ASPO

Annual Report 2002

Contents

Aspo in Brief

Aspo's core business is to provide logistical support services for industry. We serve companies in the processing and energy production sectors, both of which require extensive specialist knowledge and logistical competence. We have three divisions:

Aspo Chemicals
imports and markets industrial chemicals and plastic raw materials.

Aspo Shipping
ensures the efficient transport of raw materials for energy producers and industry.

Aspo Systems
produces automation systems for service stations and provides related maintenance services.

Key Figures

	2002	**2001**	**Change, %**
Net Sales, MEUR	138.9	123.1	12.8
Operating Profit after Depreciation, MEUR	9.0	8.7	3.4
Share of Net Sales, %	6.5	7.1	
Profit before Extraordinary Items and Taxes, MEUR	8.0	8.0	
Share of Net Sales, %	5.8	6.5	
Gross Investments, MEUR	7.4	1.9	
Share of Net Sales, %	5.3	1.5	
Earnings/Share (EPS), EUR	0.66	0.65	
Equity/Share, EUR	7.41	6.44	
Equity Ratio, %	55.0	52.7	
Return on Investment (ROI), %	11.9	11.4	
Return on Equity (ROE), %	9.5	9.4	
Personnel, December 31	538	435	23.7

Business Concept: A Critical Link In Our Client's Value Chain

Aspo is a diversified company that provides logistical support services for industry. We serve companies in the processing and energy production sectors, both of which require extensive specialist knowledge and logistical competence. Aspo plays an important role in its clients' value chains.

Our vision is to increase the value and competence of Aspo over the long term, from one generation to the next. Our goal is to establish enduring client relationships based on strong partnerships and accumulated specialist know-how. We believe this is the best way to increase shareholder value.

Aspo's business areas share many valuable characteristics that increase the synergy between the divisions. We serve demanding B-to-B clients. We are a vital link in their logistics chain. All our business areas have the same market area concentrated around the Baltic Sea.

As a diversified company we have a good overview of the evolving business environment, consisting of several points of reference. We can leverage experience gained in one sector and transfer what we have learned to other sectors and customer relationships.

We also have a number of large customers who work with all our divisions. This helps us to fully understand the overall strategy of our clients and in this way provide them with better service.

Aspo Chemicals: Linking Producers & End Users

Aspo Chemicals imports and markets industrial chemicals and plastic raw materials. In industrial chemicals Aspo Chemicals' strategy is to link raw material producers and end chemical users. Superior logistical know-how has given Aspo Chemicals excellent credentials to assume responsibility for a part of both producer and end user business. That is the engine of our growth.

In plastic raw materials our strategy revolves around serving small and medium size subcontractors who manufacture plastic components. These firms have to react rapidly to the changing needs of their customers, so a responsive local distributor is crucial for them. Aspo Chemicals is able to supply its customers with plastic raw materials tailored exactly to their needs.

Aspo Shipping: Just-In-Time Delivery

Aspo Shipping's strategy is to ensure the efficient transport of raw materials for energy producers and industry. Shipping takes particular care of vital transport for businesses utilizing Just-In-Time (JIT) delivery principles based on pinpoint scheduling. JIT requires superior responsiveness and delivery performance, which in turn demand close customer collaboration and a solid reputation developed over many years. That is the competitive advantage of Aspo Shipping.

Aspo Systems: Total Service Station Automation – Reliably

Aspo Systems produces automation systems for service stations and provides related maintenance services. The Aspo Systems strategy is to act as a long-term partner for the market's leading service station chains by providing reliable, cost-effective automation solutions. As the number of unmanned stations increases, service stations require dependable suppliers with automation systems, equipment and maintenance. Technologically advanced systems and a geographically comprehensive maintenance service system make Aspo Systems the long-term partner of choice for service stations.

Success On Many Fronts

Despite difficult market conditions 2002 was a very successful year for Aspo. Our operations were efficient and we made several acquisitions that strengthened our strategic position. Earnings improved from last year and Aspo's equity continued to appreciate.

Last year we made three successful acquisitions and divestitures. Through the Autotank acquisition the focus of the Systems Division shifted clearly to fuel dispensing automation and the sale of Navintra was a natural part of this strategic direction. On the other hand, the Travans acquisition is an excellent match with the Shipping Division's already extensive service range. Both transactions were financed internally and therefore the risks involved are quite reasonable.

An extensive integration program was immediately started at Autotank, which bore fruit quickly. The integration process has progressed well. People have committed themselves to the development of our operations and to a new set of jointly agreed objectives. Concrete signs of the rapid progress of the integration include a new dispenser family and the clear improvement of the last quarter's earnings.

The acquisition of the Travans Group, which is active in pusher barge traffic, will bolster the Shipping Division's growth strategy. Travans barges have moved an especially large amount of limestone, so the acquisition will enhance Shipping's objective of increasing the share of non-coal cargos. The acquisition will also enable Shipping to serve its customers more effectively. The barges will make it possible to extend operations to ports with shallow channels.

No acquisitions were made in the Chemicals Division in 2002. However, reorganizations are still possible in order to develop Chemicals' customer service or to expand its market area. Despite operating in a market with falling prices Chemicals faired well. Volumes increased and earnings improved. Customer satisfaction was also high.

Generally, uncertainty prevailed on 2002 markets. Although market visibility was poor, we managed to anticipate our performance level quite accurately. Aspo typically generates its earnings primarily in the second half of the year. The winter months at the beginning of the year generally manifest for instance higher variable costs for Shipping and weaker demand for Systems' maintenance services. These factors affecting the earnings of different divisions are examined more in detail on the subsequent pages of this Annual Report.

Successful corporate re-engineering has now put all three of Aspo's supporting pillars on level ground. All sectors can expect organic growth slightly in excess of GNP. Moreover, all sectors may experience clear growth peaks due to special market situations. Such peaks can be created for instance for Shipping by heavy demand for coal due to low water reserves. Chemicals may benefit from dramatic fluctuations in raw material prices and Systems may be able to capitalize on the adoption of new payment methods.

The Systems Division is in a key position to enhance Aspo's earnings. When Autotank's new organization has been polished and shifted into gear, it will be realistic to expect the operating profit to improve considerably over its current level. The target is to have Aspo's operating profit percentage closer to ten than five. One element that supports the achievement of this target is Aspo's new incentive system, based on the yield of the company share. This system will enable Aspo's whole operational management to have a stake in the company.

Under the circumstances we consider last year's financial performance to be very good. Earnings increased, despite the burden of goodwill depreciation from acquisitions and divestitures. As we have been capable of such a good performance under challenging market conditions, we can face the future with confidence. This optimism has manifested itself in the appreciation of Aspo shares. Aspo's share price continued its rise, in contrast with the general trend on the Helsinki Stock Exchange.

Aspo's objective is to distribute dividends representing an average of at least half of the year's profit. Since Aspo has substantial liquidity and a strong balance sheet, the Board has recommended a larger distribution of earnings to shareholders. The proposal calls for a dividend totalling 0.98 euros per share.

Most of the credit for this good year goes to our dedicated and skilled personnel. I also wish to extend my warmest thanks to all our shareholders, customers and partners.

Helsinki, March 10, 2003

Gustav Nyberg
CEO
gustav.nyberg@aspo.fi

Experience Vital To Managing Ornery Price Trends

- Purchasing timing critical to earnings performance
- Weaker dollar improves earnings
- Mild and muddy weather favors automotive chemicals unit
- More consignment stocks mean new opportunities

In the chemical industry prices are fluctuating more rapidly and more dramatically. Investments in the field are focusing on global units producing a single product. When a new plant is commissioned, an oversupply of the product almost invariably results and prices drop. Correspondingly, if a plant is shut down due to a technical problem, sluggish demand or periodic maintenance, product inventories generally are not sufficient and prices rise fast. With cheaper products, such as basic solvents, price fluctuations are extensive, product prices can quickly double or drop by half. With more expensive products, such as special plastics that are harder to replace, price fluctuations are milder.

For Aspo Chemicals' earnings, basic chemicals are, within the industrial chemicals segment, clearly the most important product group. The Rauma terminal is precisely the right facility for stocking volume products. In plastics, volume plastics and more expensive engineering plastics have roughly the same influence on earnings.

Rapidly changing prices underline the importance of the right timing in purchasing. For a distributor with local storage facilities like Aspo Chemicals, successful purchasing is pivotal to earnings. Professional skills lie in forming the most accurate view possible of pricing trends. Experience accumulated for decades, for instance on monitoring weak market signals, and interpreting the behavior and statements of various players in the field, helps Aspo Chemicals to stay one step ahead of changes in pricing trends.

Skilled professional can enable us to generate earnings even in markets with falling prices. Aspo Chemicals' relative profitability can be even better in a recession than in an upswing, since in uncertain times the importance of a reliable local operator is accentuated. On the Aspo Group level Chemicals contributes to the stabilization of the Group performance under the pressures of macroeconomic fluctuations.

Some of the larger transactions are relatively transparent; the raw material producer has an idea of the end product price and different players within the supply chain have little freedom in their own pricing. Typically the share of this so-called chain business is 15–20% of Aspo Chemicals' operations.

The Impact of The Dollar

As variable factors, exchange rates and the weather affect Aspo Chemicals' earnings. About 10% of Aspo Chemicals' sales are US dollar denominated. Most of this business is in Russia. Since these are spot deals and not longer-term contracts, the weaker dollar doesn't reduce margins. About 20% of Aspo Chemicals' purchasing is dollar denominated. One third of dollar purchases consists of engineering plastics from the Far East and two thirds of industrial chemicals mainly purchased from Russia. Overall, a weak dollar suits Aspo Chemicals better than a strong one. Granted, with the euro the effect of exchange rates on earnings has decreased significantly.

The weather has an especially strong impact on sales of automotive chemicals. Also, the demand for chemicals used in de-icing aircraft depends largely on weather. The optimal winter with respect to automotive chemicals demand is mild and muddy. Weather conditions have an impact of up to a quarter of the earnings of the automotive chemicals unit.

Generally, the chemical industry follows macroeconomic trends rather closely. On the whole, the chemical sector has benefited from the evolution of Russian market, where the growth of demand is outpacing Finland.

The development of the coatings and paints industry, inks industry and the feed industry are vital to Aspo Chemicals' earnings. Small and medium-size plastics industry companies are also an important customer group.

Changes among large raw material and end product producers are generating new business opportunities. Large raw material producers have cut their personnel down radically. At the same time Finnish operations are increasingly being managed from other Nordic countries or other parts of Europe. This accentuates the role of the local distributor who knows the local market, and can generate more business.

Correspondingly, end product producers are streamlining their material management and are increasingly employing so-called consignment stocks. In these cases Aspo Chemicals manages the entire storage of a certain customer product. This helps Aspo Chemicals to optimize its own logistics and shipments using fully loaded vehicles can be more efficiently organized.

Aspo Chemicals

President Jari Ranne
Aspokem Ltd

Aspo Chemicals is Finland's leading distributor of industrial chemicals and plastic raw materials. The division's strength lies in specialist know-how, acquired over many years, related to the raw materials required in its customers' processes.

Our customers in the industrial chemicals segment include firms working in the coatings and paints, inks, process, feed, chemicals and pharmaceutical industries in Finland, Russia and the Baltic countries. Our competitive advantage comprises the most versatile storage system in the business, efficient logistics, a comprehensive product range and long-term cooperation with some of the leading global players in the chemicals field. Our storage facilities are located close to customers, enabling us to supply customers with shipments precisely tailored to their individual needs.

Our plastic raw material customers include both electrical and electronics companies, as well as firms producing various consumer goods. We supply these customers with engineering and volume plastics. The unit is the leading stock supplier on the market both in Finland and in the Baltic countries. Plastics trading operations in Russia were started at the end of the year 2001. In plastic raw materials our competitive strengths are efficient logistics and technical support service in combination with tailored deliveries, feeding material directly into the customer's production process.

Aspo Chemicals also manufactures and markets branded automotive chemical products. These products, manufactured in Finland and Estonia from our own raw materials, are delivered to Finnish, as well as neighboring market areas.

Aspo Chemicals has subsidiaries in Estonia, Latvia, Lithuania and Russia.

