

The background image shows a multi-story brick building with several balconies. Three white flags with the ASPO logo are flying from the top left. Various logos are visible on the building's facade, including 'X ESUSTAVITUS', 'HEIPURIN', and 'KALUKO'. A large ASPO logo is overlaid at the bottom left.

**Aspo**

**Year 2009 and Q4**

**February 15, 2010**

CEO Aki Ojanen

CFO Arto Meitsalo

CTO Harri Seppälä





## Market situation 2009

- Steep decline in sold raw material prices and demand in H1. Stabilized during H2.
- Food prices declined moderately throughout the year from record levels. Demand remained stable.
- Sea cargo for the steel industry decreased up to the fall but picked up towards the end of the year.
- Demand in the energy industry grew and cargo volumes exceeded the 2008 level.
- The risk of bad debt increased and materialized to some extent.



## Aspo's strategy

- Aspo is a conglomerate that owns and persistently develops its business operations and structure without predefined schedules.
- Business operations focusing on B to B customers.
- In the Baltic Sea area and the growing Russian and East European markets as well as Asian developing markets.
- Company brands: ESL Shipping, Leipurin, Telko and Kaukomarkkinat.
- Focus on trade and logistics.
- The structure generates Aspo's goodwill.
- Return on investment and on equity more than 20% over the business cycles.
- EBIT 5-10% of net sales.
- To distribute good dividends, approximately at least half of the year's profit.



## Aspo's year 2009

- The first financial year for the new management.
- The first financial year with the new Group structure.
- Guidance for 2009 was "preconditions for reaching last year's result for continuing operations".
- A considerable efficiency improvement in the Group's cost structure materialized from Q4 2009 onwards.
- Many structural changes in Telko. New CEO Kalle Kettunen started work on August 1, 2009.
- Sharpening of strategy:
  - Metex Deutschland divested, sales loss EUR 0.5 million
  - Hamina Terminal Services divested, sales gain EUR 3.2 million
  - M/s Kontula divested, sales gain EUR 2.9 million
  - Acquisition of RCP in Latvia



## Aspo's Q1-Q4 2009, continuing operations

- Net sales amounted to EUR 329.4 million (358.2)
- Operating profit stood at EUR 15.3 million (14.1)
- Profit before taxes was EUR 11.7 million (9.5)
- Earning per share was EUR 0.33 (0.27)
  
- Interest bearing net debt decreased and stood at EUR 58.8 million (82.4)
- Equity ratio was 34.6% (30.6)
- Strategic targets: operating profit at 4.6% (target 5%), ROI 11.1% and ROE 13.0% (target 20%)



## Net sales and operating profit, continuing operations

2008/2009	Q1	Q2	Q3	Q4	Cum.
Net sales	78.4	80.9	80.0	90.1	329.4
MEUR	52.5	92.9	112.6	100.2	358.2
Operating profit	3.8	1.9	5.6	4.0	15.3
MEUR	2.9	4.0	6.0	1.2	14.1



## Main events, Q4 2009

- Considerable administrative cost savings as predicted: full effect from fourth quarter onwards.
- The second vessel that had been ordered from India was cancelled. Refunds of preliminary payments made with interest and foreign exchange losses from remaining installments together with compensation for the delay in the delivery of the first vessel were included in ESL Shipping's result.
- Efficiency improvement measures in Telko continued, which caused non-recurring costs. Considerable loss from write-off in Finland.
- Positive development in the capital structure continued.



## Aspo Q4, continuing operations

- Net sales amounted to EUR 90.1 million (100.2)
- Operating profit was EUR 4.0 million (1.2)
- Profit before taxes amounted to EUR 4.0 million (-0.4)

"A strong last quarter"



## Net sales Q4, continuing operations

MEUR	Q4/09	Q4/08	Change
ESL Shipping	17.6	20.9	-3.3
Leipurin	27.5	27.1	0.4
Telko	33.7	40.3	-6.6
Kaukomarkkinat	11.3	10.8	0.5
Other operations	0.0	1.1	-1.1
Total	90.1	100.2	-10.1

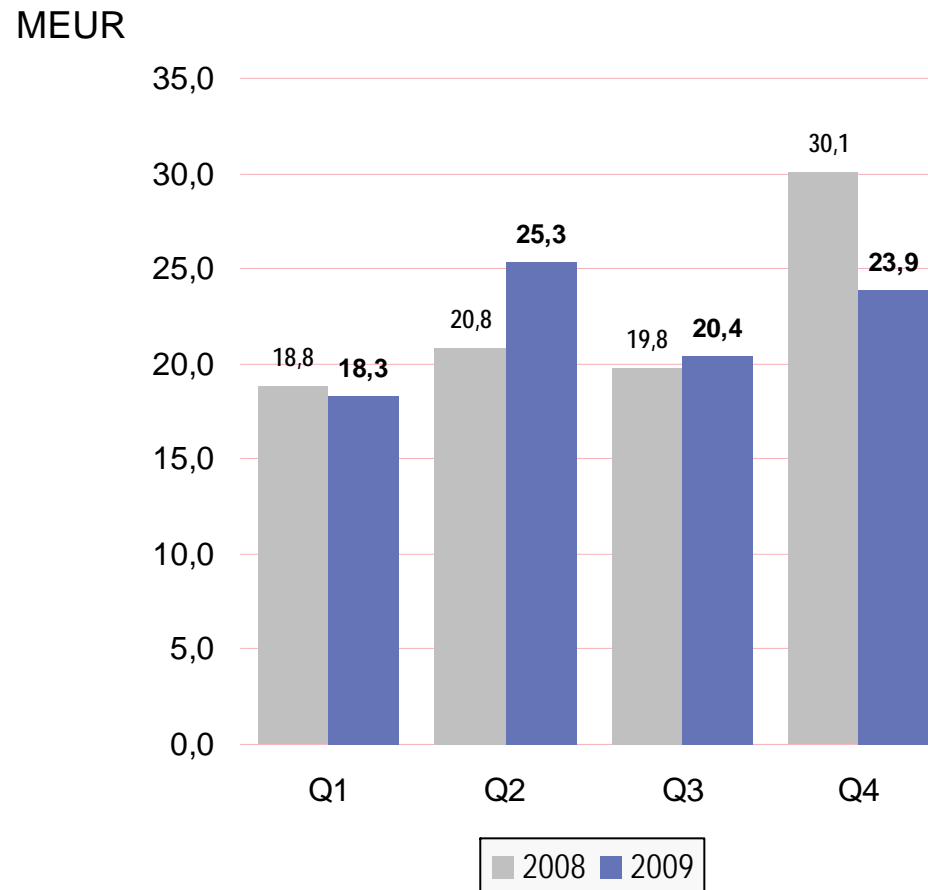


## Net sales Q4 / market area

MEUR	Q4/09	Q4/08	Change, %
Finland	38.8	25.3	53.3
Scandinavia	9.6	12.2	-21.4
Baltic countries	9.2	12.2	-24.6
Russia + other CIS	18.0	23.4	-23.1
Other	14.5	27.1	-46.5
Total	90.1	100.2	-10.1



## Net sales / Russia + other CIS countries 2008-2009



Including ESL Shipping's exports from Russia



## Operating profit Q4, continuing operations

MEUR	Q4/09	Q4/08	Change
ESL Shipping	3.6	4.2	-0.6
Leipurin	1.1	1.1	0.0
Telko	-0.1	-2.5	2.4
Kaukomarkkinat	0.5	1.0	-0.5
Other operations	-1.1	-2.6	1.5
Total	4.0	1.2	2.8



## Events after reporting period

- Revolving credit facility agreements reorganized, down from EUR 80 million to EUR 50 million. Maturities extended.
- Sales agreements on Telko trade receivables of EUR 5 million during first quarter of 2010.
- Aspo's first Capital Markets Day arranged, with different business operations and strategic targets presented.
- Decision to establish a Telko subsidiary in China (Telko Shanghai Ltd).
- Telko and Leipurin preparing operations in Belarus and Kazakhstan.
- CTO Harri Seppälä appointed responsible for investor relations.

