Aspo Plc STOCK EXCHANGE RELEASE February 14, 2011 at 10.00 a.m.

ASPO GROUP'S FINANCIAL STATEMENTS RELEASE

ASPO 2010: operating profit grew considerably
(comparative figures are for 2009)

- Aspo Group's net sales in January-December grew by 20% and amounted to EUR 395.9 million (EUR 329.4 million)
- Comparable operating profit grew by 49% to EUR 17.9 million (comparable operating profit EUR 12.0 million plus EUR 3.3 million in non-recurring items)
- Profit before tax was EUR 14.1 million (EUR 8.4 million plus EUR 3.3 million in non-recurring items)
- Earnings per share was EUR 0.40 (EUR 0.16 and non-recurring sales gains of EUR 0.17 as earnings per share)
- Operational cash flow was EUR 0.37 per share.

ASPO October-December 2010: strong end of the year
- Aspo Group's net sales grew by 21% and amounted to EUR 109.1 million (EUR 90.1 million)
- Operating profit grew by 38% and was EUR 5.5 million (EUR 4.0 million)
- Earnings per share stood at EUR 0.13 (EUR 0.10).

- The Board of Directors proposes a dividend of EUR 0.42 per share to the Annual Shareholders' Meeting (EUR 0.42).

Guidance for 2011
- In 2011, Aspo has the preconditions to increase its net sales and improve its earnings per share.

KEY FIGURES

| | 1-12/2010 | 1-12/2009 |
|---|---|---|
| Net sales, MEUR | 395.9 | 329.4 |
| Operating profit, MEUR | 17.9 | 15.3 |
| Share of net sales, % | 4.5 | 4.6 |
| Profit before taxes, MEUR | 14.1 | 11.7 |
| Share of net sales, % | 3.6 | 3.6 |
| Personnel at the end of period | 712 | 717 |
| | | |
| Earnings per share, EUR | 0.40 | 0.33 |
| EPS adjusted for dilution, EUR | 0.41 | 0.33 |
| Comparable earnings per share, EUR | | 0.16 |
| | | |
| Equity per share, EUR | 2.63 | 2.59 |
| Equity ratio, % | 33.2 | 34.6 |
| Gearing, % | 101.5 | 87.9 |

AKI OJANEN, ASPO'S CEO:

"Aspo generated a good operating result in 2010. We clearly improved our net sales and operating profit. We have been successful in the integration and business operation development after the 2008 acquisition.

The beginning of 2010 was challenging. In the first quarter, the low demand and high costs caused by difficult ice conditions in the winter weakened the result. Good development from the second quarter onwards took us towards our goal as a conglomerate; net sales and cash flow were distributed more evenly across different business areas. Currently Aspo is a true conglomerate. Our most profitable business area, ESL Shipping, represents half and the other businesses combined represent the other half of our operating profit. We reached our goal in cutting the Group's administrative costs. Our goal in the future is to continue improving the Group administration's cost ratio to operating profit.

The comparable earnings per share excluding non-recurring sales gains increased from EUR 0.16 to EUR 0.40. Despite our ship investment program, our equity ratio and gearing remained nearly at last year's level.

Since 2007, we have published our quarterly development in our strategic focus areas of Russia and the Ukraine. We were once again able to raise our net sales and profitability considerably in these markets. Aspo's goal in the future is to continue growing through well thought-out acquisitions and investments.

The personnel survey carried out in late 2010 showed that our personnel like their work and appreciate Aspo as a company. I would like to thank our personnel in all of our fourteen operating countries for the good work and result in 2010."

## ASPO AS A COMPANY

Aspo is a conglomerate that owns and develops business operations in northern Europe and growth markets, focusing on demanding B-to-B customers. Aspo's strong company brands – ESL Shipping, Leipurin, Telko and Kaukomarkkinat – aim to be the market leaders in their sectors. They are responsible for their own operations, customer relationships, and the development of these. Together they generate Aspo's goodwill. Aspo's Group structure and business operations are continually developed without any predefined schedules.

Aspo's operating segments are ESL Shipping, Leipurin, Telko and Kaukomarkkinat. Other operations include Aspo Group's administration and other operations not belonging to the business units.

The Group monitors its net sales on the basis of the following geographical division: Finland, the Nordic countries, the Baltic countries, Russia and other CIS countries (including the Ukraine), and other countries.

## OPERATIONAL PERFORMANCE

General uncertainty decreased on the markets and the prices of raw materials sold stabilized. The transportation volumes of raw materials important to Aspo increased.

In Aspo's operating areas, national economies and purchasing power have improved. General uncertainty in the financial markets continued, and it is still difficult to estimate future developments.

The EU commission continues to handle the tonnage tax. Our financial statement does not include a possible change to the tonnage tax legislation that would be applied retrospectively to the 2010 financial statements.

## ESL Shipping

ESL Shipping is the leading dry bulk sea transport company operating in the Baltic Sea area. At the end of the review period, the company’s fleet consisted of 15 vessels, of which the company owns 12. ESL Shipping is an integral part of of the Finnish energy and steel industry’s security of supply.

| | 10-12/2010 | 10-12/2009 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| Net sales, MEUR | 19.9 | 17.6 | 2.3 | 79.5 | 63.8 |
| Operating profit, MEUR | 3.0 | 3.6 | -0.6 | 11.5 | 14.7 |
| Personnel | 183 | 194 | -11 | 183 | 194 |

The shipping company's operating environment was challenging in early 2010. The difficult ice conditions increased costs, which weakened operating profit in the first quarter.

ESL Shipping exceeded last year’s net sales level, but operating profit was below the 2009 level, which included a EUR 2.9 million non-recurring sales gain from m/s Kontula.