Financial Performance and Future Prospects

Aspo Chemicals' operating profit for 2002 totalled EUR 2.6 million (EUR 2.4 million). Net sales totalled EUR 56.6 million (EUR 57.0 million). The decrease in net sales was mainly due to the planned strong cutback in trading activity. In other sectors net sales increased by about 7 percent in 2002.

The factors that influence both our earnings and future prospects are outlined below on a unit by unit basis.

In **Industrial Chemicals** (approx. 45% of Aspo Chemicals net sales) the first half year was weaker and the second half stronger than in the previous year. For the year as a whole net sales remained on the previous year's level but the operating profit declined markedly compared with the previous year. The weaker profit was due both to reduced sales margins and increased costs. The prices of chemicals rose and fell several times during the year. Average prices were 10% lower than a year ago.

We believe product demand and prices will remain rather weak during this year. We expect sales to remain at the same level and the operating profit to weaken slightly in 2003.

In **Automotive Chemicals** (approx. 10% of Aspo Chemicals net sales) the year was once again very good. Volumes increased by over 5% and the operating profit rose by almost a fifth. The improving performance was due to the same factors as the previous year: successful raw material purchasing, strong investments in marketing and tight cost control. Prospects for 2003 remain good.

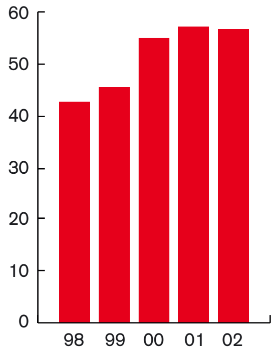
Plastics (approx. 20% of Aspo Chemicals net sales) multiplied its profits and increased both its volumes and sales, despite the fact that the total demand for plastics both in Finland and Europe as a whole decreased for the second successive year. The improvement in profits was significantly influenced by the weaker dollar.

Prospects for 2003 remain challenging. The profitability of raw material producers has remained weak mainly due to the poor demand and the resulting low prices. We do not expect a significant improvement in overall demand until the second half of 2003 at the earliest. The unit has targeted a slight increase in sales and to keep operating earnings on the current level at minimum.

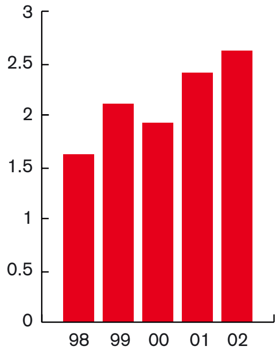
Overseas units (approx. 25% of Aspo Chemicals net sales) experienced a growth in volume and operating profit by over 50% and in net sales by a little under 50% from the previous year. Growth was achieved both in the Baltic countries and in Russia. All units generated a better operating profit than a year ago and were in the black.

We expect this rapid growth to continue in 2003 and for profitability to continue improving significantly. The heaviest growth can be expected both in Russia and in automotive chemicals in the Baltic countries. We have added staff in Russia and we have made marketing and marketing channels investments in the automotive chemicals sector.

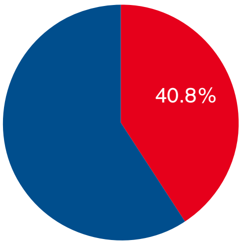
Aspo Chemicals
Net Sales, MEUR



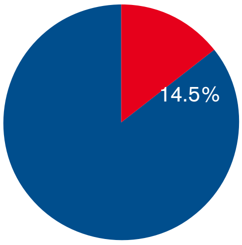
Aspo Chemicals
Operating Profit, MEUR



Aspo Chemicals' Share in
Group Net Sales



Aspo Chemicals' Share in
Group Personnel



Key Figures, Aspo Chemicals	**2002**	**2001**	**2000**	**1999**	**1998**
Net Sales, MEUR	56.6	57.0	54.7	45.5	42.8
Operating Profit, MEUR	2.6	2.4	1.9	2.1	1.6
Average Personnel	76	67	61	60	58

Outsourcing Of Transports Provides Growth Opportunities

- Objective is inceased market share
- Outsourcing of transports brings more opportunities
- Cold and dry years mean increased demand for coal
- Stronger dollar improves earnings

Aspo Shipping's market share of dry cargo transports within the Baltic Sea is about 25%. The total market is about 25 million tons and in 2002 Aspo Shipping transported 7.4 million tons. The bulk transport market is rather steady and will have a moderate growth in the next few years.

The market share can realistically be increased considerably. The growth can be both organic and based on acquisitions. For instance in the steel industry companies in the Baltic Sea area have still a considerable amount of own transports; as companies focus increasingly on their core competence areas outsourcing of transports can offer Aspo Shipping new opportunities, more extensive than before. Operations can be also expanded to transports of new cargos, for instance scrap iron has taken a clearly increasing share during the last few years. Feed export from Russia is an example of new areas where expansion of operations is possible.

Aspo Shipping's strategy is to increase the relative share of other cargos than coal of the company's transports. Last year the share of other cargos did actually rise to about 40%, that of coal dropped from over 67% to 60%. In the near future coal will still have a significant role in the transports. In coal transports the company has a very long experience and consequently the operations are very efficient.

Despite the fifth nuclear power plant coal usage can be expected to stay at its current level at a medium-range perspective. Water reserves in the Nordic countries have been high thanks to years with abundant rains, but now the situation has returned to normal. This has reduced the share of hydropower and increased the share of coal in electricity production.

So, changes in weather conditions do have an influence on the demand for transports and that way on Aspo Shipping's earnings. Years with little rain increase the demand for coal and thus the size and profitability of Aspo Shipping's operations. Furthermore, cold winters increase energy consumption and the demand for coal, even if the operation costs of vessels increase. Overall though, cold winters are better for Aspo Shipping than mild.

Dollar Denominated Deals Dominate

Fuel represents anywhere from 10 to 16% of the operation costs of the fleet, depending on the price of raw fuel oil and exchange rates. Oil prices were in 2002 clearly above long-term average, but at the same time the weak dollar compensated for the increase in fuel prices.

Of the variable factors the development of the dollar exchange rate has the most influence on Aspo Shipping's sales and earnings. Since the dollar is the prime currency in the global raw material trade, a large part of freight prices is in dollars. Currently about 70% of Aspo Shipping's sales are dollar-based. However, euro's share is expected to increase continuously even before the expansion of the EU.

When exchange rates are taken into account in all Aspo Shipping operations (freights and dollar-based costs), it can be calculated that changes in the dollar rate are reflected in net sales by a coefficient of about 0.6 and in earnings by 0.4. Consequently, dollar's strengthening by ten percent increases net sales by six per cent and earnings by four per cent. The cargos transported and the ports of operation have some influence on the coefficients. Overall, the strong dollar is still an advantage for Aspo Shipping and the whole Aspo Group.

Despite exchange rate fluctuations and changes in weather conditions Aspo Shipping's operations are basically very stable. The Baltic Sea is a strong market area: raw material demand is stable and customer relations and modes of operation are of a long-term nature. Likewise, freight prices don't fluctuate as much as ocean freights.

In these conditions the most important factor affecting earnings is Aspo Shipping's efficiency, which is based on professional skills brought about by a solid experience, a diversified fleet and a large customer base and the number of operative ports.

Aspo Shipping

President Eerik Yrjölä
ESL Shipping Oy

Aspo Shipping is the leading dry bulk sea transport company operating in the Baltic area. The division serves energy producers as well as the steel and chemical industries. Because of the importance of raw material transport, Aspo Shipping plays a crucial role in our customer's logistics chain.

Aspo Shipping's competitive advantage derives from its self-discharging vessels designed specifically to operate in demanding Baltic conditions. The ice-strengthened and shallow draft ships are able to enter safely even the shallowest ports fully loaded. All of our vessels are also equipped with forward thrusters and on-deck cranes. This reduces the ship's dependence on port handling services. In addition, our vessels can also load and unload rapidly at sea.

Aspo Shipping's strength lies in flexible and high-precision operations made possible by a modern and sufficiently large fleet comprising vessels of different sizes. All of our vessels sail under the Finnish flag and our crews are Finnish.

Profitability

Aspo Shipping's operating profit for 2002 totalled EUR 7.4 million (EUR 7.8 million). The freight volumes totalled 7.4 million tons (7.1 million tons) with an additional 0.3 million tons of vessel-to-vessel freight transfers. Net sales were EUR 43.1 million (EUR 41.7 million).

In the first half of the year the extensive dry docking of ms Kontula and the barge Espa reduced net sales. From the beginning of September sales rose on the strength of two pusher barge combinations from the acquired Travans Group. Demand for shipping capacity was strong throughout the year and even excellent during the second half of the year. We anticipated the depreciation of the US dollar and thanks to successful hedging its impact was halved.

Business Conditions

Due to a drought, water reserves were low during the year. This increased the demand for coal transports especially towards the end of the year. Demand for coal was further bolstered by the exceptionally cold fall season. Otherwise the demand for transports was rather close to past years' level.

The share of coal in the company's 2002 shipments dropped to 60% (67.3%). The share of iron ore pellets increased to 16.9% (14.5%) and that of limestone to 10.8% (8.7%). Scrap iron and stone material also increased their share of the shipments. Changes in the relative shares of various product groups were influenced by new pellet shipping contracts and for limestone the additional capacity brought by the pusher barges acquired along with Travans. This additional capacity is almost a million tons per year.

Freight rates in the Baltic area remained relatively stable. Our vessels operated primarily in the Baltic area with the exception of the ms Arkadia, which sailed for most of the year under spot market contracts.

Capacity utilization in 2002 was high throughout the year, even if the relative slowness of the ports and the shutdowns created occasional problems. Furthermore, there were occasional problems in the supply of raw materials to loading ports. The ms Kontula was docked in May and the barge Espa in March, both according to plan. The docking of ms Kontula will extend the vessel's useful life up to 30 years.

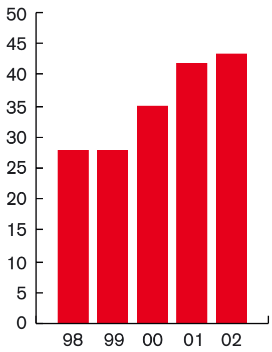
Future Prospects

Raw material shipments will remain stable and feature moderate growth. The increased demand for coal transports will strengthen the freight market, especially in the Baltic area, in addition to which severe environmental conditions will enhance Aspo Shipping's market position.

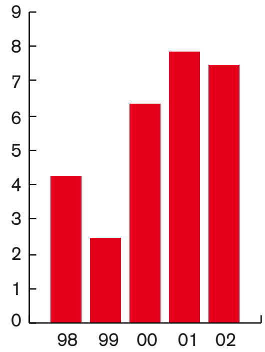
The strong demand for energy coal may temporarily slow the rising share of other product groups. However, in the long run the relative share of other product groups will continue to rise.

Unless the dollar weakens dramatically, Aspo Shipping's earnings can be expected to increase slightly in 2003.

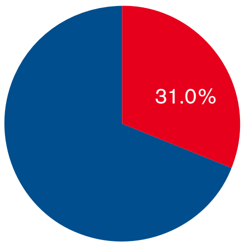
Aspo Shipping
Net Sales, MEUR



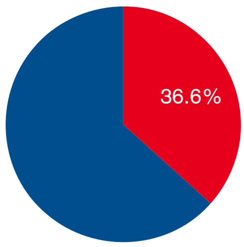
Aspo Shipping
Operating Profit, MEUR



Aspo Shipping's Share in
Group Net Sales



Aspo Shipping's Share in
Group Personnel



Key Figures, Aspo Shipping	2002	2001	2000	1999	1998
Net Sales, MEUR	43.1	41.7	34.8	27.5	27.7
Operating Profit, MEUR	7.4	7.8	6.3	2.4	4.2
Average Personnel	192	180	160	152	164

The Relentless Search For Savings
Service Station Chains Embrace Technology To Cut Costs

- Maintenance services significantly influence earnings
- Maintenance services increasingly add value
- EMV cards enhance payment terminal security
- More than half of sales outside the euro zone

The market share of the Autotank Group, from which the Aspo Systems Division is comprised, varies by product group. In the Nordic countries it holds a little more than half of the payment terminals market, less than half in dispensers and about a third of service station maintenance contracts. Our target is to take half of the market in dispensers and about 40% in maintenance by 2006.