# Market situation Q4 2009

ESL Shipping

Integral part of Finnish security of supply



ESL Shipping



## Market situation Q4

- Steel industry volumes were normal in October-December.
- Fleet management was successful and carried out at record low capacity.
- Coal shipping was not at Q4 2008 levels.
- Made payments were refunded and interest payments received from the cancelled vessel order as expected. Foreign exchange losses occurred from reversal of working capital items and hedging of future payments. The joint effect on ESL Shipping's result is not considerable.
- The company received EUR 0.3 million in shipping route fee refunds.



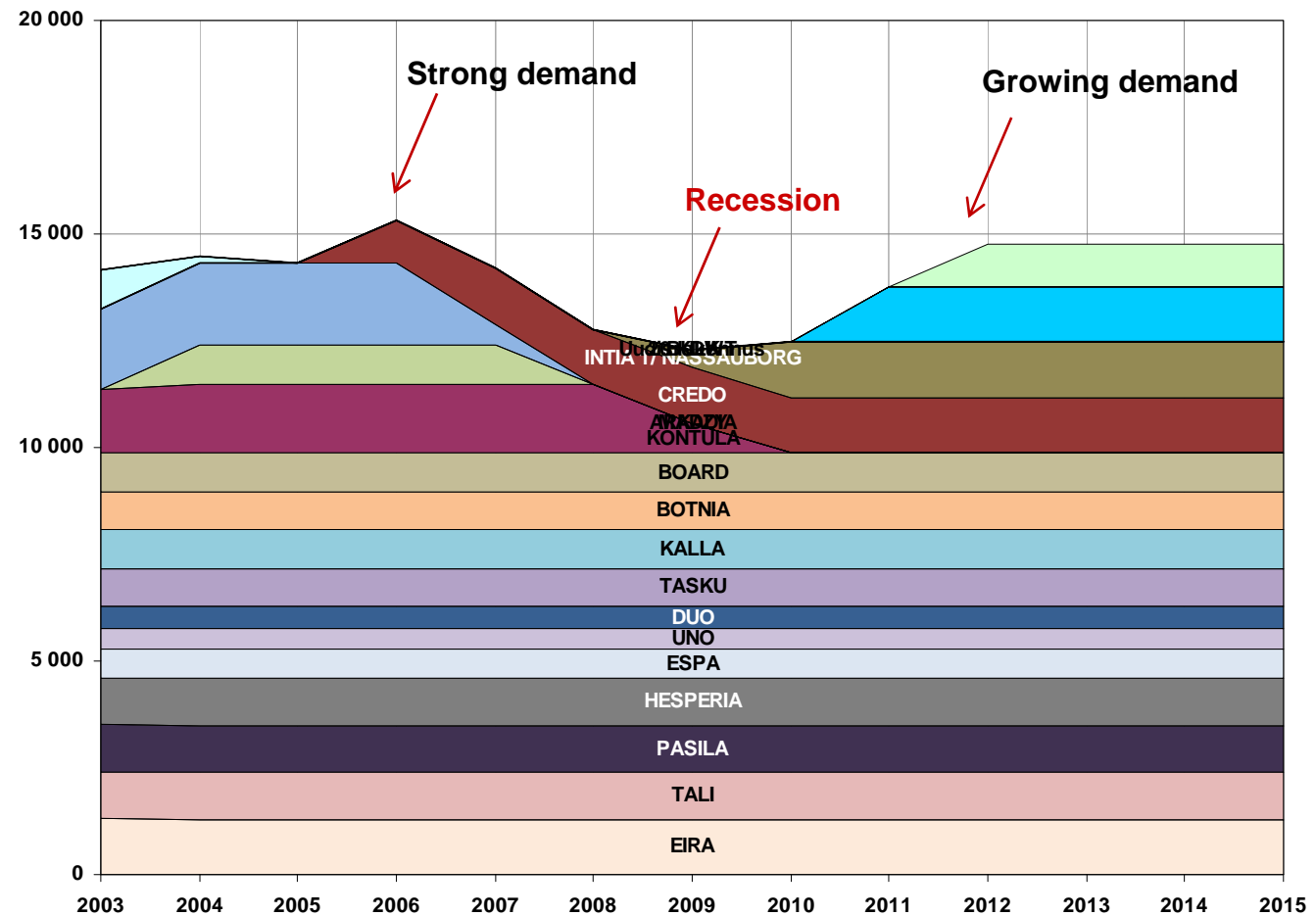
## ESL Shipping key figures

	2009	2008
• Net sales, MEUR	63.8	84.1
• Operating profit, MEUR	14.7	15.6
• Personnel	194	240



ESL Shipping

# Capacity utilized efficiently



ESL Shipping

## **Market situation Q4 2009**

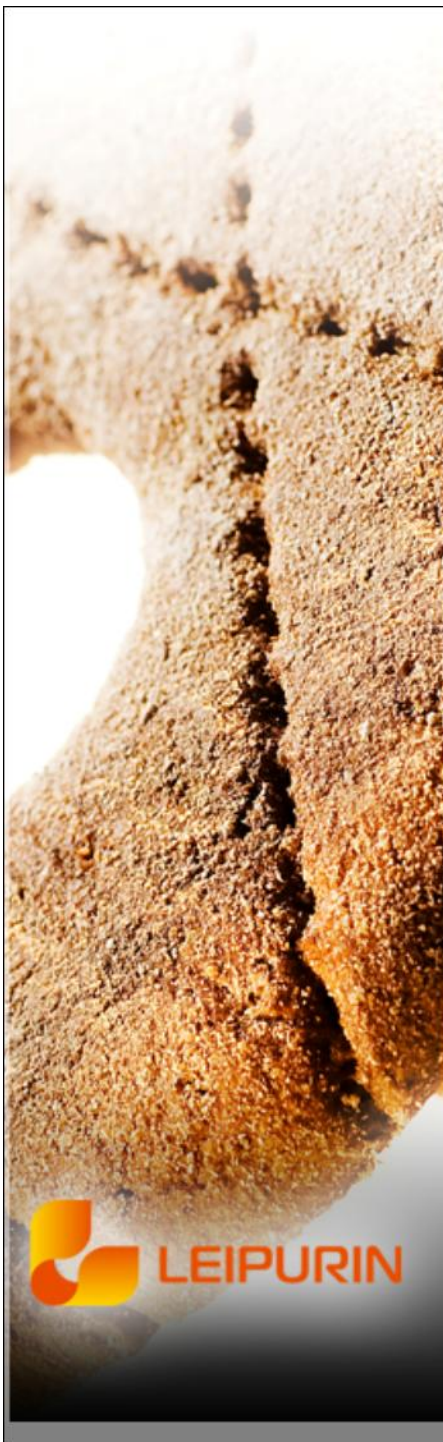
Leipurin

Expert in food industry flavors and structures



## Market situation Q4

- Leipurin's bakery raw materials had a strong Q4. The projects of the machine division were billed according to plan.
- Operating profit for October–December was EUR 1.1 million, the best quarter of the year.
- Domestic sales progressed well.
- Russia's share of sales increased further and was 20% of annual sales. Establishments in new markets were successful.
- A test bakery was opened in Novosibirsk, where it will serve all Siberian customers and create an opportunity for considerable additional growth.
- An acquisition was completed in Latvia, and now Leipurin is the market leader in all three Baltic countries. Sales and profitability have remained good in the area despite the recession. The acquired company has a good principal and customer base and skilled personnel.
- The subsidiary established in Ukraine started operating.



## Leipurin key figures

	2009	5-12/2008
• Net sales, MEUR	99.3	69.3
• Operating profit, MEUR	3.2	3.1
• Personnel	218	168

## **Market situation Q4 2009**

Telko

Leading expert in liquid chemicals and plastic raw materials in Northern Europe



## Market situation Q4

- In operative terms profitability improved. The result for the quarter was depressed by EUR 0.5 million in non-recurring costs from personnel reductions in Finland and Scandinavia and by a EUR 0.4 million write-down from a Finnish customer's sales receivable.
- Telko carried out a reorganization and created opportunities for additional growth by shifting the focus towards Eastern markets.
- The unit in the Netherlands was closed down as loss making.
- The development in Russia and Ukraine has been good.
- Telko introduced a new ERP system on January 1, 2010. The system enables final integration of business after a merger and efficiency improvements in operations.



