Aspo
Financial Statement 2005

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Contents

Aspo provides logistical support services for industry. We serve companies in the processing and energy sectors, both of which require extensive specialist knowledge and logistical competence.

We operate in three divisions:

Aspo Chemicals

imports and markets industrial chemicals and plastic raw materials, and produces branded automotive chemicals.

Aspo Shipping

handles marine raw material transports for the energy and heavy industry sectors.

Aspo Systems

produces and services dispensing and payment automation systems for service stations.

Key Figures

	2005	2004	Change, %
Net Sales, MEUR	204.9	184.3	11.2
Operating Profit after Depreciation, MEUR	16.2	21.6	-25.0
Share of Net Sales, %	7.9	11.7	
Profit before Taxes and Minority Interest, MEUR	14.7	19.7	
Share of Net Sales, %	7.2	10.7	
Earnings / Share, EUR	0.42	0.61	
Earnings / Share, EUR (adjusted)	0.40	0.58	
Equity / Share, EUR	2.23	2.25	
Equity Ratio, %	46.9	48.5	
Return on Investment, % (ROI)	19.4	25.0	
Return on Equity, % (ROE)	18.8	27.4	
Personnel, December 31	681	566	

Aspo’s Financial Objectives:

- Operating profit as percentage of net sales closer to ten than five.
- Approximately 10–15% annual net sales growth.
- Return on investment and on equity more than 20% on average.
- To distribute approximately half of the year’s profit in dividends.

Report of the Board of Directors

Operational Overview

In early 2005, global economic trends were expected to impact the Baltic Sea area to an increasing extent. During the course of the year, the upturn in shipping markets did start gradually slowing towards normal long-term levels. Record-high crude prices drove up fuel prices and caused exceptionally dramatic fluctuations in the prices of chemicals. Meanwhile the sustained low interest rate level in Europe and the enlargement of the European Union had a positive impact on the economic growth of the Baltic Sea area.

Other challenges for Aspo Group's divisions in addition to the general market environment included acquisitions and investments. The Group's net sales saw double-digit growth. On the whole, operational profitability remained satisfactory but fell short of the previous year's record-high level.

Group Structure

In the beginning of 2005 the Systems Division was strengthened by incorporating the Swedish and Norwegian maintenance operations of the Malte Group. During the year, the Systems Division also set up OOO Autotank, a joint venture in Russia that makes payment automation systems.

The Chemicals Division also sought expansion in the Scandinavian market through acquisition. After withdrawing from the Pemco deal, Chemicals began to pursue its growth strategy by establishing a Swedish subsidiary, Aspokem AB.

Aspo Chemicals

The availability of several petrochemicals varied and prices fluctuated dramatically on several occasions in 2005. As a result, accurate timing in purchases had a heavier than normal impact on financial performance.

The Chemicals Division was able to increase its net sales in Finland and in the neighboring markets. The performance of foreign units varied – net sales were down in Estonia and Lithuania but showed growth in Latvia, Russia and especially in Ukraine.

Owing to steep price fluctuations the performance of Chemicals Division weakened in Finland and in foreign units. During the year, operational efficiency rose in the Baltic countries. Product responsibility was focused to cover the entire area and processing activities were relocated to Latvia. This arrangement also enabled the establishment of a liquid chemical storage facility serving the entire Baltic area.

Aspo Shipping

The general demand for shipping capacity was good throughout the year. The decrease in international freight rates did, however, affect the spot prices on the Baltic Sea to some extent. In addition, the mild weather and the new EU emissions trading system significantly cut down the use of energy coal around the Baltic Sea, causing the demand for energy industry shipments to decline.

Cargo transport volumes in the Shipping Division fell to some 14 million tons from the previous year's record level of 16 million tons. The steel industry comprised approximately 60% (52%) of the total transport volume, the energy industry 34% (43%) and other industries 6% (5%). Net sales remained practically on the previous year's level.

Because of oil price trends, the price of bunker was also clearly higher than a year earlier, which undermined earnings somewhat towards the year-end.