The cargo volumes for the steel industry were normal in 2010 and increased considerably from 2009. The cargo volume carried by ESL Shipping in January-December amounted to 13.1 million tons (10.7). Steel industry’s share of the volume was 9.1 million tons (5.7). The cargo volume in the energy industry was below last year’s and the forecasted amounts. The energy industry’s share was 3.3 million tons (4.5). The cargo volume carried in October-December amounted to 3.4 million tons (3.0). The share of the steel industry was 2.3 million tons (1.9), and the energy industry represented 0.8 million tons (0.9). The international recession decreased sea freight prices, which exceptionally increased long-distance imports of coal and affected ESL Shipping’s coal cargo volumes in 2010.

The shipping company time charted m/s Princenborg until June 2010 and m/s Nassauborg and m/s Beatrix throughout the entire year. The time chartering of the two latter vessels continues until the summer of 2011. The 18,800 dwt vessel ordered from India was named m/s Alppila and will be completed in the spring of 2011. Two 56,150 dwt ice-strengthened dry cargo supramax class vessels have been ordered from the Korean Hyundai Mipo’s Vinashi shipyard. The first vessel will possibly be completed already this year and the other in the spring of 2012. When the new vessels are completed, the shipping company’s capacity will grow by 50 percent.

## Leipurin

Leipurin serves the baking and food industry by supplying ingredients, production machinery, and production lines, as well as related expertise. Leipurin operates in Finland, Russia, Poland, the Baltic countries, the Ukraine, Belarus, and Kazakhstan. In Russia, Leipurin has operations in several large cities in addition to St. Petersburg and Moscow. Procurement operations are international.

| | 10-12/2010 | 10-12/2009 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| Net sales, MEUR | 30.6 | 27.5 | 3.1 | 108.7 | 99.3 |
| Operating profit, MEUR | 1.4 | 1.1 | 0.3 | 3.6 | 3.2 |
| Personnel | 226 | 218 | 8 | 226 | 218 |

The raw material prices in the food industry decreased in the first half of

2010, and made an upturn in the fall due to a global increase in the demand for agricultural products.

Leipurin reached record net sales and operating profit in 2010. The last quarter was the best of the year. The growth in net sales and operating profit was in particular due to an increase in bakery raw material sales in Russia's new offices.

Leipurin is the market leader in Finland and in all the Baltic countries. The share of Russia, the Ukraine and the CIS markets was approximately 22% of Leipurin Group’s total net sales in 2010.

The operations and profitability in bakery raw material sales developed well. Business operations were launched in Kazakhstan and Belarus in late 2010. Due to a low order book in early 2010, the operating profit from the machinery department was clearly below last year’s result. Some of the project deliveries for bakery production lines agreed on in the summer were delivered in the fourth quarter and the rest will be delivered in 2011. Other food business operations showed moderate growth.

## Telko

Telko is the leading expert and supplier of industrial chemicals and plastic raw materials in the Baltic Sea region. It operates in Finland, the Baltic countries, Scandinavia, Poland, the Ukraine, Russia, Belarus, Kazakhstan, and China. Procurement operations are international. Business is based on representation by the best international principals and on the expertise of the personnel. Telko develops the production and competitiveness of its customers’ products in cooperation with them.

| | 10-12/2010 | 10-12/2009 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| Net sales, MEUR | 47.9 | 33.7 | 14.2 | 175.2 | 128.8 |
| Operating profit, MEUR | 1.7 | -0.1 | 1.8 | 6.8 | 3.1 |
| Personnel | 199 | 193 | 6 | 199 | 193 |

Telko’s operating environment improved considerably compared to 2009. The result was affected both by price increases in sold raw materials and a recovery in demand from 2009.

Telko reached record net sales and operating profit in 2010. The 2009 operating profit included a EUR 3.2 million non-recurring sales gain from the divestment of Hamina Terminal Services Oy’s operations and EUR 2.3 million in non-recurring costs from storage loss and reorganization.

The restructuring that started in 2009 continued by shifting to an operational organization that supports cost-efficient operational growth in the future. The considerable net sales and operating profit growth in 2010 is proof of successful changes and cost efficiency.

Investments in new principals’ products and in improving the service for key customers were particularly visible as considerable growth in the plastics business. Investments were made in growth markets by launching operations in Kazakhstan and Belarus, by establishing operations in the metropolises of Yaroslavl, Samara and Nizhny Novgorod in Russia and by launching operations in China. The share of Russia, the Ukraine and CIS countries was EUR 63.5 million (36.8) of total net sales in 2010.

In Finland and Scandinavia, Telko implemented a new ERP system in 2010.

## Kaukomarkkinat

Kaukomarkkinat specializes in energy efficiency technology, solutions to improve efficiency in the process industry, and security and digital products. Operations are based on the products of the best companies in the industry and the willingness of the company's own experts to improve the operations and efficiency of its customers. Kaukomarkkinat operates in Finland, Poland, Russia, China, and Vietnam.

| | 10-12/2010 | 10-12/2009 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| Net sales, MEUR | 10.7 | 11.3 | -0.6 | 32.5 | 36.4 |
| Operating profit, MEUR | 0.8 | 0.5 | 0.3 | 0.6 | 0.5 |
| Personnel | 91 | 90 | 1 | 91 | 90 |

In 2010, Kaukomarkkinat's net sales and comparable operating profit decreased. The 2009 operating profit included a non-recurring EUR -0.5 million sales loss from a divestment. The fourth quarter operating profit amounting to EUR 0.8 million (0.5) was the best for the year. In the last quarter, Finnish local energy and electronics operations improved their result considerably. Towards year-end, the order book of industrial product deliveries improved, but net sales and profitability decreased from the 2009 level.

