrochemicals have been decreasing. The general economic situation may manifest itself as a surprising price decrease or as cyclicality.

On the Russian and Ukrainian markets, the development is expected to continue as strong despite the economic uncertainty. The development in Finland, Scandinavia and the Baltic countries is more uncertain.

Telko Group’s risks are related to the instability of international demand and supply, the prices of petrochemical products and the currencies in the operating areas. Other risks include political and financial instability in Russia and Ukraine.

Other Operations

The Kaukomarkkinat unit has increased its net sales and operating profit. The sales of heating pumps, which is part of the electronics operations, is expected to remain stable. A possible recession will decrease greenfield construction and increase renovations, which is expected to increase the demand for heating pumps. The operations of the industrial machinery unit run on a healthy basis and prospects are good. Operations in the Chinese joint venture unit are expected to start in the first half of 2009.

Helsinki, October 23, 2008

ASPO Plc

Board of Directors

ASPO GROUP INCOME STATEMENT

| | 7-9/08 | | 7-9/07 | |
|---|---|---|---|---|
| | MEUR | % | MEUR | % |
| Net sales | 112.6 | 100.0 | 52.0 | 100.0 |
| Other operating income | 1.2 | 1.1 | 0.1 | 0.2 |
| Depreciation and write-downs | -2.9 | -2.6 | -2.3 | -4.4 |
| Operating profit | 5.9 | 5.2 | 3.8 | 7.3 |
| Financial income and expenses | -1.4 | -1.2 | -0.4 | -0.8 |
| Profit before taxes | 4.5 | 4.0 | 3.4 | 6.5 |
| Profit for the period, continuing operations | 2.7 | 2.4 | 2.8 | 5.4 |
| Profit for the period, discontinued operations | 7.7 | | -0.1 | |
| Profit for the period | 10.4 | | 2.7 | |
| Profit attributable to shareholders | 10.3 | | 2.7 | |
| Minority interest | 0.1 | | | |

| | 1-9/08 | | 1-9/07 | | 1-12/07 | |
|---|---|---|---|---|---|---|
| | MEUR | % | MEUR | % | MEUR | % |
| Net sales | 258.0 | 100.0 | 154.7 | 100.0 | 208.9 | 100.0 |
| Other operating income | 1.2 | 0.5 | 10.3 | 6.7 | 10.4 | 5.0 |
| Depreciation and write-downs | -7.8 | -3.0 | -7.0 | -4.5 | -9.4 | -4.5 |
| Operating profit | 12.9 | 5.0 | 21.5* | 13.9 | 25.3* | 12.1 |
| Financial income and expenses | -3.0 | -1.2 | -0.9 | -0.5 | -1.1 | -0.5 |
| Profit before taxes | 9.9 | 3.8 | 20.6 | 13.4 | 24.3 | 11.6 |
| Profit for the period, continuing operations | 6.5 | 2.5 | 15.7 | 10.2 | 18.4 | 8.8 |
| Profit for the period, discontinued operations | 8.1 | | -1.2 | | -3.1 | |
| of which the gain on the sale of the Autotank Group | 8.2 | | | | | |
| Profit for the period | 14.6 | | | | | |
| Profit attributable to shareholders | 14.5 | | 14.6 | | 15.3 | |
| Minority interest | 0.1 | | 0.1 | | 0.1 | |

*) including a sales gain of EUR 10.2 million

| ASPO GROUP BALANCE SHEET | 9/08 MEUR | 9/07 MEUR | Change % | 12/07 MEUR |
|---|---|---|---|---|
| Assets | | | | |
| Non-current assets | | | | |
| Intangible assets | 17.0 | 1.6 | 962.5 | 2.6 |
| Goodwill | 41.3 | 10.8 | 282.4 | 10.1 |
| Tangible assets | 71.4 | 51.4 | 38.9 | 47.3 |
| Available-for-sale assets | 0.2 | 0.2 | | 0.2 |
| Long-term receivables | 0.9 | 2.3 | -60.9 | 2.5 |
| Shares in associated companies | 1.1 | 1.4 | -21.4 | 1.1 |
| Total non-current assets | 131.9 | 67.7 | 94.8 | 63.8 |
| Current assets | | | | |
| Inventories | 41.5 | 23.4 | 77.4 | 24.0 |
| Sales and other receivables | 59.1 | 45.0 | 31.3 | 40.1 |
| Cash and bank deposits | 22.0 | 11.9 | 84.9 | 13.1 |
| Total current assets | 122.6 | 80.3 | 52.7 | 77.2 |
| Assets classified as held for sale | 3.1 | | | |
| Total assets | 257.6 | 148.0 | 74.1 | 141.0 |
| Shareholders' Equity and Liabilities | | | | |
| Shareholders’ equity | | | | |
| Share capital | 17.7 | 17.5 | 1.1 | 17.7 |
| Other shareholders’ equity | 48.0 | 45.3 | 6.0 | 45.3 |
| Shareholders’ equity attributable | 65.7 | 62.6 | 5.0 | 62.8 |
| to equity holders of the parent | 0.1 | 0.2 | | 0.2 |
| Minority interest | | | | |
| Long-term liabilities | 47.3 | 27.1 | 74.5 | 25.7 |
| Short-term liabilities | 142.8 | 58.1 | 145.8 | 52.3 |
| Liabilities classified as held for sale | 1.7 | | | |
| Total shareholders' equity and liabilities | 257.6 | 148.0 | 74.1 | 141.0 |