The newbuilding project of our affiliate Credo AB involving a major vessel investment that will be crucial for future operations progressed according to plans in China. The new vessel will be commissioned in the Baltic Sea in the first half of this year, increasing the shipping line's annual transport capacity by about 10 percent.

Aspo Systems

The investment boom that began in the maintenance business in 2004 continued in 2005. There were several factors contributing to the upturn. The general increase in fuel prices improved client profitability, investments continued across the Baltic Sea area, especially in unmanned automated stations, and the chip card upgrade that is underway in the trade sector was also launched in the service station business, boosting equipment and software modernization investments.

The net sales of the Systems Division saw strong growth, which could be largely attributed to the business acquired from Malte in early 2005. Elimination of overlapping activities and consolidation produced considerable non-recurring expenses of approximately one million euros per annum. Operational expenses were higher than expected, which resulted in a loss after a positive bottom line in the previous year.

Net Sales

The Aspo Group's net sales grew by EUR 20.6 million (11.2%) to EUR 204.9 million. The Group's direct exports combined with international unit net sales totaled EUR 76.5 million (EUR 55.8 million).

The net sales of the Chemicals Division were up by 12.0% to EUR 73.6 million (EUR 65.7 million). The Shipping Division's net sales decreased by 1.9% to EUR 79.2 million (EUR 80.7 million) while the Systems Division's net sales rose by 37.5% to EUR 52.1 million (EUR 37.9 million).

Net Sales by Division

	2005 MEUR	2004 MEUR	Change MEUR	Change %
Chemicals	**73.6**	65.7	7.9	12.0
Shipping	**79.2**	80.7	-1.5	-1.9
Systems	**52.1**	37.9	14.2	37.5
Total Net Sales	**204.9**	184.3	20.6	11.2

Earnings

The Aspo Group recorded an operating profit of EUR 16.2 million (EUR 21.6 million including a non-recurring item of EUR 1.6 million).

The operating profit of the Chemicals Division declined by EUR 0.6 million to EUR 2.2 million (EUR 2.8 million). Approximately one third of the operating profit was generated by international subsidiaries. The Shipping Division's operating profit fell to EUR 16.8 million (EUR 21.2 million). The Systems Division's earnings dropped by EUR 1.7 million, resulting in a loss of EUR 1.2 million (EUR 0.5 million).

The Group's depreciation expenses decreased by EUR 0.2 million and amounted to EUR 8.3 million. The Chemicals Division's depreciation expenses totaled EUR 0.5 million while depreciation in the Shipping Division was EUR 7.2 million and in the Systems Division EUR 0.6 million.

The Group's net financial expenses were 0.7% of net sales or EUR 1.5 million (EUR 1.9 million).

Profit before taxes and minority interests were EUR 14.7 million (EUR 19.7 million). Earnings for the period totaled EUR 10.8 million (EUR 14.4 million). The Group's direct taxes and the change in deferred tax liabilities amounted to EUR 3.9 million (EUR 4.2 million).

Investments

The Group's investments during the year totaled EUR 5.8 million (EUR 0.6 million). The most significant investment was the acquisition of the Malte Group's maintenance activities for the Systems Division.

Investments by Division

	2005 MEUR	2004 MEUR
Chemicals	**0.4**	0.3
Shipping	**0.6**	0.1
Systems	**4.7**	0.2
Other operations	**0.1**	
Total Investments	**5.8**	0.6

Operating Profit by Division

	2005 MEUR	2004 MEUR	Change MEUR	Change %
Chemicals	**2.2**	2.8	-0.6	-21.4
Shipping	**16.8**	21.2	-4.4	-20.8
Systems	**-1.2**	0.5	-1.7	-340.0
Other operations	**-1.6**	-2.9	1.3	-44.8
Total Operating Profit	**16.2**	21.6	-5.4	-25.0

Financing

The Group's liquidity was good throughout the year with liquid funds standing at EUR 12.5 million on the balance sheet date (EUR 12.2 million). Interest-bearing liabilities in the consolidated balance sheet totaled EUR 26.3 million on the balance sheet date (EUR 26.9 million) while interest-free liabilities amounted to EUR 38.6 million (EUR 34.3 million).