## Telko key figures

	2009	2008
• Net sales, MEUR	128.8	172.7
• Operating profit, MEUR	3.1	1.0
• Personnel	193	230



The background of the slide is a high-quality photograph of industrial machinery, likely a large turbine or compressor. It features several large, curved, metallic blades or vanes that are highly polished and reflect light. The machinery is complex, with many bolts, nuts, and structural components visible. The lighting is dramatic, with strong highlights and shadows, giving it a sense of scale and precision.

## **Market situation Q4 2009**

Kaukomarkkinat

Expert in energy efficiency





## Market situation Q4

- Operating profit in Q4 EUR 0.5 million.
- Sales of air-source heat pumps was not at last year's level measured by profitability or turnover. Tight competition has depressed margins and the recession has decreased demand.
- China posted a good result in the fourth quarter.
- Electronics (security and digital solutions) increased its sales in 2009 and showed a strong quarter.
- In energy efficiency products the company introduced energy-saving bulbs on the Finnish market.
- A new water-air source heat pump will be launched by the summer.

## Kaukomarkkinat key figures

	2009	5-12/2008
• Net sales, MEUR	36.4	30.8
• Operating profit, MEUR	0.5	2.1
• Personnel	90	100

A photograph of a multi-story brick building with a modern glass-enclosed upper section. Several flags with the ASPO logo are flying from the top. Various logos are visible on the building's facade, including a large ASPO logo at the bottom, and smaller ones for 'ESUSTAVI', 'ASPO FINNISH', 'HEIPURIN', and 'KALURIKESKUS'.

# Financing

CTO Harri Seppälä



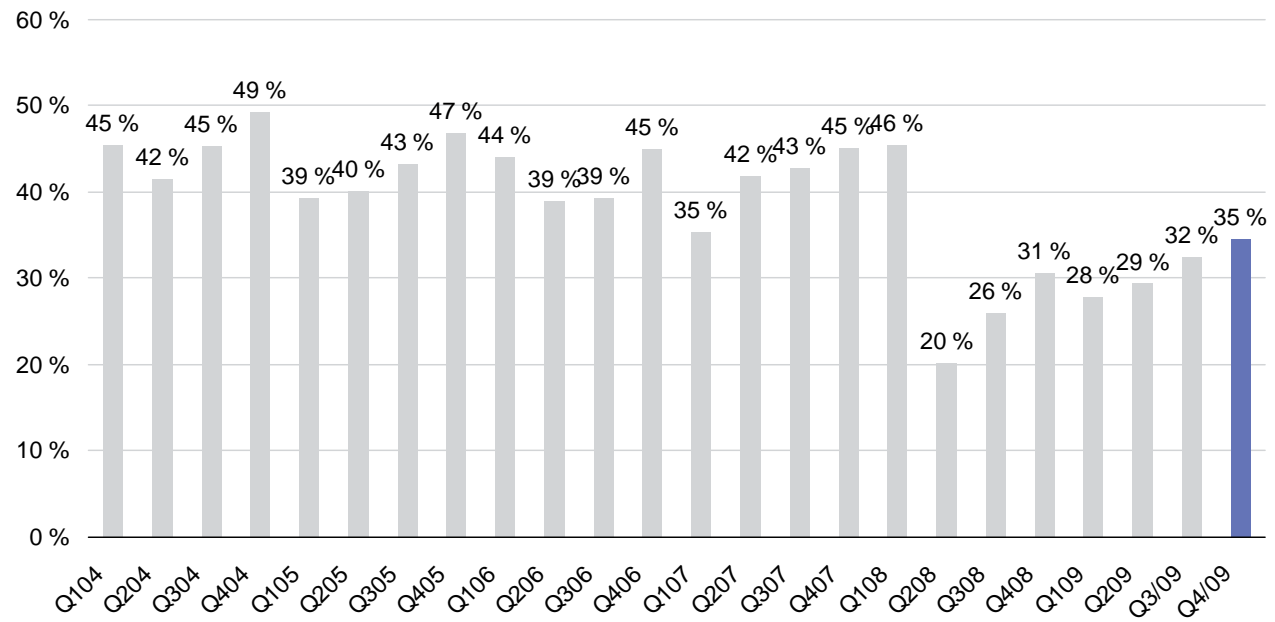


## Finance key points

- Improving key figures
- Strong cashflow
- Reduction of interest bearing debts
- Strong liquidity
- Extension of loan maturities