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

A = Share Capital
B = Premium Fund
C = Fair Value Fund
D = Other Funds
E = Repurchased Shares
F = Translation Difference
G = Retained Earnings
H = Total
I = Minority Interest
J = Total Shareholders' Equity

| MEUR | A | B | C | D | E | F | G | H | I | J |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance at 31/12/2007 | 17.7 | 4.3 | -1.0 | 0.5 | -3.0 | 0.0 | 44.3 | 62.8 | 0.2 | 63.0 |
| Translation differences | | | | | | -0.2 | | | | |
| Increase in hedging reserve | | | 0.6 | | | | | | | |
| Share of deferred taxes | | | -0.2 | | | | | | | |
| Net profit for the period | | | | | | | 14.6 | | | |
| Dividend payment | | | | | | | -10.8 | | | |
| Share repurchase | | | | | -0.6 | | | | | |
| Net result recognised directly to equity | | | | | | | -0.5 | | | |
| Balance at 30/09/2008 | 17.7 | 4.3 | -0.6 | 0.5 | -3.6 | -0.2 | 47.6 | 65.7 | 0.1 | 65.8 |
| | | | | | | | | | | |
| Balance at 31/12/2006 | 17.5 | 2.5 | 0.0 | 0.2 | -1.8 | 0.1 | 39.7 | 58.1 | 0.1 | 58.2 |
| Translation differences | | | | | | 0.1 | | | | |
| Increase in hedging reserve | | | -0.5 | 0.0 | | | | | | |
| Share of deferred taxes | | | | 0.0 | | | | | | |
| Net profit for the period | | | | | | | 14.6 | | 0.1 | |
| Dividend payment | | | | | | | -10.5 | | | |
| Share repurchase | | | | | -0.5 | | | | | |
| Share disposal | | | | 0.2 | 0.4 | | | | | |
| Conversion of convertible bond to shares | 0.0 | 0.6 | | | | | | | | |
| Balance at 30/09/2007 | 17.5 | 3.1 | -0.5 | 0.4 | -1.9 | 0.2 | 43.8 | 62.6 | 0.2 | 62.8 |

Accounting principles

All figures are unaudited. This interim report has been prepared in accordance with the IAS 34 (Interim Reports) standard. The accounting principles that were applied in the preparation of the financial statements of December 31, 2007 have been applied in the preparation of this interim report.

ASPO GROUP CASH FLOW STATEMENT

| | 1-9/08 MEUR | 1-9/07 MEUR | 1-12/07 MEUR |
|---|---|---|---|
| Net operational cash flow | 17.6 | 4.5 | 8.5 |
| Investments | | | |
| Investments in tangible and intangible assets | -20.6 | -4.8 | -5.7 |
| Gains on the sale of tangible and intangible assets | 0.7 | 10.3 | 11.2 |
| Purchases of subsidiary shares | -77.6 | -4.7 | -4.7 |
| Sale of subsidiary shares | 25.6 | | |
| Total Cash Flow From Investments | -71.9 | 0.8 | 0.7 |
| Financing | | | |
| Repurchase of shares | -0.7 | -0.5 | -1.6 |
| Share disposal | 0.1 | | |
| Change in short-term borrowings | 54.8 | 8.1 | 6.8 |
| Change in long-term receivables | 1.5 | 0.1 | 0.1 |
| Change in long-term borrowings | 13.4 | -2.0 | -1.4 |
| Dividends paid | -10.8 | -10.6 | -10.6 |
| Total Financing | 58.3 | -4.9 | -6.7 |
| Impact of changes in exchange rates | | 0.2 | 0.1 |
| Increase / Decrease in liquid funds | 4.0 | 0.6 | 2.6 |
| Liquid funds in beginning of year | 13.2 | 9.1 | 9.1 |
| Liquid funds and used overdraft limit at period end | 17.1 | 9.7 | 11.7 |
| Used overdraft limit at period end | 4.9 | 2.2 | 1.5 |
| Liquid funds at period end | 22.0 | 11.9 | 13.2 |