The Aspo Group's net gearing was 24.0% (25.6%). The equity ratio adjusted for deferred tax liabilities was 46.9% (48.5%).

Personnel

At the year-end, the Aspo Group employed 681 (566) personnel and an average of 688 (569) during the year. Office staff represented 307 (264) and non-office workers 381 (305) of the total.

The parent company's office staff totaled 9 (8) at the end of the year and averaged at 9 (8) during the year.

Average Personnel by Division

	2005	2004
Chemicals		
Office workers	**82**	75
Non-office workers	**9**	9
	91	84
Shipping		
Office workers	**30**	27
Crew members	**231**	235
	261	262
Systems		
Office workers	**186**	154
Non-office workers	**141**	61
	327	215
Group Management	**9**	8
Total	**688**	569

The Group's personnel breakdown was as follows: 63% work in Finland, 28% in other Nordic countries, 5% in the Baltic countries, and 4% in Russia. Men represented 83% and women 17% of the total number of employees. In the Aspo Group, 98% of employment contracts were full-time contracts. During the year, 38 new employment contracts were signed.

Personnel Fund

During the year, the Aspo Group introduced a profit-related pay scheme and a personnel fund, which at this point covers all Aspo Group personnel working in Finnish units. The possibilities for the staff of international subsidiaries to join the fund are being explored.

Part of the Group's earnings will be placed in the personnel fund as a profit bonus. The objective is that the fund uses the majority of its profit bonuses to purchase Aspo Plc shares. The long-term objective is to make the personnel one of the company's key shareholder groups.

Research and Development

The Aspo Group's research and development activity is organized according to the nature of each Division. In the Chemicals and Shipping Division 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 with a special focus on the development of new payment solutions. In Finland and Sweden, a total of 28 people have participated in product development. During fiscal 2005, R&D investments totaled some EUR 1.1 million (EUR 1.8 million), representing 2.1% (4.7%) of the Autotank Group's net sales.

Environment

The Aspo Group's ordinary activities do not cause any significant harm to the environment. Group companies follow Aspo's environmental policy in their environmental affairs management, the key principle of which is the continued improvement of operations. The Aspo Group has also undertaken to comply with the International Chamber of Commerce Business Charter to ensure sustainable development.

Aspo Chemicals

On all operational levels, Aspo Chemicals strives for zero accidents in environmental, health and safety affairs. In the past ten years, there have been no accidents. Aspo Chemicals is also involved in a version of the Responsible Care program that concentrates on chemicals trade. One element of the program is commitment to continued voluntary improvement of environmental, health and safety affairs. Aspo Chemicals has also been awarded the ISO 9001 quality certificate.

Aspo Shipping

The operations of Aspo Shipping have been certified in accordance with the requirements of the International Safety Management (ISM) Code of the International Maritime Organization IMO. The purpose of the ISM Code is to provide an international standard for the safe management and operation of ships and for pollution prevention. The certificate involves annual audits. All vessels have also been certified to meet the requirements specified in the ISM Code.

Aspo Systems

For Aspo Systems, environmental consideration is a key value that guides product development and maintenance services planning. Because there are stringent demands on service station equipment and systems, the latest technology in the field is being exploited in the manufacture of each piece of equipment. Aspo Systems' services include environmentally friendly high technology products, remote diagnostics to enable leakage alarms, and a preventive maintenance service that reduces service disruptions and the risk of accidents.

Risk Management

Risk management is part of Aspo Group's management control system. Its objective is to identify, analyze and contain possible operational threats and risks. Risks are considered to include all internal and external factors affecting Aspo's ability to reach its business objectives and to generate earnings.