Some Chinese project deliveries were completed in the fourth quarter. At the beginning of the year, the sales and profitability of energy efficiency products was weak due to a harsh winter and decreased demand. The test success in heating and energy efficiency of Panasonic's air heat pumps represented by Kaukomarkkinat, the product expansion in the fall through the acquisition of KSM-Lämpötekniikka's operations to pellet plants, and solar energy increased sales in the second half of the year.

In Finland, Kaukomarkkinat implemented a new ERP system at the beginning of 2011.

## Other operations

Other operations include Aspo Group's administration and other operations not belonging to the business units.

| | 10-12/2010 | 10-12/2009 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| Net sales, MEUR | 0.0 | 0.0 | 0.0 | 0.0 | 1.1 |
| Operating profit, MEUR | -1.4 | -1.1 | -0.3 | -4.6 | -6.2 |
| Personnel | 13 | 22 | -9 | 13 | 22 |

## NET SALES

Aspo Group's net sales grew by EUR 66.5 million or 20.2% to EUR 395.9 million (329.4).

Net sales by segment, MEUR

| | 10-12/10 | 10-12/09 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| ESL Shipping | 19.9 | 17.6 | 2.3 | 79.5 | 63.8 |
| Leipurin | 30.6 | 27.5 | 3.1 | 108.7 | 99.3 |
| Telko | 47.9 | 33.7 | 14.2 | 175.2 | 128.8 |
| Kaukomarkkinat | 10.7 | 11.3 | -0.6 | 32.5 | 36.4 |
| Other operations | 0.0 | 0.0 | 0.0 | 0.0 | 1.1 |
| Total | 109.1 | 90.1 | 19.0 | 395.9 | 329.4 |

There is no considerable inter-segment net sales.

Net sales by market area, MEUR

| | 10-12/10 | 10-12/09 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| Finland | 46.4 | 38.8 | 7.6 | 167.1 | 151.8 |
| Nordic countries | 12.4 | 9.6 | 2.8 | 51.9 | 30.0 |
| Baltic countries | 12.6 | 9.2 | 3.4 | 43.8 | 37.0 |
| Russia +other CIS countries | 25.2 | 18.0 | 7.2 | 88.5 | 56.2 |
| Other countries | 12.5 | 14.5 | -2.0 | 44.6 | 54.4 |
| Total | 109.1 | 90.1 | 19.0 | 395.9 | 329.4 |

Net sales grew strongly in Russia, the Ukraine and the CIS countries. The net sales in this market area grew by 40% in the fourth quarter compared to the previous year and amounted to EUR 25.2 million (18.0). At full year level, net sales growth in the market area was 57%.

When ESL Shipping's raw material exports from Russia are included in the net sales figures, the importance of the area is emphasized further in Aspo's business operations. Calculated like this, the share of the market area of overall net sales is nearly 30%.

| MEUR | 10-12/10 | 10-12/09 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| Russia + other CIS countries | 31.3 | 23.9 | 7.4 | 112.0 | 87.9 |

EARNINGS

Aspo Group's operating profit for the period was EUR 17.9 million (15.3). The operating profit does not include any non-recurring costs or income. The 2009 operating profit included EUR 6.1 million in sales gains, EUR -0.5 million in sales losses, and non-recurring costs from reorganization and storage losses in Telko of EUR 2.3 million.

ESL Shipping's operating profit was EUR 11.5 million (EUR 11.8 million, plus EUR 2.9 million sales gain from m/s Kontula). Leipurin's operating profit was EUR 3.6 million (3.2). Telko's operating profit grew by EUR 3.7 million to EUR 6.8 million (EUR 3.1 million including non-recurring costs of EUR 2.3 million and a non-recurring sales gain of EUR 3.2 million from Hamina Terminal Services' operations). Kaukomarkkinat's operating profit was EUR 0.6 million (EUR 0.5 million including a sales loss of EUR -0.5 million from Metex Deutschland).

Other operations include Aspo Group's administration and a small share of other items not belonging to the business units. The operating profit of other operations was negative, and amounted to EUR -4.6 million (-6.2). Administration costs have decreased considerably since the fourth quarter in 2009.

Operating profit by segment, MEUR

| | 10-12/10 | 10-12/09 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| ESL Shipping | 3.0 | 3.6 | -0.6 | 11.5 | 14.7 |
| Leipurin | 1.4 | 1.1 | 0.3 | 3.6 | 3.2 |
| Telko | 1.7 | -0.1 | 1.8 | 6.8 | 3.1 |
| Kaukomarkkinat | 0.8 | 0.5 | 0.3 | 0.6 | 0.5 |
| Other operations | -1.4 | -1.1 | -0.3 | -4.6 | -6.2 |
| Total | 5.5 | 4.0 | 1.5 | 17.9 | 15.3 |

Earnings per share

Earnings per share was EUR 0.40 (0.33) and diluted earnings per share was EUR 0.41 (0.33). Equity per share was EUR 2.63 (2.59).

## INVESTMENTS

Group investments amounted to EUR 13.2 million (7.4) which mainly consists of ESL Shipping’s advance payments for the vessels that are being built and docking of existing vessels. Other investments include the purchase of the Group’s ERP system and maintenance investments.