KEY FIGURES AND RATIOS

| | 1-9/08 | 1-9/07 | 1-12/07 |
|---|---|---|---|
| Earnings per share, EUR, continuing operations | 0.26 | 0.60 | 0.71 |
| Earnings per share, EUR, discontinued operations | 0.30 | -0.03 | -0.12 |
| Earnings per share total | 0.56 | 0.57 | 0.59 |
| EPS adjusted for dilution, EUR, continuing operations | 0.25 | 0.56 | 0.67 |
| EPS adjusted for dilution, EUR, discontinued operations | 0.28 | -0.04 | -0.11 |
| EPS adjusted for dilution, EUR, total | 0.53 | 0.52 | 0.56 |
| Comparable earnings per share, EUR, continuing operations | 0.26 | 0.31 | 0.41 |
| Comparable earnings per share, EUR, discontinued operations | -0.01 | -0.03 | -0.12 |
| The whole group | | | |
| Equity per share, EUR | 2.55 | 2.42 | 2.43 |
| Equity ratio, % | 25.9 | 42.8 | 45.1 |
| Gearing, % | 139.4 | 41.5 | 32.4 |

Discontinued Operations, total

| | 1-9/08 MEUR | 1-9/07 MEUR | 1-12/07 MEUR |
|---|---|---|---|
| Net sales | 43.3 | 40.5 | 57.7 |
| Other operating income | 0.0 | 0.0 | 0.4 |
| Depreciations and write downs | -0.4 | -0.3 | -0.4 |
| Operating profit | 9.1 | -0.4 | -1.5 |
| Financial income and expenses | -0.8 | -0.6 | -1.4 |
| Profit before taxes | 8.3 | -1.0 | -2.9 |
| Profit for the period | 8.1 | -1.1 | -3.1 |
| - of which the gain on the sale of the Autotank Group | 8.2 | | |

Income Statement of
the Autotank Group

| | 1-9/08 MEUR | 1-9/07 MEUR | 1-12/07 MEUR |
|---|---|---|---|
| Net sales | 34.3 | 40.5 | 57.7 |
| Other operating income | 8.2 | | 0.4 |
| Depreciations and write downs | -0.3 | -0.3 | -0.4 |
| Operating profit | 8.8 | -0.4 | -1.5 |
| Financial income and expenses | -0.7 | -0.6 | -1.4 |
| Profit before taxes | 8.1 | -1.0 | -2.9 |
| Profit for the period | 7.9 | -1.1 | -3.1 |

| Assets of Discontinued Operations | 30.9.2008 |
|---|---|
| Long term assets | 0.3 |
| Short term assets | 2.8 |
| Total assets held for sale | 3.1 |
| Assets classified as held for sale | |
| Short-term liabilities | 1.7 |
| Total liabilities held for sale | 1.7 |

Liabilities and financing costs attributable to discontinued operations have been recorded in their results.

Kauko-Telko Acquisition
Preliminary combination

| | Fair Values Recorded in Combination MEUR | Book Value Before MEUR |
|---|---|---|
| Acquired assets | | |
| Intangible assets | 18.0 | 4.6 |
| Tangible assets | 12.6 | 8.9 |
| Inventories | 23.9 | 23.1 |
| Accounts receivable and other assets | 30.5 | 30.5 |
| Cash and bank deposits | 20.7 | 20.7 |
| Total assets | 105.7 | 87.8 |
| Long-term liabilities | 11.2 | 6.6 |
| Short-term liabilities | 37.2 | 37.2 |
| Net assets | 57.3 | |
| Goodwill | 38.2 | |
| Total acquisition price | 95.5 | |

The total acquisition cost was EUR 95.5 million including estimated expert fees of EUR 1.8 million.

FINANCIAL INFORMATION

Aspo has arranged a press conference for the media and analysts to be held today, October 23, 2008, starting at 10:00 at Palace Gourmet, Eteläranta 10, 00130 Helsinki.

ASPO Plc

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Aspo is a conglomerate focusing on sectors that require extensive specialist knowledge. Aspo owns and develops the leading businesses in its sector, which include ESL Shipping, Leipurin as well as Telko. Aspo serves demanding business-to-business clients. In 2007, the company’s net sales (pro forma) amounted to EUR 495.3 million.

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