Maintenance represents about half of Autotank's net sales, but in terms of earnings its significance is greater. Continuous cash flow from maintenance evens out fluctuations during the year; typically the second half of the year is significantly more active both in terms of equipment sales and maintenance.

The majority of maintenance sales is based on long-term contracts extending from 3 to 5 years. Relocation and modification work, as well as collision and vandalism repairs create demand for additional services.

The relentless search for cost reduction by oil companies offers opportunities to raise the share of the maintenance. The role of unmanned stations is on the rise and increased efficiency requirements are creating new challenges for equipment reliability. This will underline the role of quick and efficient maintenance services. The outsourcing of maintenance is generally evolving toward more value added activities, from individual service packages to the coordination and management of the entire maintenance process.

Despite fierce competition in the service station sector, chains with new concepts have also emerged. These chains, operating with light organizations, rely heavily on networking. This will highlight the role of turnkey suppliers who can provide solid technical know-how, such as Autotank.

Critical Mass in Maintenance

Thanks to its extensive market area Autotank is in a position to capitalize on economies of scale in the maintenance services sector. Our large customer base has enabled investments in logistical IT systems that make it possible to support service technicians in the field on a real-time basis. Scale advantages are also impacting spare parts purchasing.

Oil companies have traditionally been pioneers in developing and adopting new payment methods. Autotank has already carried out experiments in cooperation with Neste and Nokia concerning the suitability of mobile payment for fuel purchases. In the near future, our customers' main investments will focus on changes in payment systems. Banks and credit card companies are continuously developing more secure payment systems and payment terminals are becoming increasingly high-tech products. A major security-enhancing project for the near future is the adoption of smart cards based on the EMV standard supported by international credit card companies. All means of payment are developing: notes, payment cards and various types of wireless payment.

A little over half of Autotank sales currently derive from outside the euro area. Thus EU expansion and euro conversion in Sweden would have a positive impact on Autotank operations.

We hedge currency fluctuations on a case by case basis, mainly in larger purchases and sales. A stronger Swedish crown compared with the euro will increase earnings, but in practice currency fluctuations do not have a significant influence on Autotank sales or earnings.

Aspo Systems

President Markku Piippo
Autotank Ltd

The Aspo Systems Division consists of Autotank Ltd and its subsidiaries. Autotank develops, produces and markets automation systems for service stations and provides related maintenance services.

In January of 2002 Aspo Systems acquired the entire stock of Autotank Holding Ab, a supplier of equipment and maintenance services for service stations in Scandinavia. In the spring of 2002 Aspo's service station automation operations were brought under the Autotank umbrella.

Autotank is the leading supplier of service station equipment and systems as well as related services in the Baltic area. The main markets are in the Nordic and Baltic countries. The company has subsidiaries for instance in Sweden, Norway, Estonia, Latvia, Lithuania and Poland and a one third interest in a marketing company operating in Russia.

Autotank's customers are international and local service station chains. Our product and service range comprises outdoor payment terminals, site controllers, point of sale systems, dispensers, wet stock management systems, as well as a comprehensive range of installation and maintenance services. We add value to our customers' delivery and sales processes on the strength of highly automated, eco-sensitive systems. Effective maintenance services enhance capacity utilization and improve end user service.

Payment systems form the core product of service station automation. As a producer Autotank has taken the role of a systems integrator. Our strategy is to build long-term relationships with the leading oil companies in the market. Maintenance services play a key role in serving these clients.

Profitability and Business Conditions

In 2002 the Systems Division generated an operating profit of EUR 0.6 million (EUR 1.2 million). Net sales were EUR 39.2 million (EUR 24.4 million).

Autotank's operating profit fell well below our expectations in the first half of the year but improved towards the end of the year. Domestic demand was weak in the first part of the year and sales did not reach the expected level. Towards the end of the year demand was bolstered by modernization investments in more environmentally friendly equipment and systems required by more rigorous environmental standards for service stations. Improving market conditions did not however enable a turnaround in the entire yearend financial performance. Earnings were also burdened by the non-recurring costs related to the acquisition and integration of operations. Maintenance services represented over half of net sales.

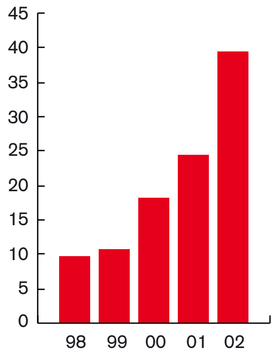
In the Baltic countries and Poland oil companies did not invest, which meant declining sales and at the yearend even exports fell short of our expectations. In Sweden and Norway sales volumes also fell short of targets, although volumes increased towards the end of the year. Exports accounted for less than half of the total sales of equipment and systems.

Future Prospects

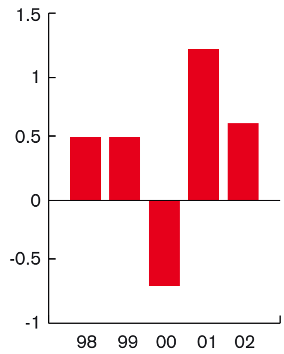
The integration of operations and consolidation of our product range will continue during 2003. This will increase cost-effectiveness and improve profitability. The first product of the new generation, a dispenser, will be launched during the second quarter. In payment automation we will also invest in the consolidation of our product ranges. We expect the service business to increase within the whole area of operation.

We expect profitability to improve in 2003, since the non-recurring integration costs will not burden our financial performance and synergies begin to make themselves felt. We also expect exports to increase in the Baltic countries and Poland, as well as in Russia.

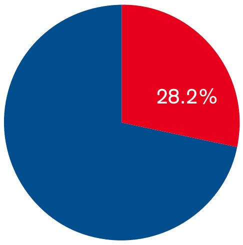
Aspo Systems
Net Sales, MEUR



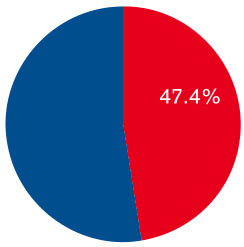
Aspo Systems
Operating Profit, MEUR



Aspo Systems' Share in
Group Net Sales



Aspo Systems' Share in
Group Personnel



Key Figures, Aspo Systems	2002	2001	2000	1999	1998
Net Sales, MEUR	39.2	24.4	18.0	10.5	9.6
Operating Profit, MEUR	0.6	1.2	-0.7	0.5	0.5
Average Personnel	249	157	144	137	56



Continuous Competence Development

Aspo uses every means at its disposal to improve the professionalism of its staff and to create a motivating atmosphere. Aspo HR management is based on open internal communication that supports commitment and the embracing of the targets. We encourage strong performances. Regular performance reviews are a pivotal tool in our HR management. We invest in training and the development of professional skills on every organizational level. Training programs are tailored to meet the varying needs of each division.

We manage wellbeing at work by creating the best possible physical and mental working conditions. We also support joint staff leisure activities, including sports and culture. Our staff can also use Aspo vacation homes for recreational purposes.

Aspo divisions use a variety of incentive systems to reward staff members. These incentive systems are linked to the achievement of the specific financial objectives of each division. In December of 2002 the Aspo Plc Board approved a new incentive system for executives in which bonuses are linked to the yield on the company's stock.

A Good Environmental Reputation Enhances Competitive Advantage

The Aspo Group's vision is to enhance our company's long-term value and expertise, from generation to generation. The continuous development of our operations is an essential part of Aspo's environmental policy. We aim at anticipating and avoiding environmentally harmful activities through the assessment of the environmental impact of various projects, product life cycle analyses and risk evaluations. We seek to manage critical environmental issues beyond the minimum requirements of statutes and regulations. The voluntary soil study conducted at our Rauma terminal is an example of Aspo's proactive environmental policy.

For Aspo Chemicals'

partners a solid environmental reputation is a basic operational prerequisite. Some of these partners are not content with certification, but want to directly audit the quality and environmental systems of their distributors.

Aspo Chemicals participates in the Responsible Care program in its version focusing on the chemical trade. The program involves commitment to continuous voluntary improvement in environmental, health and safety matters. A neutral auditor, Det Norske Veritas, has verified compliance using an ESAD evaluation form containing over 250 individual questions. The company also has a quality certificate corresponding to the ISO 9002 standard.

Aspo Shipping's

operations are certified according to the requirements of the ISM safety management code of the international maritime organization IMO. The ISM code is a set of rules covering the safe operation of vessels and prevention of environmental damage. The certification includes annual assessments. All vessels are also certified according to the requirements of the ISM code.

Aspo also bolsters vessel safety by employing good equipment and highly trained personnel. All our vessels are ice-strengthened and our experienced crews know the Baltic Sea ports, the shipping lanes and the conditions intimately. All vessels sail under the Finnish flag, with a Finnish crew.

For Aspo Systems

concern for the environment is a pivotal value that guides our product development and the planning of maintenance services. For big international oil companies, service station safety is an important factor in building a strong company image. Consequently, the latest technology is used in every piece of equipment produced.

Aspo Systems has the skills to assume the responsibility for critical service station technologies throughout the station life cycle. This comprehensive service includes products that employ environmentally friendly technologies, remote diagnostics that rapidly report technical malfunctions and preventive maintenance services.

Report of the Board of Directors

Business Conditions

The net sales of the Aspo Group continued to show solid growth in 2002 and exceeded EUR 138 million. The operating profit for the fiscal year also exceeded the previous year's healthy figure.

Three important company moves were made during the year. The Systems Division focused its operations on the service station sector with the acquisition of the Swedish Autotank and the divestiture of Navintra Ltd. As a result of the acquisition the Systems Division reached critical mass and took a position of market leadership. The Shipping Division acquired a shipping company with a fleet of pusher barges that increased considerably our transport capacity and added a new dimension to our services.

Aspo Chemicals

The Chemicals Division focused its activities on managing strong price fluctuations and providing customers with value added services. Successfully managing these challenges enabled us to increase our sales volumes faster than the market. At the same time profitability improved and customer satisfaction increased. The operational efficiency of our Baltic subsidiaries improved through the re-organization of the operations by sector, which helped to ensure the continued positive trend in earnings.

Aspo Shipping

The transport capacity of the Shipping Division was increased with the acquisition of the Travans Group. Its fleet of pusher barges was integrated into the company's operations towards the end of the year. During the fiscal period an overhaul program for the fleet's oldest vessels was started. This raised dry docking costs above the normal level. Successful hedging against a weaker dollar contributed positively to the healthy financial performance for the year.

Aspo Systems

The Systems Division focused on the integration of the Autotank Group acquired in 2002 and the kick-off of the new organization, as well as the sale of Navintra. Measures that increased expenses in the beginning of the year will improve the Division's profitability in the long run.

The Systems Division invested heavily in new product development and the first new family of products was introduced during the fiscal year. Autotank's earnings improved markedly towards the end of the year but the financial performance for the year as a whole remained negative.

The profitable performance for the Division as a whole was due to capital gains from the divestiture of Navintra.

Net Sales

The Aspo Group's net sales increased by EUR 15.8 million (12.8%) to EUR 138.9 million. The Group's direct exports and non-domestic subsidiary sales totalled EUR 42.7 million (EUR 17.7 million).

The Chemicals Division's net sales totalled EUR 56.6 million (EUR 57.0 million). The drop in net sales was mainly due to falling prices and a planned reduction of the trading business. Shipping Division's net sales increased by 3.4% to EUR 43.1 million (EUR 41.7 million). Systems Division's net sales rose 60.6% to EUR 39.2 million (EUR 24.4 million) as a result of the acquisition.

Net Sales by Division

	2002 MEUR	2001 MEUR	Change MEUR	Change %
Chemicals				
Aspokem Ltd	47.4	52.1	-4.7	
Aspokem Eesti AS	5.0	3.8	1.2	
Aspokem Latvia SIA	3.3	2.9	0.4	
UAB Aspokemlit	3.0	1.5	1.5	
OOO Aspokem	3.2	1.9	1.3	
Internal sales	-5.3	-5.2	-0.1	
Total	**56.6**	**57.0**	**-0.4**	**-0.7**
Shipping				
ESL Shipping Oy	41.4	41.7	-0.3	
Paratug Ltd Oy	1.7		1.7	
Total	**43.1**	**41.7**	**1.4**	**3.4**
Systems				
Autotank Ltd	15.0	17.4	-2.4	
Autotank Ab	12.3		12.3	
Autotank Service Ab	6.4		6.4	
Autotank As	3.6		3.6	
Autotank Oü	0.6	0.7	-0.1	
SIA Autotank	0.3	0.3		
UAB Autotank	0.1	0.3	-0.2	
Aspo Systems Ceska s.r.o.	0.1	0.2	-0.1	
Autotank Sp.z o.o.				
Suhi-Suomalainen Hiili Oy*	2.7	6.5	-3.8	
Internal sales	-1.9	-1.0	-0.9	
Total	**39.2**	**24.4**	**14.8**	**60.6**
* Former Navintra Ltd (5 months in 2002)				
Total Net Sales	**138.9**	**123.1**	**15.8**	**12.8**

Profits

The Group's operating profit was EUR 9.0 million (EUR 8.7 million).