Investments by segment, acquisitions excluded, MEUR

| | 10-12/10 | 10-12/09 | Change | 2010 | 2009 |
|---|---|---|---|---|---|
| ESL Shipping | 0.6 | 0.2 | 0.4 | 11.1 | 3.1 |
| Leipurin | 0.1 | 0.1 | 0.0 | 0.3 | 0.5 |
| Telko | 0.2 | 1.6 | -1.4 | 0.9 | 2.5 |
| Kaukomarkkinat | 0.4 | 0.2 | 0.2 | 0.8 | 0.6 |
| Other operations | 0.0 | 0.1 | -0.1 | 0.1 | 0.7 |
| Total | 1.3 | 2.2 | -0.9 | 13.2 | 7.4 |

## FINANCING

The Group’s financing position remained unchanged during the year. The 2010 financing position was affected by the good profitability and strong operational cash flow, as well as the new vessel investments. For its part, the 2009 financial position was affected by considerable capital gains from business operation and vessel deals, as well as compensation from the cancellation of a vessel order from India.

The Group’s liquidity was good and the amount of cash and cash equivalents on the closing date was EUR 7.1 million (11.5). There was a total of EUR 77.7 million (70.3) in interest-bearing liabilities on the consolidated balance sheet on the closing date. Interest-free liabilities totaled EUR 65.7 million (57.6).

Aspo Group's gearing was 101.5% (87.9) and the equity ratio was 33.2% (34.6).

The Group’s cash flow from operations still remained strong. The Group reached a good operating profit level but working capital was tied up in operational growth. The cash flow for January-December was EUR 9.6 million (13.0). At the end of the period the change in working capital stood at EUR -8.5 million (6.8).

The Group’s free cash flow was EUR -1.8 million (33.9). ESL Shipping’s first payments for the vessel investments lowered free cash flow in 2010.

The amount of binding revolving credit facilities signed between Aspo and its main financing banks stood at EUR 50 million (80) at the end of the period. At the end of the period, the binding revolving credit facilities remained fully unused. Aspo has a EUR 50 million commercial paper program of which EUR 5 million was in use at the end of the period. ESL Shipping signed a EUR 25 million credit agreement as part of the overall financing of approximately EUR 30 million of the first supramax vessel ordered from the Korean Hyundai Mipo’s Vinashi shipyard.

Convertible capital loan

Aspo Plc has EUR 12,200,000 in a convertible capital loan issued in 2009. The loan period is June 30, 2009 – June 30, 2014. The loan will be repaid in one installment on June 30, 2014, assuming that the repayment conditions outlined in Chapter 12 of the Finnish Companies Act and the loan terms are met. The loan has a fixed interest rate of 7%.

The loan units can be converted into Aspo shares. Each EUR 50,000 subscription of the loan entitles the loan unit holder to convert the loan unit into 7,690 Aspo Plc shares. The conversion rate is EUR 6.50. The loan can be converted annually between January 2 and November 11. The conversion period ends on June 15, 2014. During 2010, 430,640 new shares were subscribed with 56 loan units.

Related party loans

Aspo Plc has granted a EUR 2.8 million loan to Aspo Management Oy, one of the company’s related parties and controlled by the company, as part of a new shareholding plan for the Group. The interest of the loan receivable is 3%. The loan receivable falls due on March 31, 2014 and it can be extended to March 31, 2016 at the latest. Aspo Plc’s shares are used as collateral. The company has been consolidated in the financial statements. The loan is market-based.

## RISKS AND RISK MANAGEMENT

During 2010 the economic recession began to turn around slowly which lowered the risk levels in all sectors. The risks caused by the recession have been closely monitored in Aspo throughout the year and the materialization of the main risks has been prevented through different measures.

At the Group level, strategic risks are decreased by the fact that business operations are divided into four sectors and operations are carried out in a wide geographical area. Operative risks have decreased and the likelihood of materialization is lower, but the changes in the market as an aftermath to the recession are constantly monitored. Quick positive changes in financial structures could also cause risks, as the customer or principal structure or technologies could change, and possibilities that require fast reaction could go unutilized. The recognition and handling of strategic and operative risks has been centralized in Aspo thanks to the establishment of an audit committee in April 2010.

Aspo is growing in developing market areas where growth risks are also affected by industrial and commercial investments, interest rate levels, exchange rates and customers’ liquidity, as well as changes in legislation and import regulations. Consumer behavior is also reflected in the risks generated through B-to-B customers and the risk levels. Industrial demand in Western countries has improved as the economy has recovered and risk levels have decreased in general. The demand changes in emerging markets show a similar trend, but these changes are more difficult to predict.

The Group has avoided considerable exchange rate losses due to active hedging of currency positions and currency flow. Credit loss risks have stabilized, but as an aftermath of the recession we still keep a close eye on our customers. The most significant credit loss provision made in the last quarter of 2009 was dissolved as the situation normalized in 2010.

The risks caused by the aftermath of the economic recession were monitored closely in Aspo. The business areas still continued carrying out risk analyses controlled by external assessors and making continuity plans. In order to ensure insurance coverage, the company reviewed the potential amounts of operating risks and loss risks, and made necessary corrections to the amount insured.

One of the tasks of the audit committee established by Aspo's Board of Directors is to monitor the efficiency of the Group's internal supervision, internal audits and risk management systems. The audit committee monitors the risk management process and carries out necessary measures in particular to prevent strategic risks. In accordance with the internal supervision principles approved by the Board of Directors in 2009, risk management is part of Aspo's internal supervision and its task is to ensure the implementation of the Group's strategy, development of financial results, shareholder value, dividend payment ability, and continuity in business operations. The operational management of the business areas is responsible for risk management. The management is responsible for defining sufficient measures, implementation, and for monitoring and ensuring that the measures are implemented as part of day-to-day operational control. Risk management is coordinated by Aspo's CFO, who reports to the Group CEO.