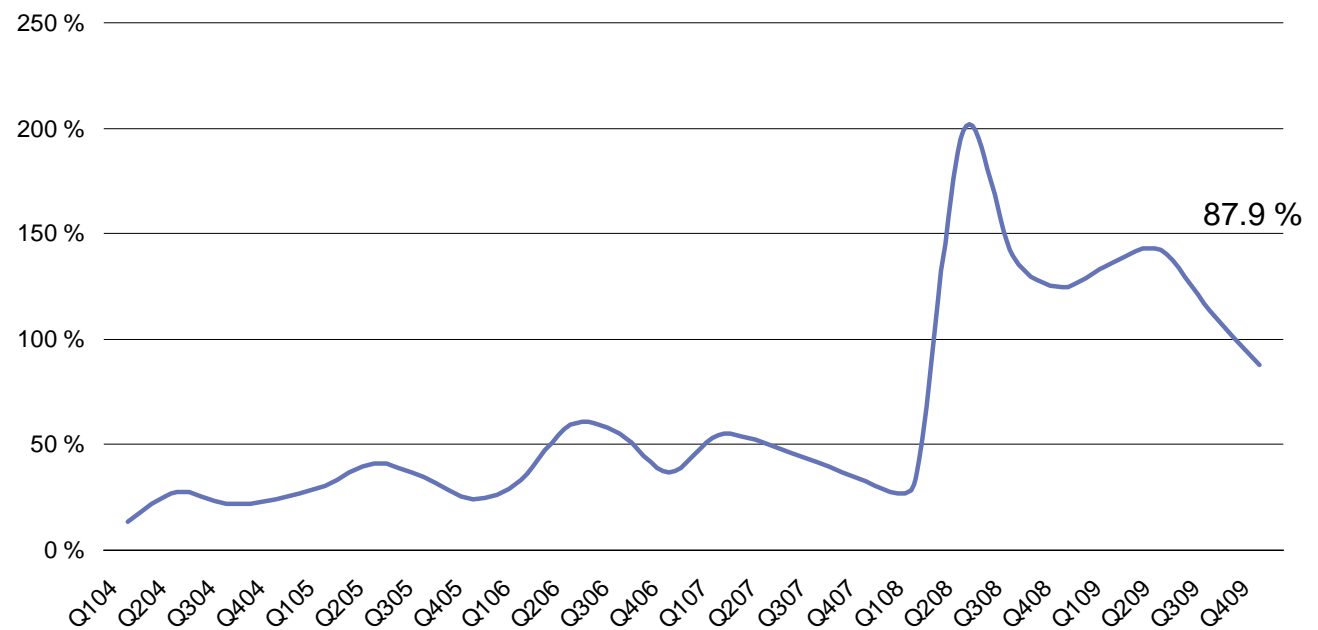


## Equity ratio





# Gearing





## Operational cash flow Q1-Q4 2009

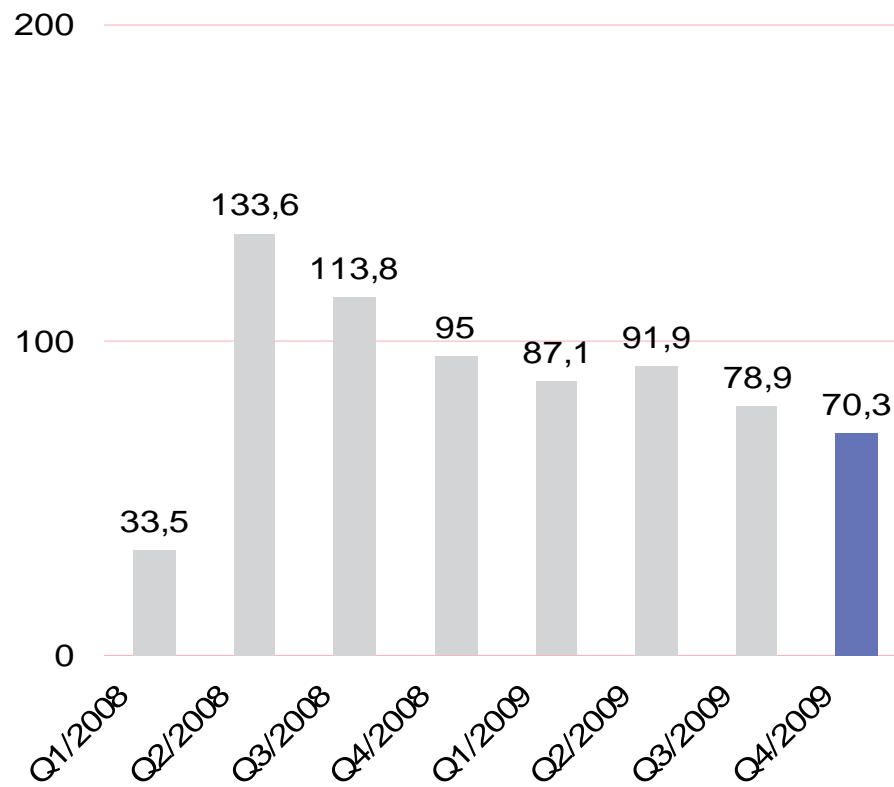
MEUR

Operating profit	15.3
Adjustments to operating profit	1.7
Change in working capital	6.8
Interest paid	-5.5
Interest received	0.2
Taxes paid	<u>-5.5</u>
Operational cash flow	13.0



## Development of interest bearing debts

MEUR





## Financing Q4 2009

MEUR	Total	In use	Valid >1 year
Revolving credit facilities	80.0	0.0	0.0
CP program	50.0	0.0	
Long-term loans	43.4		
Cash and bank deposits	11.5		

After reporting period:

Total amount of revolving credit facility agreements down to EUR 50 million

Maturities extended.

Sales agreement on some of Telko's trade receivables.

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## Financials

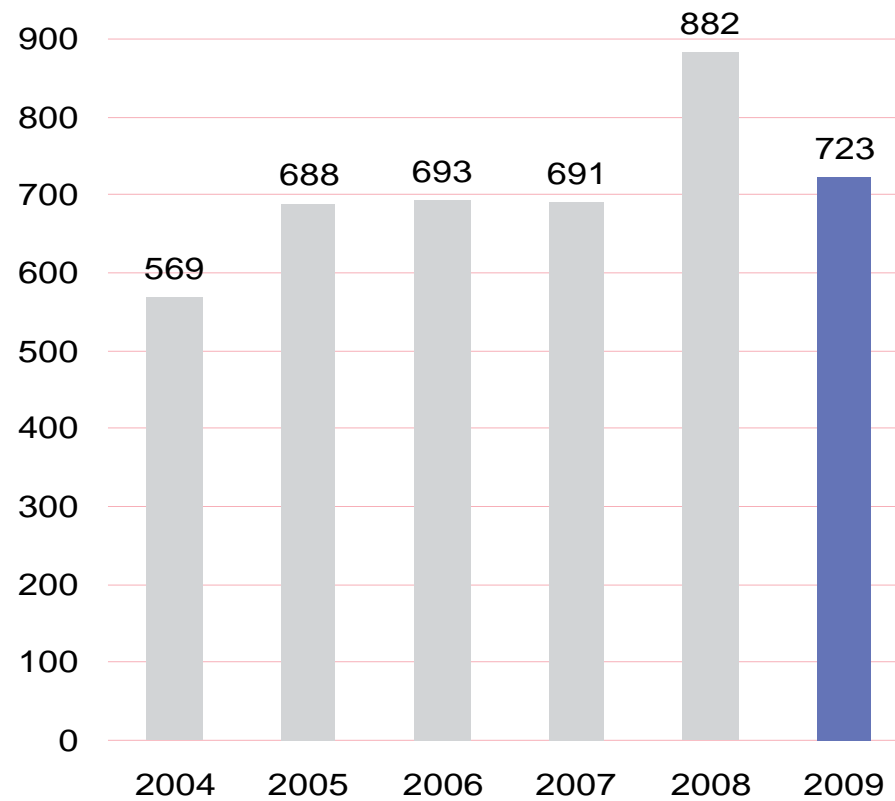
CFO Arto Meitsalo





## Personnel 2004-2009

Personnel, average  
Group on the whole





## Income statement, continuing operations

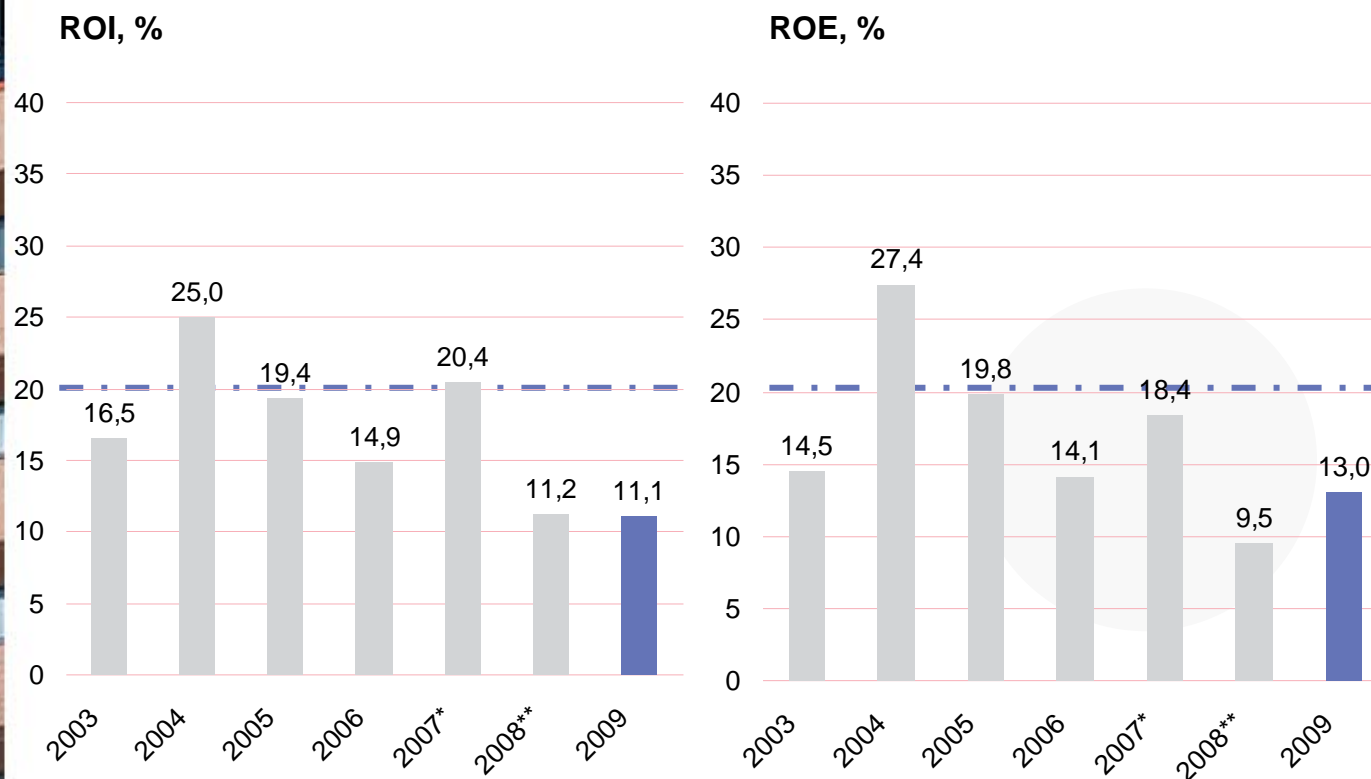
MEUR	2009	2008
Net sales	329.4	358.2
Depreciations	-8.9	-10.8
Operating profit	15.3	14.1
Net financial expenses	-3.6	-4.6
Profit before taxes	11.7	9.5
Earnings/Share, EUR		
- Continuing operations	0.33	0.27
- Group on the whole	0.33	0.60