The operating profit of the Chemicals Division rose EUR 0.2 million to EUR 2.6 million. All foreign subsidiaries increased their net sales and operating profit from the previous year.

The Shipping Division's operating profit fell EUR 0.4 million to EUR 7.4 million.

The Systems Division generated an operating profit of EUR 0.6 million (EUR 1.2 million).

The Group's depreciation expenses decreased by EUR 0.2 million to EUR 7.4 million. Depreciation expenses totalled EUR 0.6 million in the Chemicals Division, EUR 4.8 million in the Shipping Division and EUR 0.7 million in the Systems Division.

The Group's net financial expenses were 0.7% of net sales or EUR 1.0 million (EUR 0.7 million).

The Group's profit before extraordinary items and taxes totalled EUR 8.0 million (EUR 8.0 million). Extraordinary gains include back-tax refunds with interest totalling EUR 7.6 million related to the reimbursement decision made by the provincial tax authorities with respect to the company's 1994 taxation.

The Group's pre-tax profit was EUR 15.6 million (EUR 0.8 million). Direct taxes and net nominal tax liabilities totalled EUR 2.5 million (EUR 2.4 million).

Operating Profit by Division

	2002 MEUR	2001 MEUR	Change MEUR	Change %
Chemicals	2.6	2.4	0.2	8.3
Shipping	7.4	7.8	-0.4	-5.1
Systems	0.6	1.2	-0.6	-50.0
Other operations	-1.6	-2.7	1.1	40.7
Total	**9.0**	**8.7**	**0.3**	**3.4**

Investments and Finance

The Group's investments totalled EUR 7.4 million (EUR 1.9 million). The largest investments were the acquisitions of shareholdings in Autotank Holding Ab and Travans Oy, for a total of EUR 7.0 million.

The Group's liquidity was good throughout the fiscal year. Liquid assets totalled EUR 14.6 million (EUR 6.0 million) at the yearend. There was a total of EUR 20.5 million in interest-bearing liabilities on the Group balance sheet (EUR 21.8 million) as of the yearend. Interest-free liabilities totalled EUR 20.5 million (EUR 16.5 million).

The Group's equity ratio adjusted for nominal tax liabilities was 55.0% (52.7%) as of the yearend.

Investments by Division

	2002 MEUR	2001 MEUR
Chemicals	0.1	0.8
Shipping	3.1	0.2
Systems	4.2	0.7
Other operations		0.2
Total	**7.4**	**1.9**

Equity

The total share capital of Aspo Plc as of December 31, 2002, was EUR 17,101,442 on 8,550,721 shares outstanding, each of which has a book value of EUR 2. At the Annual Shareholders' Meeting of April 25, 2002 the shareholders approved a decision to lower the company's share capital by EUR 439,390 by invalidating 219,695 shares held by the company. The share capital reduction was entered into the trade register on May 6, 2002.

The Annual Shareholders' meeting authorized the Board to decide on the increase of the share capital in one or more lots through new share issues and/or convertible bond and/or stock option issues in such a way that the share capital can be increased by up to EUR 3,420,000 through the subscription of new shares, convertible bonds and stock options. The authorization empowers the Board to deviate from the shareholders' subscription privileges.

In addition, the Board is authorized to decide on the purchase or disposal of the company's own shares in deviation from the shareholders' privileges.

The Board did not exercise the current authorizations valid until April 25, 2003. In January of 2003 the Board decided to initiate the acquisition of company shares. No trades have as yet been executed.

Report of the Board of Directors

Aspo Plc shares are traded on the main list of the Helsinki Stock Exchange under the trading code ASU1V. The standard batch is 50 shares. The company's shares have been running on the Finnish book-entry system since October 1, 1999.

During the fiscal period under review a total of 708,000 Aspo Plc shares with a value of EUR 5.8 million changed hands on the Helsinki Stock Exchange. As of December 31, 2002 a total of 21,907 shares were nominee registered or held by non-domestic entities, or 0.3% of the total shares and votes outstanding. The average share price for Aspo Plc shares from January 1 to December 31, 2002 was EUR 8.23. The shares reached a low of EUR 6.15 for the period and a high of EUR 9.26. The yearend closing price was EUR 8.94. The market value of the share capital was EUR 76.4 million as of the end of the fiscal period.

Taxation

The provincial tax authorities convened on May 22, 2002 to review appeals for changes to the company's adjusted 1994 taxation, which had resulted in significant back-taxes being levied against the Group.

The review committee accepted Aspo's motion and reversed the Helsinki tax authority's decision to add an additional FIM 73 million (EUR 12.3 million) to the income of Aspo. The back-taxes charged to the company in 2001 and amounting to EUR 7.6 million with interest, were refunded to Aspo without discussion.

The Helsinki tax authorities have appealed the decision of the review committee.

Personnel

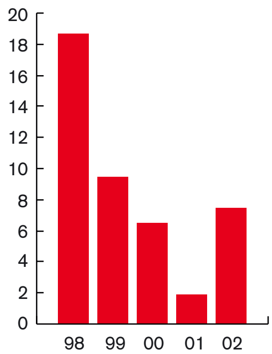
The Group's personnel totalled 538 (435) at the yearend and averaged 525 (412) during the period. The Group employed an average of 257 office personnel and a total of 268 non-office workers during the fiscal year.

A total of 8 (8) persons were employed by the parent company at the yearend. They were all office personnel. The average figure for the year was 8 (8).

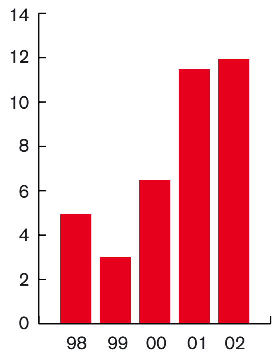
Personnel by Division

	2002	2001
Chemicals		
Office personnel	63	58
Non-office workers	13	9
	76	67
Shipping		
Office personnel	16	16
Crew members	176	164
	192	180
Systems		
Office personnel	170	89
Non-office workers	79	68
	249	157
Group Management	8	8
Total	**525**	**412**

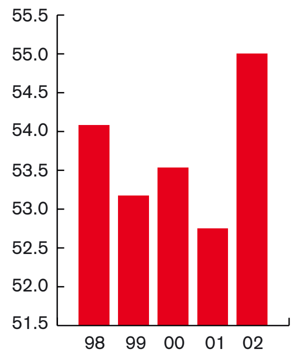
Investments, MEUR



Return on Investment (ROI), %



Equity Ratio, %



Research and Development

The Group's R&D activity is organized according to the nature of each division. In the Chemicals and Shipping Divisions R&D activity is focused mainly on the development of operations, methods and product technology without a separate organization, for which reason these development investments are recorded without specification under normal business expenses.

The Autotank Group, from which the Systems Division is comprised, invests heavily in R&D focusing on the development of new payment solutions. A total of 39 persons have participated in Finland and Sweden in the product development. The investments totalled about EUR 3.1 million representing 8.5% of the net sales of the Autotank Group.

Environmental Affairs

The Group continued developing its environmental policies using follow-up and monitoring procedures in accordance with the Group's environmental policy and standards and procedures laid out by the International Chamber of Commerce.

Post Fiscal Events

On January 8, 2003 the Aspo Plc Board approved a decision to begin acquiring the company's own shares in accordance with the authorization granted by the shareholders at the Annual Shareholders' Meeting of April 25, 2002. No trades have as yet been executed.

Prospects for 2003

The risk of a war against Iraq and the possible consequences of war make the assessment of general market conditions outset of 2003 very difficult. Most of Aspo's business is however in the Baltic area and Finland's share of net sales and earnings is significant.

Macroeconomic growth is the foundation for the growth and earnings potential of Aspo's divisions. Our current estimate is that given their current structure Aspo's divisions can grow somewhat faster than the GNP. The Group's profitability will probably remain at least at its present level, but our divisions also have the potential to improve their profitability.

Aspo Chemicals

The recovery that started at the beginning of 2002 changed into uncertainty towards the end of the year. Uncertainty regarding market conditions in the domestic industry is reflecting itself in weak demand for chemicals and plastic raw materials. We expect the situation to remain weak during the first half of the year 2003.

Conditions in our neighboring markets are clearly better and demand will probably remain stable. In the international markets the retreat of uncertainty may even lead to swift price hikes as pressures for price hikes among producers is evident.

Due to market uncertainty the net sales of the Chemicals Division is not expected to grow during the beginning of the year. Possible sales growth towards the end of the year will depend on the developments in the international arena. We expect the profitability of our operations to remain on the previous year's level.

Aspo Shipping

In the Shipping Division prospects for the current year are reasonably good. Bulk transports in the Baltic area continue to grow modestly, but we expect the coal transport business to remain brisk. Shipping appears to be running at full capacity and we therefore expect net sales to continue rising. Stronger freight rates towards the end of the year will lay a foundation for similar or better earnings than in 2002.

Aspo Systems

Aspo Systems, which consists of the Autotank Group, now has the scale it needs, as well as a market leading position. In the aftermath of this heavy growth period the focus of operations will shift to improving the efficiency and profitability of customer service.

Market conditions as of the beginning of 2003 appear to be continuing their weak trend. This trend is manifesting itself in a low level of equipment investments in all of the Baltic countries. Our stable technical service activities will act as our operational backbone and aging service station equipment will eventually force investments and bolster our revenues.

We expect the net sales of the Systems Division to remain on last year's level. We expect the gradual emergence of synergies to improve earnings, particularly during the second half of the year.

Aspo Group

Income Statement

1 000 EUR	Note	**Group 2002**	Group 2001	**Aspo Plc 2002**	Aspo Plc 2001
Net Sales	1.1	**138 865**	123 120		
Increase (+)/ Decrease (-) in finished goods inventory		**747**	254		
Other operating income	1.2	**3 829**	1 623	**2 349**	1 797
Materials and services	1.3	**-75 497**	-66 266		
Personnel costs	1.4	**-22 990**	-16 735	**-743**	-640
Depreciation and write-downs	1.5	**-7 414**	-7 614	**-743**	-1 421
Other operating expenses	1.6	**-28 569**	-25 693	**-2 162**	-2 371
Operating Profit/Loss		**8 972**	8 689	**-1 299**	-2 634
Financial income and expenses	1.7	**-945**	-701	**30**	5 547
Profit/Loss Before Extraordinary Items		**8 026**	7 988	**-1 268**	2 913
Extraordinary items	1.8	**7 622**	-7 152	**17 822**	518
Profit Before Appropriations and Taxes		**15 648**	836	**16 554**	3 431
Appropriations	1.9			**439**	1 058
Direct taxes	1.10	**-2 513**	-2 423	**-2 729**	-3 459
Minority interest		**16**	5		
Net Profit/Loss for the Period		**13 152**	-1 582	**14 264**	1 030