The goodwill reflects the performance ability of each sector with capital employed, and the related risks are monitored with sector-specific impairment testing at least annually. In 2010, there was no need to make changes to goodwill.

## CORPORATE GOVERNANCE

From October 1, 2010, Aspo has applied the Finnish Corporate Governance Code 2010 issued by the Securities Market Association.

## PERSONNEL

At the end of the period, the number of employees at Aspo Group was 712 (717) and the average during the fiscal period was 736 (723). The average number of officials during the year was 497 (492) and of employees was 239 (231). The number of personnel in the parent company consisting of officials was 12 (12) at the end of the period and 12 (15) on average during the period.

Of Aspo Group's personnel, 54% (59) work in Finland, 4% (4) in other Nordic countries, 10% (10) in Baltic countries, 22% (18) in Russia and other CIS countries, and 10% (9) in other countries. Men make up 62% (64) and women 38% (36) of employees. Of Aspo Group's employment contracts, 99% (99) are full time. During the financial year, 83 (30) new employment contracts were signed. The cost of all employment benefits within Group in 2010 amounted to EUR 34.3 million (36.4).

Personnel by segment, year-end

| | 10-12/2010 | 10-12/2009 | Change |
|---|---|---|---|
| ESL Shipping | 183 | 194 | -11 |
| Leipurin | 226 | 218 | 8 |
| Telko | 199 | 193 | 6 |
| Kaukomarkkinat | 91 | 90 | 1 |
| Other operations | 13 | 22 | -9 |
| Total | 712 | 717 | -5 |

Rewarding

Aspo Group has a profit bonus system. Part of the Group's profit is paid as a profit bonus to the personnel fund. The aim is that the personnel fund uses the majority of the profit bonuses to purchase Aspo Plc shares. The long-term goal is that the personnel will become a considerable shareholder group in the company. All persons working at Aspo Group's Finnish subsidiaries are members of the personnel fund. Aspo's business areas pay part of their earnings as bonuses to the personnel. The calculation principals for the bonuses are decided on by business area.

In 2009, Aspo's Board decided to continue the 2006 management shareholding program by granting the people included in the plan the possibility to receive Aspo shares in the spring of 2010. On March 25, 2010, the Board decided to transfer 43,130 Aspo shares held by the company to employees included in the shareholding program.

In addition, in 2009 Aspo's Board of Directors made a decision on a shareholding program for the Group's key personnel. The potential gain is based on continuation of the key employees' employment relationships and Aspo Group's cumulative Earnings per Share indicator (EPS) in 2009–2011. The potential gain will be paid partly in Aspo shares and partly in cash between January and March 2012. The management shareholding program encompasses about 40 persons in Aspo's management and key personnel.

On October 26, 2010, the Board of Aspo decided on a new shareholding plan for the management of Aspo Group. The purpose of the plan is to enable considerable long-term ownership in Aspo for those involved in the plan. For the shareholding, the participants acquired a company called Aspo Management Oy, whose entire stock they own. Aspo Management Oy acquired 114,523 Aspo shares from the participants at market price and Aspo also assigned 322,637 shares at EUR 7.93 per share to the company in a directed share issue. As part of the arrangement, the Board decided to grant Aspo Management Oy a EUR 2,800,000 interest-bearing loan to finance the share purchase. The plan is valid until the spring of 2014, when it will be dissolved in a manner that will be decided on later. The plan will be extended for one year at a time if the share price of Aspo at the beginning of 2014, 2015 or 2016 is below the average price at which Aspo Management Oy acquired the Aspo shares it owns. There are restrictions on the right of disposal of the shares for the duration of the plan. The participants' holding in Aspo Management Oy will principally remain valid until the system is dissolved.

RESEARCH AND DEVELOPMENT

Aspo Group's R&D focuses mainly on developing operations, procedures and production technology without a separate organization, which means that the development investments are included in normal operational costs and are not itemized.

## ENVIRONMENT

Aspo Group’s regular operations do not have any significant environmental impact. The Group companies follow Aspo’s environmental policy with the main principle of continuously improving operations. Throughout its operations, Aspo supports the principles of sustainable development.

Aspo looks after the environment by taking initiatives and continuously monitoring the laws and recommendations connected to its operation and any revisions to these. Aspo wants to be a pioneer in all of its operations and also anticipates future developments in environmental regulations.

## MANAGEMENT AND AUDITORS

Aspo Plc’s Annual Shareholders’ Meeting on April 7, 2010 re-elected Matti Arteva, Esa Karppinen, Roberto Lencioni, Gustav Nyberg, Kristina Pentti-von Walzel, and Risto Salo to the Board of Directors for a one-year term. Gustav Nyberg has acted as the full-time Chairman of the Board and Matti Arteva as the Vice Chairman.

In its meeting after the Shareholders’ Meeting, the Board decided to form an Audit Committee and elected Roberto Lencioni as the Chairman of the Committee and Kristina Pentti-von Walzel and Risto Salo as Committee members.

In 2010, the Board of Directors arranged ten meetings, of which three were teleconferences. The average participation rate was 99%.

eMBA Aki Ojanen has acted as the CEO of the company.

The authorized public accounting firm PricewaterhouseCoopers Oy has been the company’s auditor. Mr. Jan Holmberg, APA, has acted as the auditor in charge.

## BOARD AUTHORIZATIONS

The 2010 Annual Shareholders’ Meeting authorized the Board to use funds included in distributable profit to repurchase a maximum of 500,000 company shares. The shares will be purchased through public trading, which means that the purchase will be made irrespective of the shareholders’ holdings and the price paid for the shares will be the market price of Aspo’s shares at the time of the acquisition. The authorization does not exclude the Board’s right to decide on a directed issue.