## Balance sheet

MEUR	2009	2008
Fixed assets	109.3	128.7
Inventories	29.3	33.4
Cash and receivables	56.2	56.6
Total	194.8	218.7
Shareholders' equity	66.9	66.0
Minority interest	0.0	0.0
Capital loan	12.0	14.5
Liabilities	115.9	138.2
Total	194.8	218.7
Equity ratio, %	34.6	30.6
Equity/share, EUR	2.59	2.56
Return on investment,% (ROI)	11.1	18.5
Return on equity,% (ROE)	13.0	24.1

# Return on Investment and Return on Equity

Group on the whole



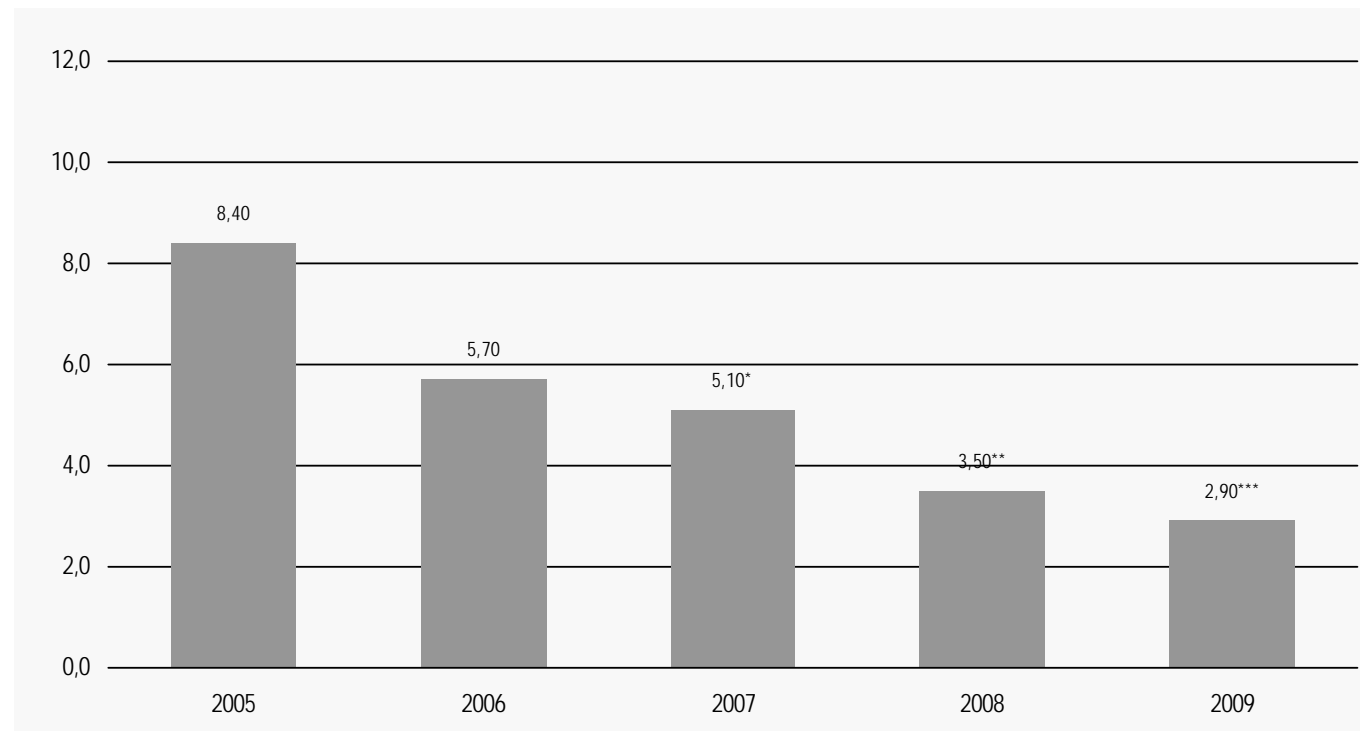
\* Excluding sales gain of EUR 10.2 million on Ms Arkadia

\*\* Excluding sales gain of EUR 8.2 million on Autotank Group and EUR 1.2 million on other business operations



# Operating profit, %, Group on the whole

Cumulated,  
Group on the whole



\* Excluding sales gain of EUR 10.2 million on Ms Arkadia

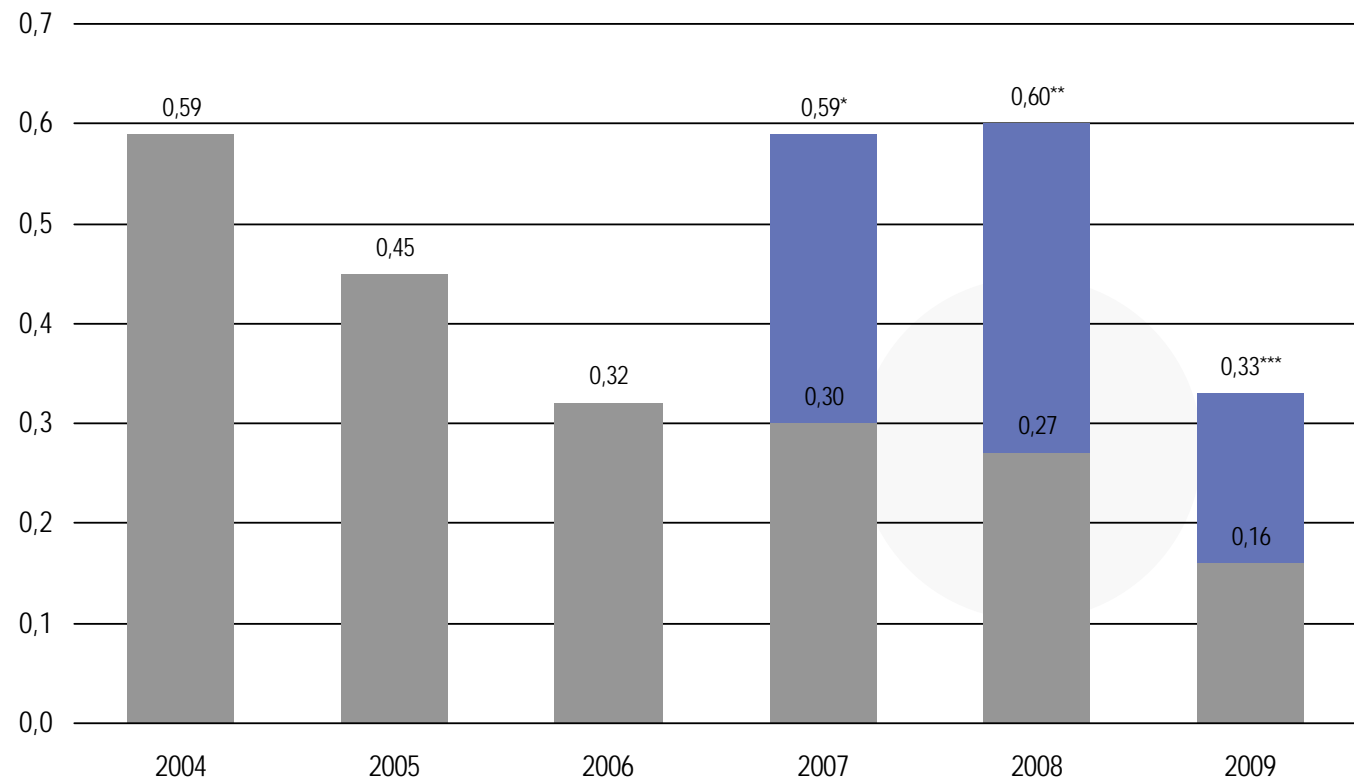
\*\* Excluding sales gain of EUR 8.2 million on Autotank Group and EUR 1.2 million on other business operations

\*\*\* Excluding sales gain of EUR 2.9 million on Ms Kontula and sales gain of EUR 3.2 million on Hamina Terminal Services and sales loss EUR -0.5 million on German subsidiary.