Aspo Group

Balance Sheet

1 000 EUR	Note	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
ASSETS					
Non-Current Assets	2.1				
Intangible assets	2.1	**880**	1 393	**101**	156
Goodwill	2.1	**3 504**	321		
Tangible assets	2.1	**66 023**	67 162	**9 785**	10 461
Long-term investments	2.2	**888**	2 153	**16 885**	18 142
		71 295	71 029	**26 771**	28 759
Current Assets					
Inventories	2.3	**11 713**	11 287		
Long-term receivables	2.4	**291**	113	**105**	113
Short-term receivables	2.4	**18 571**	18 145	**22 913**	15 408
Short-term investments	2.5	**10 895**	3 000	**10 200**	3 000
Cash and bank deposits		**3 721**	2 988	**220**	318
		45 190	35 534	**33 438**	18 839
		116 485	106 564	**60 210**	47 598
LIABILITIES AND SHAREHOLDERS' EQUITY					
Shareholders' Equity	2.6				
Share capital		**17 101**	17 541	**17 101**	17 541
Premium fund		**439**		**439**	
Other funds		**25**	25		
Share repurchasing fund			1 243		1 243
Retained earnings		**32 642**	39 118	**1 261**	5 020
Net profit/loss for the fiscal year		**13 152**	-1 582	**14 264**	1 030
Total Equity		**63 360**	56 345	**33 066**	24 834
Appropriations	2.7			**2 864**	3 303
Minority Interest		**272**	213		
Mandatory Reserves	2.8	**390**	281	**269**	281
Liabilities					
Deferred taxes		**11 498**	11 419		
Long-term liabilities	2.9	**13 750**	15 653		
Short-term liabilities	2.10	**27 215**	22 653	**24 010**	19 180
		52 463	49 724	**24 010**	19 180
		116 485	106 564	**60 210**	47 598

Cash Flow Statement

1 000 EUR	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Operational Cash Flow				
Operating profit/loss	**8 972**	8 689	**-1 299**	-2 634
Adjustments to operating profit/loss	**7 414**	7 472	**292**	1 405
Net change in working capital	**1 758**	-3 938	**43**	-135
Interest paid	**-1 639**	-1 548	**-671**	-570
Interest received	**659**	815	**653**	863
Dividends received	**34**	32	**31**	3 726
Other financial items			**4**	7
Taxes paid	**-3 259**	-2 119	**-3 077**	-1 394
Net Operational Cash Flow	**13 940**	9 403	**-4 023**	1 267
Investments				
Investments in tangible and intangible assets	**-480**	-1 887	**-16**	-137
Gains on the sale of tangible and intangible assets	**2 440**	144	**28**	22
Investments in shares		-7		-7
Gains on the sale of shares	**466**		**440**	
Purchases of subsidiary shares	**-6 256**	-141		
Total Cash Flow From Investments	**-3 831**	-1 890	**452**	-121
Financing				
Repurchase of shares		-195		-195
Repayment of advance payment on investment		9 106		
Increase/Decrease in long-term receivables	**93**		**113**	
Increase/Decrease in short-term receivables	**45**		**2 205**	-4 030
Repayments of short-term debt		-97		
New short-term loans	**529**			13 690
Increase in short-term debt			**5 522**	
Repayments of long-term debt	**-4 983**	-6 172		
Back-taxes (entered in extraordinary items)	**7 622**	-7 152	**7 622**	-7 152
Dividends paid	**-4 788**	-4 721	**-4 788**	-4 721
Total Financing	**-1 482**	-9 231	**10 674**	-2 408
Increase/Decrease in Liquid Funds	**8 627**	-1 718	**7 102**	-1 262
Liquid funds as of January 1	**5 988**	7 707	**3 318**	4 580
Liquid Funds as of December 31	**14 615**	5 988	**10 420**	3 318

Accounting Principles

The financial statements and reports of the Group and Group companies have been prepared in accordance with the procedures laid out in the Finnish accounting law and other Finnish accounting legislation.

Asset Valuation and Allocation Principles

Fixed assets have been recorded in the balance sheet at their acquisition cost net of planned depreciation. Planned depreciation has been calculated straightline over the entire economic lifetime of the asset from the point of acquisition.

The depreciation schedules for different asset classes are as follows:

Intangible assets	3–5 years
Other long-term assets	5–10 years
Buildings and structures	15–30 years
Vessels	16–20 years
Pushers	8 years
Machinery and equipment	3–8 years
Piping and fixtures	5–20 years
Other fixed assets	5–40 years
Group goodwill	10 years
Goodwill	5 years

Inventories are accounted for using the FIFO method and are valued at their acquisition cost, their resale value, or their probable market value.

Marketable securities are valued at their acquisition cost.

Discounts and VAT have been accounted for under adjustments to net sales.

Research and development costs are fully expensed against the income statement during the fiscal year under review.

Pension benefits have been organized on behalf of the Group's personnel using pension insurance. The Group has no pension liabilities. The pension liabilities of the Aspo Group pension fund have been transferred to a pension insurance company and the fund has been liquidated. The pension benefits of foreign subsidiaries have been organized according to local practices.

Liabilities and receivables denominated in foreign currencies have been recorded at the prevailing exchange rate on the date of transaction. Liabilities and receivables are converted into euros in connection with the preparation of financial statements using the average exchange rate on the closing date. Foreign currency denominated advances are converted using the prevailing exchange rate on the date of payment. All currency gains and losses are recognized or charged against the income statement during the year under review.

Accounting Principles for the Group Financial Statements

The Group financial statements and reports include the parent company and all operational subsidiaries in which the parent has, either directly or indirectly, more than a 50% holding. Acquired companies are consolidated into the Group accounts from the point of acquisition. The financial statements of foreign subsidiaries are adjusted to match the Group's accounting principles and to meet Finnish accounting standards.

The Group financial statements are prepared using the acquisition cost method. This means that the acquisition costs of subsidiaries are matched against the equity accounts at the point of acquisition. Any amounts in excess of shareholders' equity are recorded in the subsidiary's fixed asset accounts and are then amortized using the planned depreciation schedule of the asset account in question.

Intra-Group transactions, internal receivables and payables, internal dividend payments and internal gross margins included in inventories are eliminated. Margins and gains related to the internal sale of fixed assets are also eliminated from the accounts.

Minority interests, which have been separated from the shareholders' equity accounts, from accumulated excess depreciation (net of deferred taxes), and from earnings accounts, are presented as a separate item in the financial statements.

The income statements of foreign subsidiaries are converted into euros using the average exchange rate of the fiscal period in question. Balance sheets are converted using the exchange rate on the date the accounts are closed. Discrepancies arising from conversions are recorded along with equity-related conversion effects in the retained earnings account.

Leasing expenses are written off in the year under review.

Accumulated excess depreciation is allocated into the equity and deferred taxes (nominal tax liability) accounts. Changes in excess depreciation are recorded in the change in deferred taxes account and the profit for the fiscal year account. All significant allocation-related gains and losses are recognized or expensed.

Allocations pertaining to deferred taxes are performed using the prevailing tax base in the given country.

Calculation Principles for the Pro Forma Figures

Pro forma calculations were prepared on the basis of the financial statements from the years 1998–1999. The companies referred to in the division plan have been consolidated in the financial statements excluding Toolsystem Oy and Sonmarin Oy with its subsidiaries that were sold in 1999. The divested operations have been eliminated from the figures as if the companies had been sold off already before the beginning of 1998. FIM 1.5 million (EUR 0.25 million) from the expenses of Aspo Plc have been transferred to Aspocomp Group Oyj. Dividends paid in previous years have been regarded as dividends paid by the new Aspo Plc. Interest paid and interest received, taxes and financial items comprise nominal items. A more detailed examination of the pro forma accounting is available in the division prospectus issued on April 8, 1999 and updated on September 28, 1999.

Notes On The Financial Statements

1 000 EUR

1. NOTES ON THE INCOME STATEMENT

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
1.1 Net Sales				
Net Sales by Sector and Market Area				
Net sales by sector				
Chemicals	**56 594**	56 950		
Shipping	**43 140**	41 724		
Systems	**39 131**	24 446		
Total	**138 865**	123 120		
Net sales by market area				
Finland	**96 119**	105 360		
Other Europe	**41 113**	15 860		
North America	**110**	92		
Others	**1 524**	1 807		
Total	**138 865**	123 120		
1.2 Other Operating Income				
Gains on the sale of fixed assets	**608**	142	**450**	17
Gains on the sale of operations	**1 645**			
Other Group operating income			**472**	437
Rental income and related remuneration	**1 419**	1 329	**1 419**	1 265
Other operating income	**157**	152	**8**	79
Total	**3 829**	1 623	**2 349**	1 797
1.3 Materials and Services				
Purchases during the fiscal period	**65 853**	60 580		
Change in inventories	**132**	-57		
	65 986	60 523		
Outsourced services	**9 511**	5 743		
Total	**75 497**	66 266		
1.4 Personnel-Related Notes				
Personnel costs and benefits				
Salaries and wages	**17 753**	13 230	**503**	475
Pension costs	**2 947**	1 648	**113**	60
Other personnel costs	**2 290**	1 856	**127**	104
Total	**22 990**	16 735	**743**	640
Management salaries and benefits				
Executives	**1 024**	547		
Board members	**199**	93		
Total	**1 224**	640	**210**	167
Employees of the Group and Parent during the fiscal period				
Office personnel	**257**	171	**8**	8
Non-office workers	**268**	241		
Total	**525**	412	**8**	8

CEO and Board Member Pension Liabilities
The CEO of the Parent has the option to retire at 60.

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
1.5 Depreciation and Write-downs				
Depreciation of tangible and intangible assets	**6 850**	7 306	**743**	1 421
Amortization of Group goodwill	**565**	308		
Total	**7 414**	7 614	**743**	1 421

1 000 EUR

		Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
1.6	**Other Operating Expenses**				
	Rent	**2 006**	2 775	**493**	524
	Other expenses	**26 563**	22 918	**1 669**	1 847
	Total	**28 569**	25 693	**2 162**	2 371
1.7	**Financial Income and Expenses**				
	Income from long-term investments				
	Dividend income				
	From Group companies				3 700
	From others	**34**	32	**31**	26
	Total	**34**	32	**31**	3 726
	Other interest and financial income				
	From Group companies			**385**	1 893
	From others	**659**	815	**287**	499
	Total	**659**	815	**672**	2 392
	Interest and other financial expenses				
	To Group companies			**573**	542
	To others	**1 639**	1 548	**99**	28
	Total	**1 639**	1 548	**673**	570
	Total financial income and expenses	**-945**	-701	**30**	5 547
1.8	**Extraordinary Items**				
	Extraordinary income				
	Back-taxes with interest	**7 622**		**7 622**	
	Group transfer, Aspokem Ltd			**1 850**	
	Group transfer, ESL Shipping Oy			**7 530**	6 980
	Group transfer, Autotank Ltd				1 120
	Group transfer, Suhi-Suomalainen Hiili Oy			**820**	
	Total	**7 622**		**17 822**	8 100
	Extraordinary expenses				
	Back-taxes		7 152		7 152
	Group transfer, Suhi-Suomalainen Hiili Oy				430
	Total		7 152		7 582
	Extraordinary items total	**7 622**	-7 152	**17 822**	518
1.9	**Appropriations**				
	Accumulated depreciation in excess of plan			**439**	1 058
1.10	**Direct taxes**				
	Deferred taxes	**14**	95		95
	Change in deferred taxes	**-673**	-260		
	Taxes on extraordinary items	**136**		**3 094**	2 224
	Taxes on operational income	**3 036**	2 589	**-366**	1 140
	Total	**2 513**	2 423	**2 729**	3 459

1 000 EUR

2. NOTES ON THE BALANCE SHEET

2.1 Non-Current Assets
Intangible and Tangible Assets

Group	Intangible assets	Goodwill	Other long-lived assets	Intangible assets total	Group goodwill
Acquisition cost January 1, 2002	1 355	1 141	313	2 809	2 975
Increase	67		27	94	3 548
Decrease	-35	-194		-229	
Transfers	47			47	
Acquisition cost December 31, 2002	**1 435**	**947**	**340**	**2 722**	**6 523**
Accumulated depreciation January 1, 2002	-811	-384	-222	-1 416	-2 653
Accumulated depreciation on transfers and deductions	13	46		59	
Planned depreciation	-255	-200	-29	-484	-365
Accumulated depreciation December 31, 2002	**-1 053**	**-537**	**-251**	**-1 842**	**-3 018**
Book value December 31, 2002	**382**	**409**	**89**	**880**	**3 504**