The shares will be acquired to finance and complete any acquisitions or other transactions, for the balancing of the financial risk in the company’s share-ownership program, or for other purposes to be decided on by the Board of Directors.

The Board may not exercise the authorization if, after the acquisition, the company or its subsidiary were to possess or have as a pledge more than 10% of the company’s stock.

The Board of Directors has not utilized the authorizations granted for the acquisition of company-held shares in 2010.

The Annual Shareholders' Meeting also authorized the Board of Directors to decide on a share issue, through one or several installments, by treasury shares. An aggregate maximum amount of 1,120,000 shares may be conveyed on the basis of the authorization. The shares will be used to finance and complete any acquisitions or other transactions, to carry out the company's share-ownership program, or for other purposes to be decided on by the Board of Directors.

The authorization includes the right for the Board to decide on the terms and conditions applicable to the share issue, and thus also the right to decide on a directed share issue deviating from the shareholders' pre-emptive right on conditions laid down by law.

The authorizations are valid until the Annual Shareholders' Meeting of 2011, but no more than 18 months from the approval at the Shareholders' Meeting.

Based on the authorization by the 2010 Annual Shareholders' Meeting, the Board decided on a share issue directed at Aspo Management Oy, which is a company owned by Aspo Group's management. In the issue, 322,637 of Aspo's own shares were transferred as part of the share ownership plan for Aspo Group's management. The transfer price of the shares was EUR 7.93 per share.

In addition, the Board decided based on the authorization by the 2009 Annual Shareholders' Meeting to transfer 43,130 Aspo shares held by the company to employees included in the 2006 share-ownership program.

## SHARE CAPITAL AND SHARES

Aspo Plc's share capital on December 31, 2010, was EUR 17,691,729.57, and the total number of shares was 26,836,703, of which the company held 254,233 shares, i.e. 0.95% of the share capital. Aspo Plc has one share series. Each share entitles the shareholder to one vote at the shareholders' meeting. Aspo's share is quoted on NASDAQ OMX Helsinki Ltd's medium-sized companies group under industrial products and services.

During 2010, a total of 5,144,587 Aspo Plc shares were traded at EUR 38.7 million or 19.2% of the shares changed owners. During the period, the stock reached a high of EUR 8.31 and a low of EUR 5.91. The average share price was EUR 7.44 and the closing price at year-end was EUR 8.26. At the end of the financial year, the market capitalization excluding treasury shares was EUR 219.6 million.

At the end of the period, the number of Aspo Plc shareholders was 5,760. A total of 681,444 shares, or 2.5% of the total share capital, were nominee registered or held by non-domestic shareholders.

## EVENTS AFTER THE FINANCIAL YEAR

ESL Shipping Ltd has signed a new, long-term contract with Rautaruukki Corporation for the marine transport of raw materials on the Baltic Sea.

## DIVIDEND PROPOSAL

The Board of Directors proposes to the 2011 Annual Shareholders' Meeting that a dividend of EUR 0.42 per share will be paid for the financial year that ended on December 31, 2010, and that no dividend is to be paid on the Aspo shares held by the company.

## OUTLOOK FOR 2011

Aspo Group’s current structure creates a good basis for operational growth. The Group seeks organic growth in particular in Russia and other CIS countries, as well as in the Ukraine and China. The business units also seek growth through acquisitions.

Aspo’s aim is to improve its operating profit margin.

Aspo has the preconditions to increase its net sales and improve its earnings per share.

### ESL Shipping

The shipping company’s capacity will grow thanks to m/s Alppila which will be completed this spring in India and a supramax vessel that will possibly be completed before year-end. Several vessels will be docked in 2011. In order to ensure winter traffic and dockings, the time charters of m/s Beatrix and m/s Nassauborg will continue until next summer, for the time being. A considerable share of the transportation capacity of 2011 has been covered with long-term agreements. Cargo volumes in the steel industry are expected to reach 2010 levels and cargo volumes in the energy sector will grow further from 2010 levels.

The change to the tonnage legislation that has been handled at the EU commission since the beginning of 2010 would, if applied, have a considerable effect on ESL Shipping’s result after tax, and if investments are materialized in the balance sheet, it would have a non-recurring effect on the profit for the period.

### Leipurin

Organic growth is expected to continue. During 2011, Leipurin will continue its establishment in emerging markets and will further develop its new units in Kazakhstan, Belarus and the Ukraine. The new offices create a good foundation for several years of growth in bakery raw material sales. Bakery machine sales are expected to surpass last year’s level. The launch of raw material sales to the other food industry (meat, dairy and soft drink industry) outside Finland that began in 2010 is expected to have a positive effect on net sales and profitability in 2011.

### Telko

Telko’s current cost efficiency and expansion to new principals and new market areas create a good basis for continued profitable growth in 2011. The company will continue expanding in Russia, the Ukraine and the CIS countries, in accordance with its strategy. Additional new offices will be opened in major cities in Russia. The new units established in China, Kazakhstan and Belarus in 2010 will expand their operations.

### Kaukomarkkinat

During 2011, Kaukomarkkinat will expand its operations in local energy solutions where solar energy equipment as inexhaustible sources of energy, pellet boilers and plants as renewable energy solutions, and water, air and ground heat source pumps as energy efficient solutions become emphasized. In Finnish electronic operations, the product selection and services in data, AV and security products are developed. The order book for Far East project sales is higher than last year.

Operational risks

The general economic situation is affecting industrial demand in northern Europe and the growth markets. It is difficult to foresee whether the growth in demand in Aspo’s market areas will continue, or whether there will be any other sudden changes in business preconditions. Changes in the financial markets and in the value of currencies may have an effect on the Group's future profit development.