# Earnings per share, Group

EPS, Group on the whole



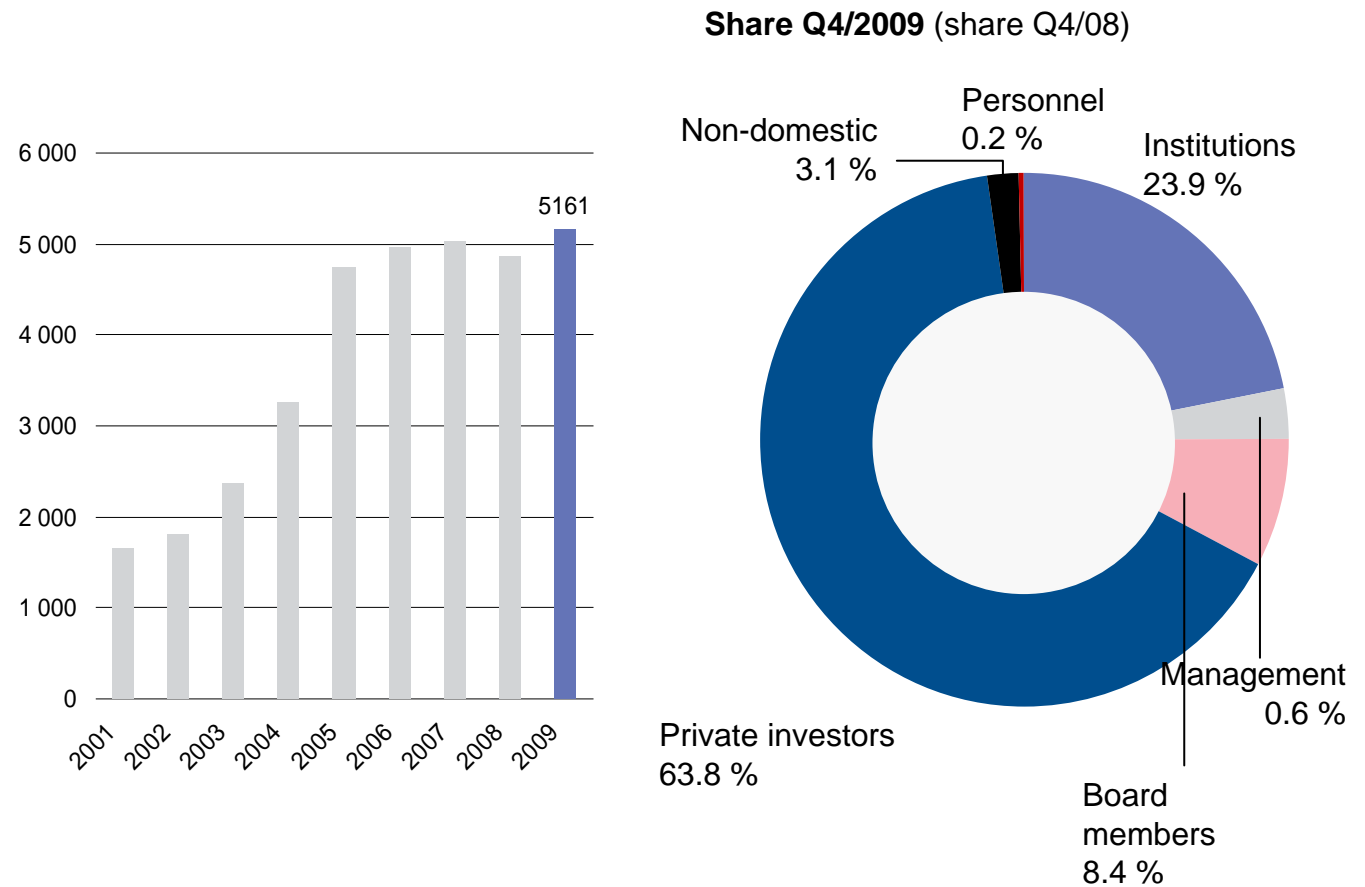
\* Sales gain of EUR 10.2 million on Ms Arkadia included

\*\* Sales gain of EUR 8.2 million for Autotank Group and sales gain of EUR 2.9 million on Ms Kontula included

\*\*\* Sales gains of EUR 2.9 million on Kontula and EUR 3.2 million on Hamina Terminal Services included



# Shareholders / Allocation



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## **Dividend proposal by the Board of Directors**

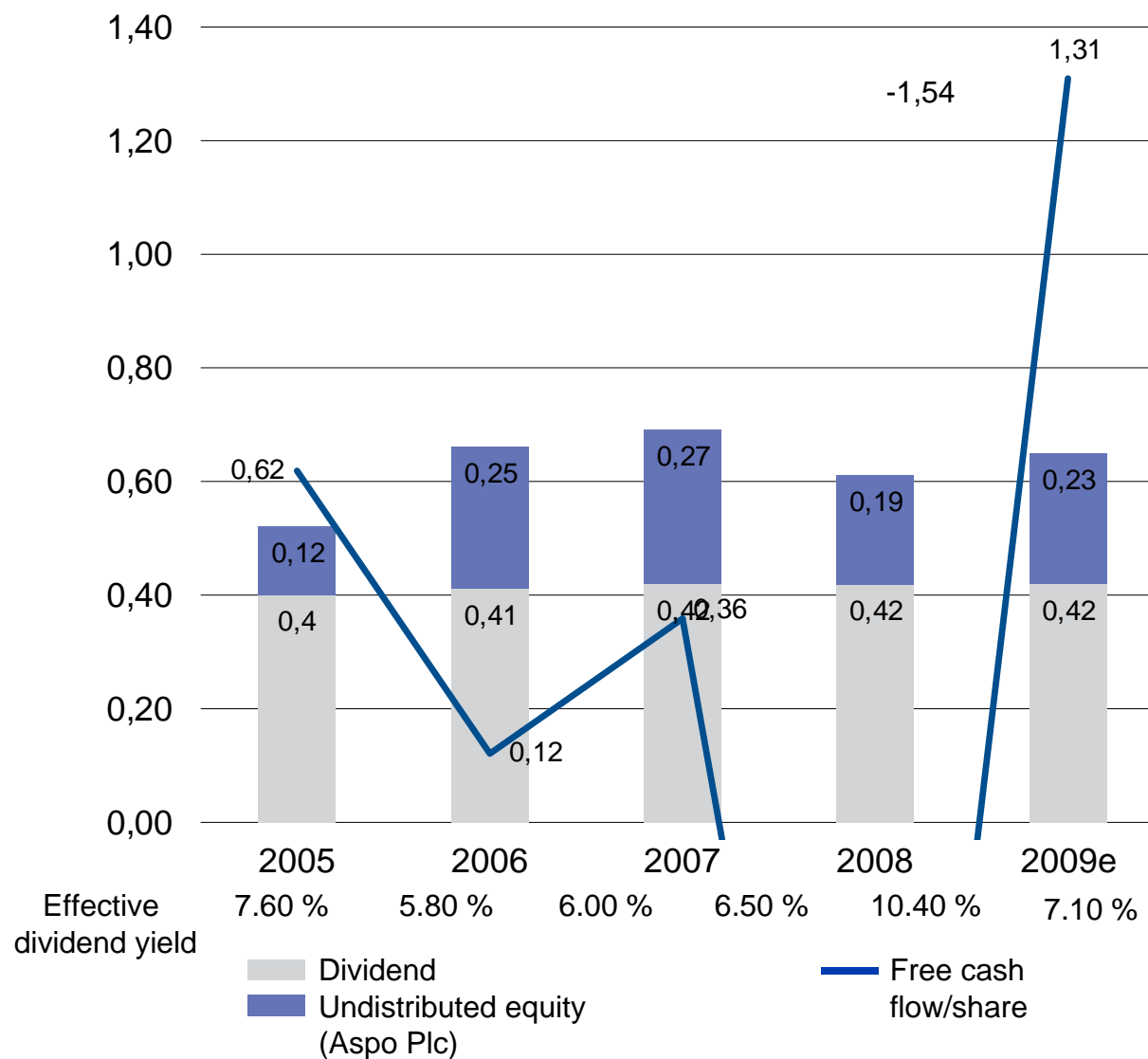


## Dividend proposal 2009

- "On average, Aspo will pay approximately at least half of its earnings as dividends."
- "The aim is to increase shareholder value."
- Two components used as decision criteria
  - result
  - cash flow
- The Board of Directors proposes a dividend of EUR 0.42 per share to the Annual Shareholders' Meeting.