	Land	Buildings	Machinery and equipment	Vessels	Other tangible assets	Other prepaid expenses	Tangible assets total
Acquisition cost January 1, 2002	1 054	19 999	5 550	118 180	1 089	47	145 919
Increase	6	32	1 554	4 938	93	7	6 630
Decrease	-7	-370	-1 156		-238		-1 770
Transfers						-47	-47
Acquisition cost December 31, 2002	**1 053**	**19 661**	**5 949**	**123 118**	**944**	**7**	**150 731**
Accumulated depreciation January 1, 2002		-5 277	-3 804	-69 143	-533		-78 757
Accumulated depreciation on transfers and deductions		296	563	-323	77		614
Planned depreciation		-906	-784	-4 748	-127		-6 565
Accumulated depreciation December 31, 2002		**-5 887**	**-4 025**	**-74 213**	**-583**		**-84 708**
Book value December 31, 2002	**1 053**	**13 774**	**1 924**	**48 905**	**360**	**7**	**66 023**

Aspo Plc	Intangible assets total	Land	Buildings	Machinery and equipment	Other tangible assets	Other prepaid expenses	Tangible assets total
Acquisition cost January 1, 2002	252	30	12 203	319	166		12 718
Increase				11		4	16
Decrease				-3			-3
Acquisition cost December 31, 2002	**252**	**30**	**12 203**	**327**	**166**	**4**	**12 730**
Accumulated depreciation January 1, 2002	-95		-2 056	-167	-34		-2 257
Planned depreciation	-55		-605	-72	-11		-688
Accumulated depreciation December 31, 2002	**-150**		**-2 661**	**-239**	**-45**		**-2 945**
Book value December 31, 2002	**101**	**30**	**9 542**	**88**	**121**	**4**	**9 785**

1 000 EUR

2.2 Investments

Group	Own Shares	Other Shares	Total
Acquisition cost January 1, 2002	1 243	910	2 153
Decrease	-1 243	-23	-1 266
Acquisition cost December 31, 2002		**888**	**888**
Book value December 31, 2002		**888**	**888**

Aspo Plc	Group Company Shares	Own Shares	Other Shares	Total
Acquisition cost January 1, 2002	16 000	1 243	898	18 142
Decrease		-1 243	-14	-1 257
Acquisition cost December 31, 2002	**16 000**		**885**	**16 885**
Book value December 31, 2002	**16 000**		**885**	**16 885**

			Parent Shares and Holdings		
Group Companies	**Group Interest, %**	**Parent Company Interest, %**	**Number of Shares**	**Face Value 1 000 EUR**	**Book Value 1 000 EUR**
Suhi-Suomalainen Hiili Oy, Helsinki	100.00	100.00	1 260	252	922
Autotank Ltd, Tampere	100.00	100.00	10 000	589	1 741
Aspokem Ltd, Helsinki	100.00	100.00	6 000	1 009	5 047
ESL Shipping Oy, Helsinki	100.00	100.00	1 800 000	673	6 829
Kiinteistö Oy Olarinluoma 12, Espoo	100.00	100.00	9	2	504
Oy Troili Ab, Helsinki	100.00	100.00			8
Kiinteistö Oy Tietokartano, Tampere	79.00	79.00	395	133	949
Oy Bomanship Ab, Helsinki	100.00				
O.Y. Näppärä, Helsinki	100.00				
Travans Oy, Turku	100.00				
Paratug Ltd Oy, Parainen	100.00				
Aspokem Eesti AS, Estonia	100.00				
Aspokem Latvia SIA, Latvia	100.00				
Aspokemlit UAB, Lithuania	100.00				
OOO Aspokem, Russia	100.00				
Autotank Oü, Estonia	100.00				
Autotank SIA, Latvia	100.00				
UAB Autotank, Lithuania	100.00				
Autotank Holding AB, Sweden	100.00				
Autotank AB, Sweden	90.10				
Autotank Service AB, Sweden	100.00				
Autotank AS, Norway	100.00				
Autotank Sp.z o.o., Poland	100.00				
Aspo Systems Oy, Helsinki	100.00				
Aspo Systems Ceská republika s.r.o., Czech Republic	100.00				
Total					**16 000**

Notes On The Financial Statements

1 000 EUR

		Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
2.3	**Inventories**				
	Materials and supplies	9 555	4 157		
	Work in progress	27	16		
	Finished goods	1 931	6 891		
	Advances	200	223		
	Total	11 713	11 287		
2.4	**Receivables**				
	Long-term loan receivables	291	113	105	113
	Short-term receivables				
	Accounts receivable	15 188	15 212	14	3
	Receivables from Group companies				
	Group transfers receivable			14 098	4 328
	Loans receivable			8 694	10 891
				22 792	15 218
	Advances	309	8		
	Other receivables	827	63		
	Nominal tax receivable from Autotank Holding Ab	59			
	Deferred receivables*)	2 188	2 862	108	186
		3 383	2 933	108	186
	*) Main items				
	Subsidy from the Ministry of Transport and Communications	1 788	1 318		
	Tax receivable	53	626		
	Pension loans receivable	87	180	87	138
	Agency commission	63	134		
	Total short-term receivables	18 571	18 145	22 913	15 408
2.5	**Short-Term Financial Assets**				
	Acquisition cost	10 895	3 000	10 200	3 000
	Book value	10 895	3 000	10 200	3 000
2.6	**Shareholders' Equity**				
	Share capital January 1	17 541	17 541	17 541	17 541
	Invalidation of own shares	-439		-439	
	Share capital December 31	17 101	17 541	17 101	17 541
	Premium fund January 1				
	Invalidation of own shares	439		439	
	Premium fund December 31	439		439	
	Other funds January 1	25	25		
	Other funds December 31	25	25		

1 000 EUR

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Share repurchasing fund January 1	**1 243**	1 048	**1 243**	1 048
Own shares		195		195
Invalidation of own shares	**-1 243**		**-1 243**	
Share repurchasing fund December 31		1 243		1 243
Retained earnings January 1	**37 536**	44 072	**6 049**	9 936
Dividend distribution	**-4 788**	-4 721	**-4 788**	-4 721
Own shares		-195		-195
Conversions	**-105**	-38		
Retained earnings December 31	**32 642**	39 118	**1 261**	5 020
Net profit/loss for the year	**13 152**	-1 582	**14 264**	1 030
Total shareholders' equity	**63 360**	56 345	**33 066**	24 834
Share of accumulated excess depreciation and voluntary reserves	**24 821**	26 708		
Distributable unrestricted equity	**20 973**	10 828	**15 525**	6 049

2.7 Appropriations

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Accumulated excess depreciation and voluntary reserves December 31	**40 039**	39 656	**2 864**	3 303
Nominal tax receivable	**-11 611**	-11 500		
Reserves in equity at point of acquisition	**-3 607**	-1 448		
Voluntary reserves in equity December 31	**24 821**	26 708		

2.8 Mandatory Reserves

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Provision for divestiture-related expenses	**390**	281	**269**	281
Total	**390**	281	**269**	281

2.9 Long-Term Liabilities

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Loans from financial institutions	**13 693**	15 412		
Pension loans	**57**	241		
Total long-term liabilities	**13 750**	15 653		
Deferred taxes				
Taxes on appropriations	**11 498**	11 419		
Debts with maturities longer than 5 years				
Loans from financial institutions	**2 163**	3 166		
Pension loans		56		
Total	**2 163**	3 222		

2.10 Short-Term Liabilities

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Unredeemed shares	**4**	4	**4**	4
Loans from financial institutions	**6 682**	6 122		
Pension loans	**19**	50		
Unpaid dividends 1996-2001	**6**	6	**6**	6
Payables	**10 028**	7 777	**139**	74
Advances	**703**	421		
Other debt[1)]	**3 443**	3 502	**800**	1 162
Deferred payables[2)]	**6 331**	4 770	**146**	116
	27 215	22 653	**1 094**	1 362

1 000 EUR

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
1) Main items				
Deferred taxes	**782**	1 143	**782**	1 143
VAT	**1 207**	1 281		
Employer's contributions	**1 127**	778	**18**	19
2) Main items				
Accrued interest	**245**	318	**7**	
Personnel expenses	**4 203**	2 444	**129**	61
Provision for commission	**395**			
Bareboat lease for ms Eira	**700**	777		
Intra-Group liabilities				
Loans			**22 909**	17 386
Group transfers				430
Deferred payables			**7**	2
			22 916	17 818
Total short-term liabilities	**27 215**	22 653	**24 010**	19 180

3. OTHER NOTES

3.1 Securities, Contingent Liabilities and Other Liabilities

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Debts secured by real estate and vessels				
Loans from financial institutions	**18 212**	21 534		
Securities	**27 562**	24 286		
Total	**27 562**	24 286		

Pension liabilities
The Group has no pension liabilities.

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Leasing liabilities				
Unpaid lease payments				
Payable in the fiscal 2003	**396**	337	**10**	
Payable later	**1 007**	980	**40**	
Total	**1 403**	1 318	**50**	
Scrap value-related liabilities	**3 151**	3 044		
Total leasing liabilities	**4 553**	4 362		
Bareboat contract payments				
Payable in the fiscal 2003	**1 817**	2 098		
Payable later	**15 392**	17 030		
Total	**17 209**	19 128		

The contract contains a buyout option (separate agreement).

	Group 2002	Group 2001	Aspo Plc 2002	Aspo Plc 2001
Guarantees on behalf of Group companies				
Pension loans			**581**	796
Leasing liabilities			**3 973**	4 289
Bareboat agreement			**17 209**	19 128
Total			**21 182**	23 418
Derivative contracts	**722**	9 113	**722**	9 113

Financial Performance and Key Figures

Financial Performance and Key Figures

	2002	2001	2000	1999 [1)]	1998 [1)]
Net sales, MEUR	**138.9**	123.1	107.5	83.5	80.1
Operating profit after depreciation, MEUR	**9.0**	8.7	5.6	1.6	3.9
Share of net sales, %	**6.5**	7.1	5.2	1.9	4.9
Profit before extraordinary items and taxes, MEUR	**8.0**	8.0	4.4	1.4	3.7
Share of net sales, %	**5.8**	6.5	4.1	1.7	4.6
Profit before taxes, MEUR	**15.6**	0.8	4.3	6.9	4.5
Share of net sales, %	**11.3**	0.7	4.0	8.2	5.6
Return on investment (ROI), %	**11.9**	11.4	6.4	3.0	4.9
Return on equity (ROE), %	**9.5**	9.4	4.7	0.8	3.4
Equity ratio, %	**55.0**	52.7	53.5	53.2	54.1
Equity ratio net of tax liabilities, %	**64.9**	62.9	63.1	62.1	61.6
Gearing	**9.2**	28.6	33.0	21.5	5.4
Gross investments in fixed assets, MEUR	**7.4**	1.9	6.4	9.4	18.6
Share of net sales, %	**5.3**	1.5	6.0	11.3	23.3
Personnel, December 31	**538**	435	384	366	294
Personnel, average	**525**	412	375	300	282

Share-related Key Figures

	2002	2001	2000	1999 [1)]	1998 [1)]
Earnings/share (EPS), EUR	**0.66**	0.65	0.35	0.13	0.51
Equity/share, EUR	**7.41**	6.44	7.18	7.81	8.44
Nominal dividend/share, EUR					
(Board's proposal)	**0.98**	0.56	0.55	2.00	
Adjusted dividend/share, EUR	**0.98**	0.56	0.55	1.00	
Dividend/earnings, %	**147.9**	86.3	155.8	1534.4	
Effective dividend yield, %	**11.2**	8.9	11.0	22.5	
Price/earnings ratio (P/E)	**13.5**	9.7	14.2	68.2	
Share prices (adjusted), EUR					
average	**8.23**	5.45	7.93	3.79	
low	**6.15**	4.10	4.50	3.05	
high	**9.26**	6.40	11.20	4.50	
Average yearend closing price, EUR	**8.94**	6.30	5.00	4.45	
Market value of total shares outstanding, December 31, MEUR	**76.4**	53.9	42.9	39.0	
Share turnover, 1 000 each	**708**	966	1 813	427	
Share turnover, %	**8.3**	11.0	20.7	9.7	
Total share volume, 1 000 EUR	**5 828**	5 264	14 375	3 227	
Total number of shares, 1 000 each					
total year end	**8 551**	8 770	8 770	4 385	4 385
total year end, adjusted	**8 551**	8 770	8 770	8 770	8 770
outside the Group	**8 551**	8 551	8 584	8 770	8 770
outside the Group, adjusted average	**8 551**	8 581	8 713	8 770	8 770

[1)] Pro forma 1998–1999

Calculation of Key Ratios

Return on Investment (ROI), %
Profit before extraordinary items and taxes + interest and other financial costs x 100 /
Balance sheet total – interest-free liabilities (average)

Return on Equity (ROE), %
Profit before extraordinary items and taxes – direct taxes x 100 /
Shareholders' equity + minority interest (average)

Equity Ratio, %
Shareholders' equity + minority interest x 100 /
balance sheet total – advances received

Gearing
Interest-bearing liabilities – liquid assets / shareholders' equity + minority interest

Average Personnel
Average number of personnel as of the month end

Earnings per Share (EPS), EUR
Profit before extraordinary items and taxes – direct taxes – minority interest /
Adjusted average number of shares outstanding during the period

Equity / Share, EUR
Shareholders' equity / adjusted number of shares outstanding at the yearend

Adjusted Dividend / Share, EUR
Dividend paid in period / share issue multiplier

Dividend / Earnings, %
Adjusted dividend per share x 100 / earnings per share

Effective Dividend Yield, %
Adjusted dividend / share x 100 / average yearend share price

Price Earnings Ratio (P/E)
Adjusted year end share price / earnings per share

Adjusted Average Share Price
Total share turnover in euros / adjusted fiscal share turnover

Equity Market Value
Total number of shares outstanding x average yearend share price

Share-related key figures are calculated on the basis of shares outside the Group.