A more detailed account of the risk management policy and the main risks has been published in the 2009 annual report and on the company's website. More detailed information on financing risks can be found in the notes to the financial statements.

Helsinki, February 14, 2011

ASPO Plc

Board of Directors

ASPO GROUP INCOME STATEMENT

| | 10-12/10 | | 10-12/09 | |
|---|---|---|---|---|
| | MEUR | % | MEUR | % |
| Net sales | 109.1 | 100 | 90.1 | 100 |
| Other operating income | 0.5 | 0.5 | 3.2 | 3.6 |
| Depreciation and write-downs | -2.0 | -1.8 | -2.1 | -2.3 |
| Operating profit | 5.5 | 5.0 | 4.0 | 4.4 |
| Financial income and expenses | -0.8 | -0.7 | 0.0 | 0.0 |
| Profit before taxes | 4.7 | 4.3 | 4.0 | 4.4 |
| Profit for the period | 3.4 | 3.1 | 2.5 | 2.8 |
| Other comprehensive income | | | | |
| Translation differences | 0.6 | | 0.4 | |
| Cash flow hedges | 0.6 | | 0.9 | |
| Net result recoqnized directly to equity | | | 0.2 | |
| Income tax on other comprehensive income | -0.2 | | -0.3 | |
| Other comprehensive income for the year, net of taxes | 1.0 | | 1.2 | |
| Total comprehensive income | 4.4 | | 3.7 | |
| Profit attributable to shareholders | 3.4 | | 2.4 | |
| Non-controlling interest | 0.0 | | 0.1 | |
| Total comprehensive income attributable to shareholders | 4.4 | | 3.6 | |
| Non-controlling interest | 0.0 | | 0.1 | |

| | 1-12/10 | | 1-12/09 | |
|---|---|---|---|---|
| | MEUR | % | MEUR | % |
| Net sales | 395.9 | 100.0 | 329.4 | 100.0 |
| Other operating income | 1.5 | 0.4 | 10.5 | 3.2 |
| Depreciation and write-downs | -8.1 | -2.0 | -8.9 | -2.7 |
| Operating profit | 17.9 | 4.5 | 15.3 | 4.6 |
| Financial income and expenses | -3.8 | -1.0 | -3.6 | -1.1 |
| Profit before taxes | 14.1 | 3.6 | 11.7 | 3.6 |
| Profit for the period | 10.4 | | 8.6 | |
| Other comprehensive income | | | | |
| Translation differences | 1.2 | | -0.1 | |
| Cash flow hedges | -0.9 | | 0.4 | |
| Net result recoqnized directly to equity | | | 0.2 | |
| Income tax on other comprehensive income | 0.2 | | -0.1 | |
| Other comprehensive income for the year, net of taxes | 0.5 | | 0.4 | |
| Total comprehensive income | 10.9 | | 9.0 | |
| Profit attributable to shareholders | 10.3 | | 8.5 | |
| Non-controlling interest | 0.1 | | 0.1 | |
| Total comprehensive income attributable to shareholders | 10.8 | | 8.9 | |
| Non-controlling interest | 0.1 | | 0.1 | |

| ASPO GROUP BALANCE SHEET | 12/10 MEUR | 12/09 MEUR | Change % |
|---|---|---|---|
| Assets | | | |
| | | | |
| Non-current assets | | | |
| Intangible assets | 15.9 | 16.6 | -4.2 |
| Goodwill | 40.6 | 40.2 | 1.0 |
| Tangible assets | 54.4 | 50.1 | 8.6 |
| Available-for-sale assets | 0.2 | 0.2 | 0.0 |
| Long-term receivables | 1.3 | 0.6 | 116.7 |
| Shares in associated companies | 1.7 | 1.6 | 6.2 |
| Total non-current assets | 114.1 | 109.3 | 4.4 |
| | | | |
| Current assets | | | |
| Inventories | 44.9 | 29.3 | 53.2 |
| Sales and other receivables | 46.7 | 44.7 | 4.5 |
| Cash and bank deposits | 7.1 | 11.5 | -38.3 |
| Total current assets | 98.7 | 85.5 | 15.4 |
| Total assets | 212.8 | 194.8 | 9.2 |
| | | | |
| Shareholders' equity and liabilities | | | |
| | | | |
| Shareholders’ equity | | | |
| Share capital | 17.7 | 17.7 | 0.0 |
| Other shareholders’ equity | 51.1 | 49.2 | 3.9 |
| Shareholders’ equity attributable to equity holders of the parent | 68.8 | 66.9 | 2.8 |
| Non-controlling interest | 0.7 | 0.0 | 0.0 |
| | | | |
| Long-term liabilities | 78.5 | 57.1 | 37.5 |
| Short-term liabilities | 64.8 | 70.8 | -8.5 |
| | | | |
| Total shareholders' equity and liabilities | 212.8 | 194.8 | 9.2 |