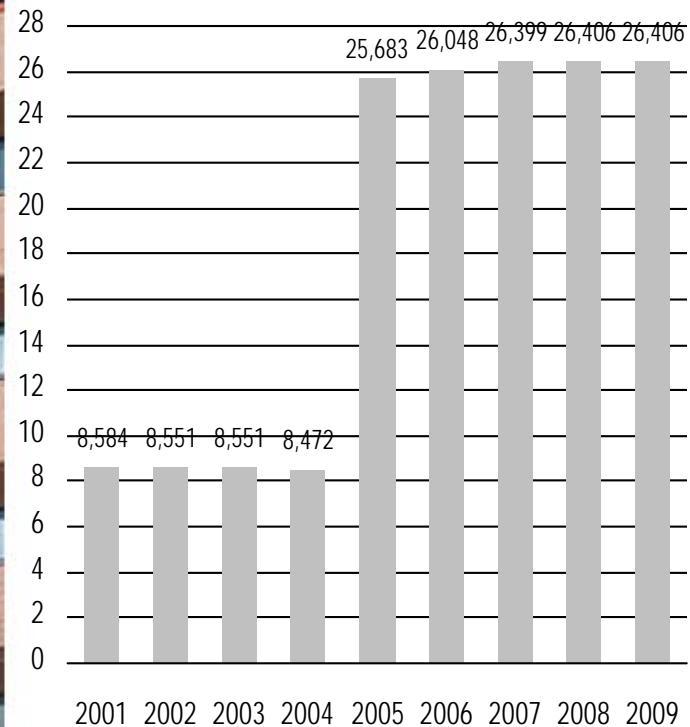
## Dividends



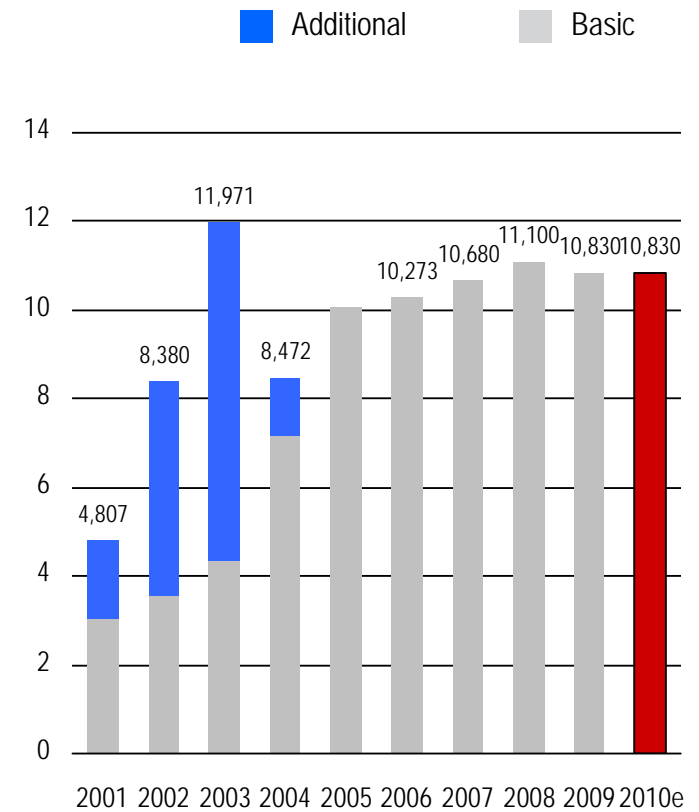


# Dividends

Number of shares, million



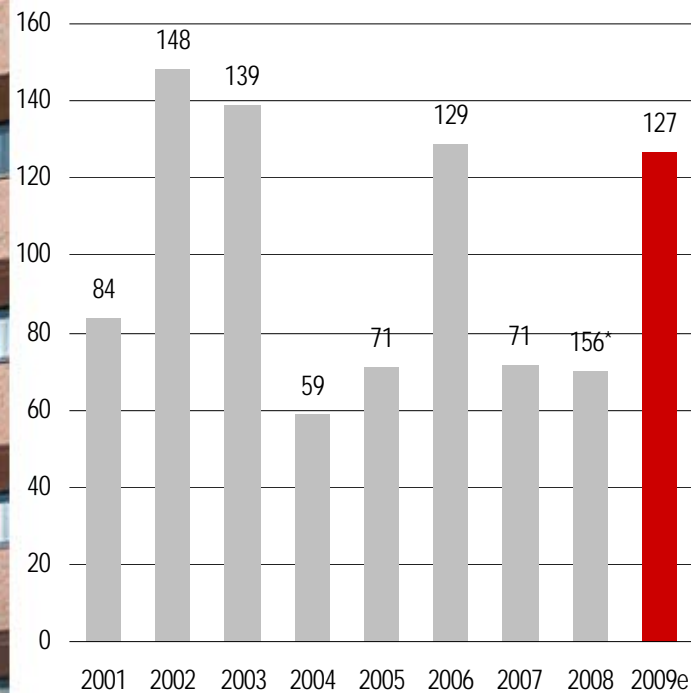
Total Dividend, EUR million



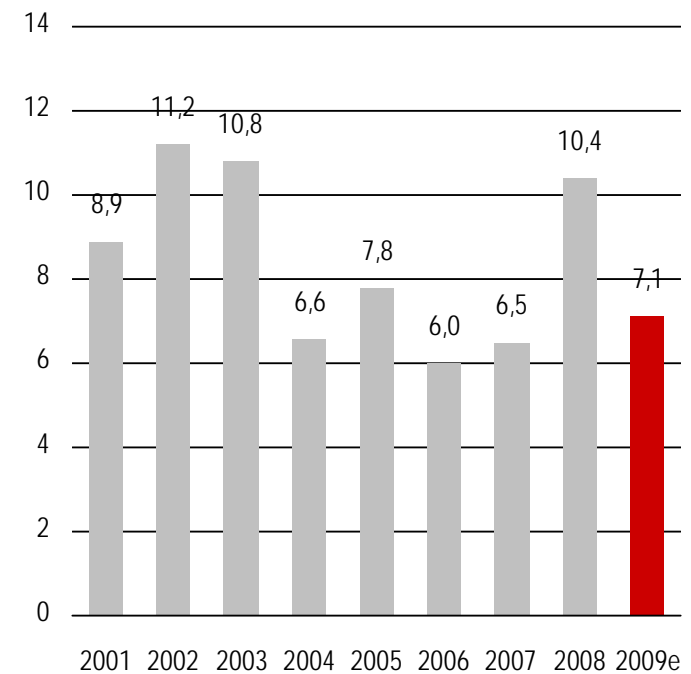


# Dividends

Dividend / Earnings, %



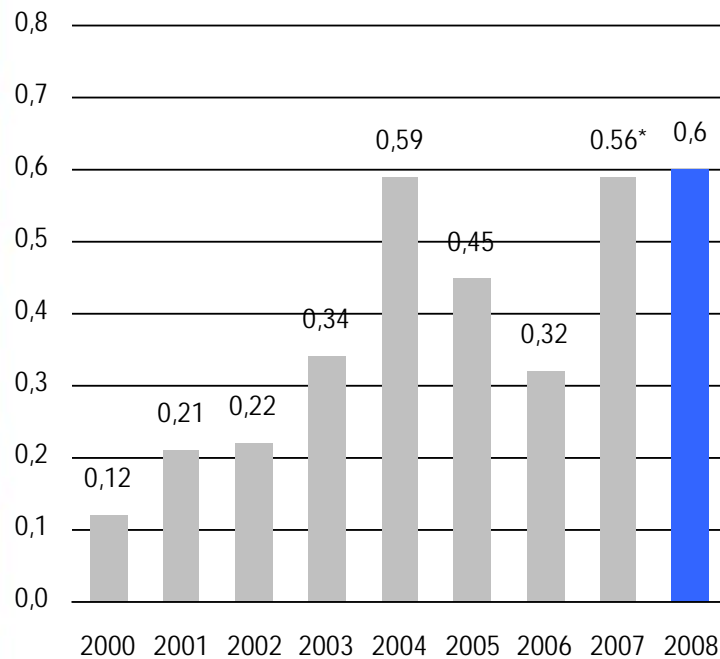
Effective Dividend Yield, %



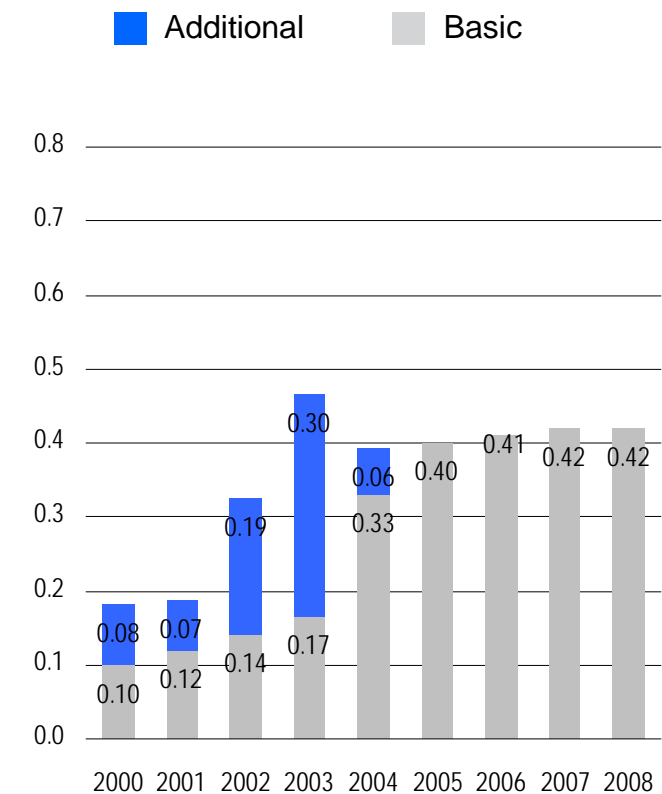


# Dividends

Earnings / Share, EUR



Dividend / Share, EUR

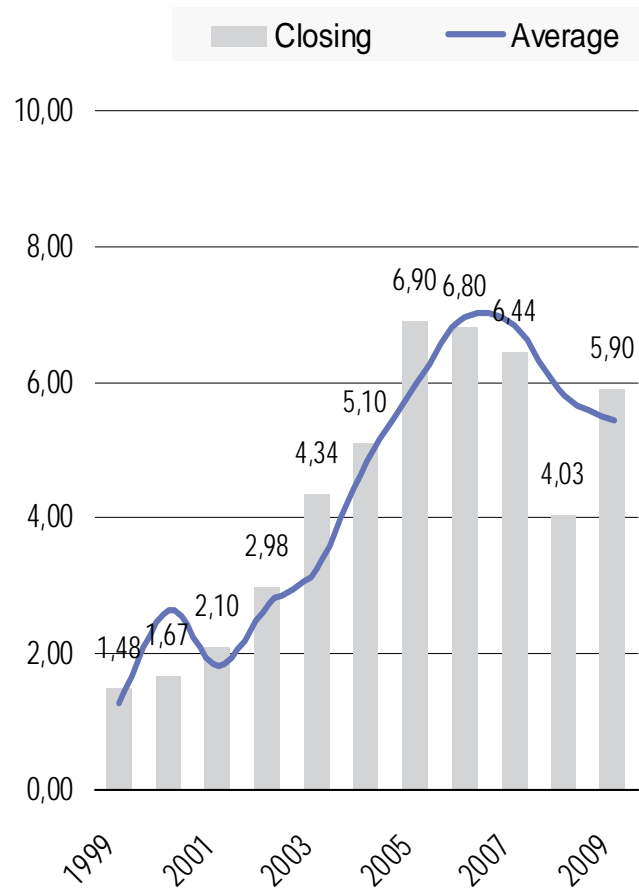


\*Sales profit of EUR 10.2 million on Ms Arkadia included

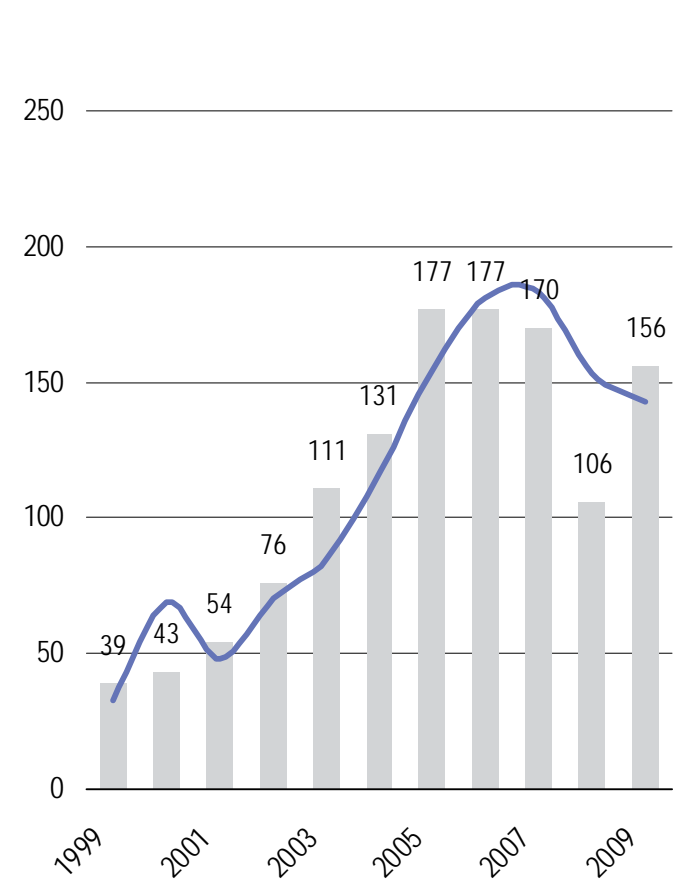


# Market value

Share Price, EUR



Market Value, MEUR





## Expected in Aspo Group in 2010

- ESL Shipping will aim for operational efficiency and the efficient use of its entire vessel capacity. ESL Shipping plans to invest in additional capacity in accordance with its strategy.
- The possible tonnage tax will improve ESL Shipping's result after tax considerably.
- Leipurin will continue to grow organically. Growth will come in particular from Russia, other CIS countries, and Poland. Bakery machine sales are estimated to decrease, in particular in Finland. The aim is to reach the 2009 operating profit, at least.
- Telko will continue improving operational efficiency and targets both growth and operating profit improvement.
- Kaukomarkkinat will try to actively expand its product portfolio to new energy-efficiency products. The aim is to improve profitability.
- The general administrative costs of the Group are expected to fall considerably compared to 2009.



## Outlook for Aspo Group in 2010

- "In 2010, Aspo has the preconditions to increase its net sales and improve its earnings per share."