Shares and Shareholders

Share Capital

The minimum share capital of Aspo Plc is 8,729,178 euros and the maximum is 34,916,712 euros. Within these limits the share capital can be increased or decreased without amending the Articles of Association. The minimum number of shares is 4,364,589 and the maximum number is 17,458,356. On December 31, 2002 the registered share capital of Aspo Plc was 17,101,442 euros consisting of 8,550,721 shares with a book value of 2 euros per share.

Shares

The company has one series of shares. Each share entitles its holder to one vote at the Annual Shareholders' Meeting. Aspo Plc shares have been traded on the main list of the Helsinki Stock Exchange since October 1, 1999 with the trading code ASU1V in the diversified companies class. The standard batch is 50 shares.

Share Ownership

Aspo Plc shares are running on the Finnish book-entry system maintained by the Finnish Central Securities Depository Ltd.

There were no major changes in Aspo's ownership structure during the year. As of the yearend the number of shareholders totalled 1,815. Of these 99.8% were held directly, 0.24% were held through nominee registrations and a total of 0.24% of the company stock was held by non-domestic entities.

As of the yearend the ten largest shareholders of Aspo Plc were in possession of 57.88% of the shares and voting rights. Sampo Plc announced on May 14, 2002 that after Aspo Plc had invalidated 219,695 of its own shares, the holdings of the Sampo Life Insurance Company exceeded 10% of the company's shares and voting rights. The ten major shareholders as of the yearend are listed in the following table.

The list of Aspo's major shareholders is presented and updated monthly on the company website www.aspo.fi.

Share Ownership by the CEO and the Board of Directors

The total number of shares held by the CEO and the members of the Board of Directors of Aspo Plc and their interest groups as of December 31, 2002 was 797,135 shares, corresponding to 9.3% of the shares and voting rights. The holdings of the management and insiders are specified more in detail on page 42 of the Annual Report. In addition, monthly updated information on insider holdings is available at the website: www.aspo.fi.

Share Turnover and Share Prices

During fiscal 2002 a total of 708,000 Aspo Plc shares with a value of EUR 5.8 million changed hands on the Helsinki Stock Exchange, or 8% of the total number of shares outstanding. The shares reached a high of EUR 9.26 (on April 22, 2002) for the period and a low of EUR 6.15 (on January 3, 2002). The average share price was

Major Shareholders as of December 31, 2002

Ownership	**Number of Shares**	**Holding, %**
Nyberg H.B.	1 000 000	11.69
Sampo Life Insurance Company Limited	873 126	10.21
Varma-Sampo Mutual Insurance Company	499 100	5.84
Vehmas A.E.	453 640	5.31
Vehmas Tapio	393 946	4.61
Stadigh Kari	392 086	4.59
Pohjola Non-Life Insurance Company Limited	387 810	4.54
Kaleva Mutual Insurance Company	350 000	4.09
Vehmas Liisa	333 030	3.89
Estlander Henrik	266 146	3.11
Ten largest shareholders total	**4 948 884**	**57.88**
Nominee registrations	**20 600**	**0.24**
Others	**3 581 237**	**41.88**
Total	**8 550 721**	**100.0**

EUR 8.23. The closing price on December 31, 2002 was EUR 8.94, a change of +41.9% compared with the situation at yearend 2001. At the end of the fiscal period the market value of the shares outstanding totalled EUR 76.4 million.

The company's share price performance and turnover are displayed here graphically. On March 5, 2003 the share price was EUR 9.51 with a market value of EUR 83.1 million. You can see the latest trades at www.aspo.fi.

Dividends

Aspo has an active, cash flow-based dividend policy, the goal of which is to distribute on average at least half of our annual earnings to shareholders.

The Board of Directors will propose at the Annual Shareholders' Meeting that a dividend totalling EUR 0.98 per share on fiscal 2002 be distributed to the shareholders, representing 147.9% of earnings.

Domestic Equity Tax Values

For 2002 taxation the official tax value of the Aspo Plc share in Finland is EUR 6.13.

Authorizations

At the 2002 Aspo Plc Annual Shareholders' Meeting the Board of Directors was authorized to raise the company's share capital in one or more lots through new share issues and/or convertible bond and/or stock option issues in such a way that the share capital can be increased by up to 3,420,000 euros.

As of March 5, 2003 the authorization remained unexercised.

Authorization to Repurchase and Disposal of Own Shares

The Sharehoders' Meeting authorized the Board with distributable funds to repurchase a maximum of 427,536 of the company's own shares regardless of the shareholders' holdings. The shares will be purchased through public trade organized by the Helsinki Stock Exchange at the market value at the point of acquisition. The share purchase will reduce the amount of the company's distributable equity.

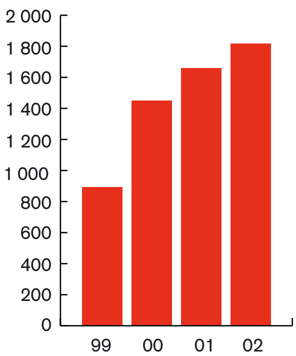
The shareholders further authorized the Board of Directors to decide on the disposal of a maximum of 427,536 repurchased shares in one or more lots in deviation from the shareholders' privileges.

The shares will be purchased and disposed of mainly to finance acquisitions or other purchases related to the company's operations. The Board may also recommend the invalidation of the shares to the shareholders.

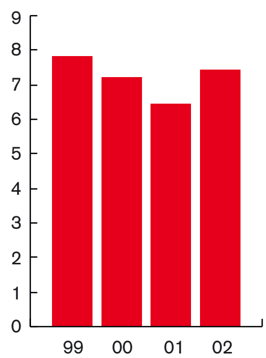
The Board did not exercise the authorizations during the fiscal period. The current authorizations are valid for one year from the decision at the Shareholders' Meeting. In January of 2003 the Board decided to initiate the acquisition of company shares. No trades have as yet been executed.

For more information about the Board authorizations provided by Aspo Plc shareholders see www.aspo.fi.

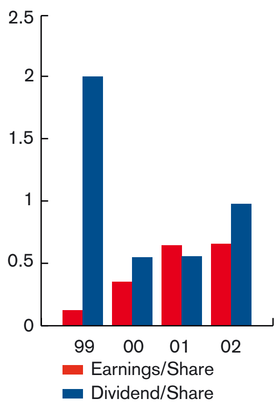
Development of Ownership Structure



Equity/Share, EUR



Earnings and Dividend/Share, EUR



Distribution of Ownership December 31, 2002

By Number of Shares

Number of Shares	No. of Shareholders	% of Shareholders	Total Shares	% of Shares
1–100	365	20.1	25 362	0.3
101–500	718	39.6	215 843	2.5
501–1 000	318	17.5	256 943	3.0
1 001–10 000	361	19.9	1 021 324	12.0
10 001–	53	2.9	7 029 761	82.2
On waiting list and in joint accounts			1 488	
Total	**1 815**	**100.0**	**8 550 721**	**100.0**

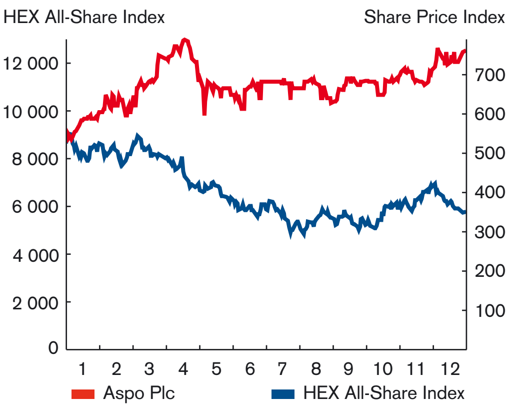
By Owner Group

	% of Total	Total Shares, %
1. Households	92.1	59.5
2. Companies	5.8	7.2
3. Financial and insurance companies	0.5	23.0
4. Non-profit organizations	1.1	3.1
5. Public institutions	0.2	7.2
6. Non-domestic	0.3	0.02

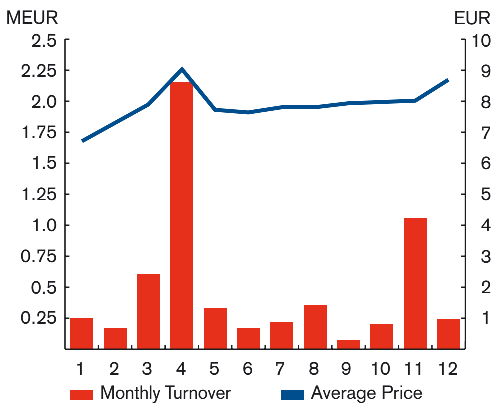
Share Trading by Year

	Trading, MEUR	Trading, No. of Shares	Average, EUR	Low, EUR	High, EUR
2000	14.4	1 812 523	4.99	4.50	11.70
2001	5.3	966 604	5.45	4.10	6.40
2002	5.8	708 000	8.23	6.15	9.26

Share Price Performance in 2002



Share Trading and Average Prices in 2002



Distribution of Earnings and Auditors' Report

Proposal of the Board for the Distribution of Earnings

The Group has a total of EUR 45,793,645.10 in its unrestricted earnings account, of which EUR 20,972,944.46 is distributable. The parent company has a total of EUR 15,525,366.98 in its unrestricted equity account. As of December 31, 2002 the registered total number of shares was 8,550,721.

The Board proposes that the company's earnings be distributed as follows:

- a basic dividend of EUR 0.42 / share to be paid out on each of the 8,550,721 shares outstanding	3 591 302.82 EUR
- a surplus dividend of EUR 0.56 / share to be paid out on each of the 8,550,721 shares	4 788 403.76 EUR
- to be held in the retained earnings account	7 145 660.40 EUR
	15 525 366.98 EUR

Helsinki, February 10, 2003

Kari Stadigh　　Matti Arteva

Kari Haavisto　　Roberto Lencioni

Gustav Nyberg
CEO

Auditors' Report

To the shareholders of Aspo Plc

We have audited the accounting, the financial statements and the corporate governance of Aspo Plc for the period January 1–December 31, 2002. The financial statements, which include the report of the Board of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the CEO. Based on our audit we express an opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of corporate governance is to examine that the members of the Board of Directors and the CEO have legally complied with the rules of the Companies' Act.

In our opinion the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations governing the preparation of financial statements. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company's result of operations as well as of the financial position. The financial statements with the consolidated financial statements can be adopted and the members of the Board of Directors and the CEO of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the distributable assets is in compliance with the Companies' Act.

Helsinki, February 25, 2003

PricewaterhouseCoopers Oy
Authorized Public Accountants

Jouko Malinen
Authorized Public Accountant

Corporate Governance

Kari Stadigh

Matti Arteva

Kari Haavisto

Roberto Lencioni

Aspo Plc is managed in accordance with the regulations of the Finnish Companies Act, Securities market regulations and other governmental regulations on the management of public limited companies; the principles described here are supplementary to government regulations. The company's Board of Directors has ratified an agenda, which is in accordance with the recommendations given by the Central Chamber of Commerce of Finland and the Confederation of Finnish Industry and Employers.