# 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 = Non-controlling interest
J = Total shareholders' equity

| MEUR | A | B | C | D | E | F | G | H | I | J |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance at 31.12.2009 | 17.7 | 4.3 | 0.0 | 2.8 | -3.7 | -1.6 | 47.4 | 66.9 | 0.1 | 67.0 |
| Comprehensive income: | | | | | | | | | | |
| Profit for the period | | | | | | | 10.3 | | 0.1 | |
| Translation difference | | | | | | 1.2 | | | | |
| Cash flow hedge, net of taxes | | | -0.7 | | | | | | | |
| Total comprehensive income | | | -0.7 | | | 1.2 | 10.3 | 10.8 | 0.1 | |
| Transactions with owners: | | | | | | | | | | |
| Dividend payment | | | | | | | -10.8 | | | |
| Share based payment | | | | 0.3 | 0.1 | | 0.0 | | | |
| Conversion of convertible bond | | | | 2.3 | | | | | | |
| Share repurchase | | | | | -0.9 | | | | | |
| Non-controlling interest | | | | | | | | | 0.6 | |
| Total transactions with owners | | | | 2.6 | -0.8 | | -10.8 | -9.0 | 0.7 | |
| Balance at 31.12.2010 | 17.7 | 4.3 | -0.7 | 5.4 | -4.5 | -0.4 | 46.9 | 68.7 | 0.8 | 69.5 |

| MEUR | A | B | C | D | E | F | G | H | I | J |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance at 31.12.2008 | 17.7 | 4.3 | -0.3 | 0.5 | -3.7 | -1.5 | 49.0 | 66.0 | 0.0 | 66.0 |
| Comprehensive income: | | | | | | | | | | |
| Profit for the period | | | | | | | 8.5 | | 0.1 | |
| Translation difference | | | | | | -0.1 | | | | |
| Cash flow hedge, net of taxes | | | 0.3 | | | | | | | |
| Net result recoqnized directly to equity | | | | | | | 0.2 | | | |
| Total comprehensive income | | | 0.3 | | | -0.1 | 8.7 | 8.9 | 0.1 | |
| Transactions with owners: | | | | | | | | | | |
| Dividend payment | | | | | | | -10.8 | | | |
| Share based payment | | | | | | | 0.5 | | | |
| Equity share of convertible bond,net of taxes | | | | 2.3 | | | | | | |
| Total transactions with owners | | | | 2.3 | | | -10.3 | -8.0 | | |
| Balance at 31.12.2009 | 17.7 | 4.3 | 0.0 | 2.8 | -3.7 | -1.6 | 47.4 | 66.9 | 0.1 | 67.0 |

## ASPO GROUP CASH FLOW STATEMENT

| | 1-12/10 MEUR | 1-12/09 MEUR |
|---|---|---|
| OPERATIONAL CASH FLOW | | |
| Operating profit | 17.9 | 15.3 |
| Adjustments to operating profit | 8.3 | 1.7 |
| Change in working capital | -8.5 | 6.8 |
| Interest paid | -4.8 | -5.5 |
| Interest received | 1.2 | 0.2 |
| Taxes paid | -4.5 | -5.5 |
| Total operational cash flow | 9.6 | 13.0 |
| INVESTMENTS | | |
| Investments in tangible and intangible assets | -11.9 | -3.8 |
| Gains on the sale of tangible and intangible assets | 0.6 | 13.8 |
| Gains on the sale of business operations | | 11.1 |
| Purchases of subsidiary shares | | -1.2 |
| Purchases of business operations | -0.3 | |
| Associated companies acquired | 0.2 | |
| Sale of the subsidiary shares | | 1.0 |
| Total cash flow from investments | -11.4 | 20.9 |
| FINANCING | | |
| Change in short-term borrowings | -14.9 | -32.7 |
| Change in long-term borrowings | 24.0 | 8.5 |
| Share repurchase | -0.9 | |
| Dividends paid | -10.8 | -10.8 |
| Total financing | -2.4 | -35.0 |
| Increase / Decrease in liquid funds | -4.4 | -1.1 |
| Liquid funds in beginning of year | 11.5 | 12.6 |
| Liquid funds at period end | 7.1 | 11.5 |

## KEY FIGURES AND RATIOS

| | 2010 | 2009 |
|---|---|---|
| Earnings per share, EUR | 0.40 | 0.33 |
| EPS adjusted for dilution, EUR | 0.41 | 0.33 |
| Comparable earnings per share, EUR | | 0.16 |
| Equity per share, EUR | 2.63 | 2.59 |
| Equity ratio, % | 33.2 | 34.6 |
| Gearing, % | 101.5 | 87.9 |

| ASPO GROUP CONTINGENT LIABILITIES | 2010 | 2009 |
|---|---|---|
| | MEUR | MEUR |
| Securities on group liabilities | 68.7 | 72.4 |
| Leasing liabilities | 45.9 | 16.9 |
| Derivative contracts | 0.8 | 0.7 |

ACCOUNTING PRINCIPLES AND FINANCIAL REPORTING

Aspo Plc’s interim report has been compiled in accordance with the principles of IAS 34 Interim Financial Reporting. The same accounting principles have been adopted in the interim report as in the Financial Statements on December 31, 2009. The calculation formulas for key indicators are explained on page 82 of the 2009 financial statements. The information in this report is unaudited.

Helsinki February 14, 2011

ASPO Plc

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Arto Meitsalo CFO

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PRESS AND ANALYST CONFERENCE

A press and analyst conference will be arranged today, Monday February 14, 2011 at 14.00 at the Gallen-Kallela cabinet at Hotel Kämp, Pohjoisesplanadi 29, 00100 Helsinki.

ANNUAL SHAREHOLDERS’ MEETING

The Aspo Plc Annual Shareholders’ Meeting is scheduled to be held on Tuesday, April 5, 2011, at 14:00 in the Stock Exchange Building at Fabianinkatu 14, 00100 Helsinki.

FINANCIAL INFORMATION IN 2011

The 2010 Annual Report will be published during week 13 in Finnish, in English and in Swedish. You can read and order the report on our website at www.aspo.com. Aspo Plc will publish three Interim Reports in 2011: for the first quarter on May 3, 2011, for the second quarter on August 18, 2011, and for the third quarter on October 26, 2011.

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