Annual Shareholders' Meeting

The highest authority for management and operations in the Aspo Group is held by the statutory bodies of Aspo Plc, which are the Annual Shareholders' Meeting, the Board of Directors and the Chief Executive Officer. The ultimate power for decisions is vested in the shareholders at the Annual Shareholders' Meeting, held yearly in Helsinki, at the registered office of the company, at a time specified by the Board of Directors.

At the Annual Shareholders' Meeting the stockholders approve the income statement and the balance sheet of the company and the Group, decide on the payment of dividends and elect the Board members and the auditor.

Board of Directors

The Board of Directors of Aspo Plc comprises not less than four (4) and not more than eight (8) members. Currently Aspo Board comprises four members. The members of the Board of Directors elect a chairman and a vice-chairman from amongst themselves. The members of the Board of Directors are elected for a two-year term of office.

The members of the Board of Directors of Aspo Plc represent the largest shareholders of the company. The duties and responsibilities of the Board of Directors are set out in the Company's Articles of Association, the Finnish Companies Act and other applicable regulations. The duties of the Board of Directors include responsibility for strategic planning in the Aspo Group and the appropriate organization of its management and operations. The Board also approves the budgets of Group subsidiaries, approves Group investments, expansion or reduction of operations, as well as acquisitions, and divestitures. The Board oversees the Group environmental policy and makes decisions concerning charitable donations.

In keeping with its responsibility to oversee the Group's operations and financial performance, the Board will receive and examine financial reports for its meetings. The CEO of the Parent company will present the Group report at board meetings.

The Aspo Plc Board of Directors met 10 times during fiscal 2002. The members of the Board of Directors are as follows:

Kari Stadigh (1955)
Chairman
M. Sc. (Eng.), M. Sc. (Econ.)
Deputy Chief Executive Officer, Sampo Plc
Chairman of the Board of Directors since 2000
Member of the Board of Directors since 1999
Aspo Plc shares held: 392,086 shares corresponding to 4.59% of the total number of shares.

Matti Arteva (1945)
Vice-Chairman, Engineer
Chief Executive Officer, Asva Ltd
Vice-Chairman of the Board of Directors since 2000
Member of the Board of Directors since 1999
Aspo Plc shares held: 77,308 shares corresponding to 0.9% of the total number of shares.

Kari Haavisto (1941)
Lic. Sc. (Econ.)
Chief Financial Officer, Metsäliitto Group
Member of the Board of Directors since 1999
Aspo Plc shares held: 63,450 shares (Fundum Oy) corresponding to 0.74% of the total number of shares.

Roberto Lencioni (1961)
LL. B.
President, Oy Gard Services (Baltic) Ltd
Member of the Board of Directors since 1999
Aspo Plc shares held: 3,096 shares corresponding to 0.04% of the total number of shares.

The terms of Messrs. Kari Stadigh and Roberto Lencioni will expire at the Annual Shareholders' Meeting in 2003.

The Group Subsidiary Boards include members also from outside the Group. The members of the Board of Directors of the largest subsidiary companies are as follows:

ESL Shipping Oy: Gustav Nyberg, Chairman; Roberto Lencioni, Vice-Chairman; Thomas Alopaeus and Max Söderberg, Members.

Aspokem Ltd: Gustav Nyberg, Chairman; Roberto Lencioni, Vice-Chairman; Risto Heikkinen, Member.

Autotank Ltd: Gustav Nyberg, Chairman; Roberto Lencioni, Vice-Chairman; Berndt Karsten, Member.

Chief Executive Officer and Group Executive Committee

The Chief Executive Officer of Aspo Plc is appointed by the Board of Directors. The Chief Executive Officer is responsible for the management and control of the company's business and operational management in accordance with the Finnish Companies Act and the instructions of the Board of Directors. The terms and conditions of the employment are written into an executive employment contract.

M. Sc. (Econ.) Gustav Nyberg (46) has served as Aspo's Chief Executive Officer since October 1, 1999. The Chief Executive Officer is supported by the executive committee of the company including, in addition to the CEO, the Chief Financial Officer Dick Blomqvist and Project Manager Pekka Piiroinen.

Salaries and Compensation

The Aspo Plc Annual Shareholders' Meeting decides the compensation of the members of the Board of Directors for one year at a time. The Board of Directors sets the salary and other benefits of the Chief Executive Officer and also decides the salaries and benefits of other Group executives.

Salaries and compensation paid to the CEO and Board members in 2002 totalled EUR 0.2 million. Within the Group the total in 2002 was EUR 1.2 million.

Aspo Plc Insiders December 31, 2002:

Name	Insider's position	Shares	%
Kari Stadigh	Chairman of the Board, Aspo Plc	392 086	4.59
Matti Arteva	Vice-Chairman of the Board, Aspo Plc	77 308	0.90
Kari Haavisto Fundum Oy	Member of the Board, Aspo Plc	63 450	0.74
Roberto Lencioni	Member of the Board, Aspo Plc	3 096	0.04
Gustav Nyberg	Chief Executive Officer, Aspo Plc	261 195	3.05
Alexander Nyberg		600	0.01
Marcella Nyberg		600	0.01
Patricia Nyberg		600	0.01
Dick Blomqvist	Chief Financial Officer, Aspo Plc	2 140	0.03
Asta Nurmi	Executive Secretary, Aspo Plc	1 734	0.02
Pekka Piiroinen	Project Manager, Aspo Plc	-	-
Hilkka Jokiniemi	Secretary, Aspo Plc	-	-
Jari Ranne	President, Aspokem Ltd	-	-
Kari Tiiri	Senior Vice President, Aspokem Ltd	680	0.01
Eerik Yrjölä	President, ESL Shipping Oy	-	-
Tom Blomberg	Senior Vice President, ESL Shipping Oy	-	-
Markku Piippo	President, Autotank Ltd	1 850	0.02
Jouko Malinen	Authorized Accountant, PricewaterhouseCoopers Oy	-	-
Total		**805 339**	**9.43**

The Aspo Group has also established several bonus-based incentive systems. The incentive system for the staff is tied to the achievement of budgeted targets. The Aspo Group paid a total of EUR 0.5 million worth of bonuses in 2002. The maximum bonus corresponds to a sum equivalent to 3 months base salary.

The executives have an incentive system tied to the share price, in which possible rewards are based on the yield of the company share during the next four years.

Aspo Plc has not issued a bond or stock option issue.

Insider Regulations

Since February 1, 2000, Aspo Plc has followed the insider trading guidelines established by the Helsinki Stock Exchange.

In addition to the persons required to report by the Securities Act, Aspo maintains a more extensive insider register. Information on the holdings of the company's permanent insiders is available through the SIRE system of the Finnish Central Securities Depository Ltd. Furthermore, the holdings and trades done by the permanent company insiders are presented and monthly updated on the company website at www.aspo.fi.

Persons in charge of the insider register are Ms Hilkka Jokiniemi and her deputy Ms Asta Nurmi.

Period of Silence

The release of interim reports and financial statements is preceded by a two-week period of silence. The permanent insiders of Aspo Plc are not allowed to trade any securities issued by the company during this period.

Insiders are obliged to request appraisals concerning the legality of their security trading plans.

Control Systems

Auditors

The management and accounts of the company are subject to an annual external audit by an auditor elected by the Annual Shareholders' Meeting. The auditor must be a public accounting corporation approved by the Central Chamber of Commerce of Finland. The elected auditor must also carry out an internal audit, where applicable.

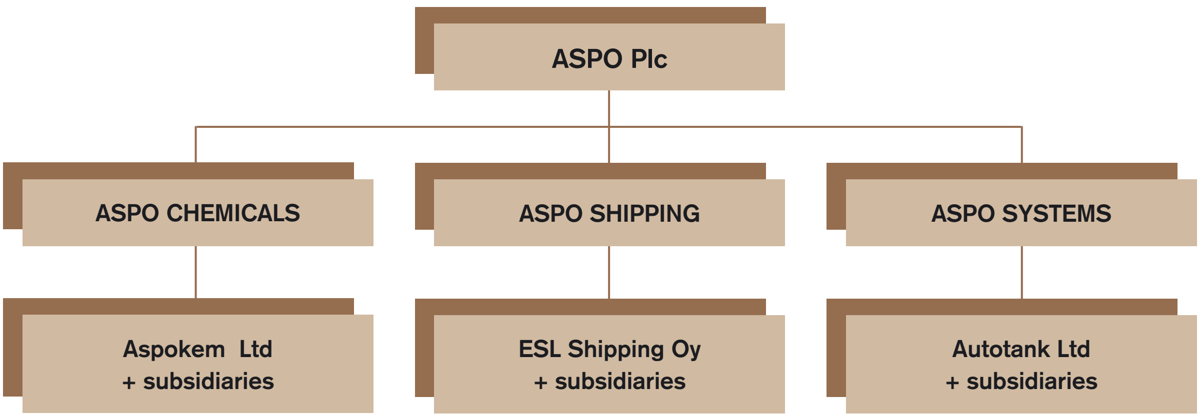
The current auditor elected at the Annual Shareholders' Meeting is PricewaterhouseCoopers Oy. APA Jouko Malinen is the auditor in charge. The auditor is responsible for the guidance and coordination of the auditing process throughout the Group. The auditor must present the auditing report to the shareholders together with the company's annual financial statements as required by law. Furthermore, the auditor must submit interim reports to the members of the Board of Directors.

Upon approving the Annual Report, the Aspo Plc Board will receive and review at its meeting the responsible auditor's report covering the audit and any observed Group-level risks. The auditors will participate in Board meetings when necessary, also at other times than when the financial statements are to be approved.

Organization

It is the task of Aspo Plc to own and control assets, control the operations of subsidiary companies and other business units, and centrally manage issues relating to the administration, financing and strategic planning of all Group companies, as well as to plan and implement financially viable investments.

Aspo's line activities take place within the Group subsidiaries. The three divisions are Aspo Chemicals, Aspo Shipping and Aspo Systems.



Notice to the Shareholders

Annual Shareholders' Meeting

The Aspo Plc Annual Shareholders' Meeting will be held at Aspo Plc's headquarters, Suolakivenkatu 1, FIN-00810 Helsinki, on Thursday, April 10, 2003 at 2 PM.

Shareholders registered by the Finnish Central Securities Depository Ltd no later than March 31, 2003 are entitled to participate in the meeting. Shareholders wishing to attend the meeting are requested to notify the company by 4 PM on April 7, 2003 either by letter at the address Aspo Plc, P.O.Box 14, FIN-00811 Helsinki, or by telephone at +358 9 7595 368/Hilkka Jokiniemi, or by telefax at +358 9 785 301 or by e-mail at hilkka.jokiniemi@aspo.fi.

Letters authorizing a proxy to exercise a shareholder's voting right at the Annual Shareholders' Meeting should be sent to the Company before the notification period expires.

Payment of Dividends

The Aspo Plc Board of Directors proposes that a dividend totalling EUR 0.98 per share on fiscal 2002 be paid on April 24, 2003 to shareholders registered by the Finnish Central Securities Depository Ltd by April 15, 2003, at the latest.

Share Register

Shareholders are requested to provide the custodial register containing their book-entry account with their name, address and any changes in equity holdings.

Financial Information

Aspo Plc will publish interim reports in fiscal 2003 as follows:

On Tuesday, April 29, 2003
for January-March
On Wednesday, August 20, 2003
for January-June
On Thursday, October 23, 2003
for January-September

The reports will be available at www.aspo.fi immediately after publishing.

Aspo Plc Investor Relations

Gustav Nyberg
CEO
Telephone +358 9 7595 256
Telefax +358 9 785 301
gustav.nyberg@aspo.fi

Dick Blomqvist
CFO
Telephone +358 9 7595 300
Telefax +358 9 785 301
dick.blomqvist@aspo.fi

Aspo observes a news blackout between the end of the fiscal period and the publication of the results for the period in question. During the blackout the company's representatives do not meet investors or analysts, nor will they comment on the company's financial performance.

Aspo Plc

P.O.Box 14, Suolakivenkatu 1
FIN-00811 Helsinki, Finland
Tel. +358 9 75 951
Fax +358 9 785 301
www.aspo.fi