Risks are mapped, classified and assessed systematically and decisions on necessary measures are then taken. For certain risks, the principles and the essential contents of risk management are defined in Group level policies and instructions. Damage risks are covered by appropriate insurance.

Business Risks

The most important risks included in business risks are connected with operations and especially customer loyalty, adequacy of equipment, the protection of margins and key personnel. Consequently, risk management at Aspo is not only about securing sufficient insurance protection, but an essential part of daily operations and included in normal processes.

Aspo Chemicals

The earnings of Aspo Chemicals are particularly sensitive to fluctuations in raw material prices. Other essential business risks with a possible impact on operations include mergers and acquisitions between raw material suppliers, rearrangements of distribution channels and changes in the chemical industry and the legislation.

Aspo Shipping

The main business risks for Aspo Shipping are unfavorable changes in demand and competitive conditions, loss of customer confidence, labor conflicts, optimizing capacity and shipments, and an emergency or accident at sea. With long-term customer contracts and the constant monitoring and development of operations, Aspo Shipping has been able to manage its risks successfully.

Aspo Systems

For Aspo Systems, changes in competitive conditions or customer purchasing behavior and the loss of key customers are risks that we have systematically tried to reduce by building close partnerships with customers and by expanding our market area.

Post-Fiscal Events

The Board of Aspo Plc has approved a new management shareholding program where the potential gain is based on the three-year yield on the company's share. The program encompasses about 30 Aspo Group management and key personnel.

ESL Shipping Oy, a subsidiary of Aspo Plc, has secured a contract to order two new ice-strengthened dry cargo vessels from the Indian ABG Shipyard Ltd. Expanding ESL Shipping's so-called Eira class, the vessels will be approximately 18,800 dwt bulk carriers equipped with on-deck cranes, and they will be designed to meet the highest Finnish ice class (1A Super) standard. The vessels are destined for operation in the Baltic Sea and will be commissioned in 2008 and 2009. The total value of the investment is around EUR 50 million.

Board of Directors and Auditors

At the Annual Shareholders' Meeting of Aspo Plc held on March 31, 2005, the appointments of Kari Stadigh, Matti Arteva, Kari Haavisto and Roberto Lencioni to the Board for a one-year term were approved. Esa Karppinen was appointed as a new member. Kari Stadigh has acted as the chairman and Matti Arteva as the vice-chairman.

The public auditing firm of PricewaterhouseCoopers Oy has acted as the Group's auditor. Jouko Malinen, Authorized Public Accountant, has been the auditor in charge.

Prospects for 2006

In recent years, the operations of the Aspo Group have become more diversified and more international. More than one third of net sales and the bulk of its growth are generated outside Finland. The Divisions' investments and expansion into new territories have been aimed at tapping into the growth of our neighboring markets in the East.

Aspo's prospects for 2006 are good. We expect continued revenue growth and are well positioned to see an improvement in our operating earnings.

Aspo Chemicals

Dramatic price fluctuations are expected to continue in the international chemicals markets. Very moderate organic growth is expected in Finland and in the neighboring markets alike. Meanwhile sustained strong growth is predicted for the Russian and Ukrainian markets. The price of oil is likely to stay fairly high and the average price of petrochemicals is expected to rise slightly from the previous year.

The Chemicals Division's objective is to outperform market growth. According to our current estimates, the Division should be able to improve its profitability from the previous year.

The biggest risks involved in the operations of the Chemicals Division have to do with the potential negative impacts of the European Union's revised chemicals legislation (REACH). In the worst case scenario, the production and use of chemicals in the European Union would be restricted. Other major risks include the political and economic instability in Russia and Ukraine.

Aspo Shipping

No major changes are expected in the market environment of the Shipping Division. We expect the demand in the energy sector to remain below the long-term average. In terms of energy coal transport, 2005 was a fairly typical year, but cold winters and a shortage of hydropower could temporarily increase the demand for shipments in the future.

With the commissioning of the new Credo on the Baltic Sea in the first half of the year, the company's annual shipping capacity will grow by approximately ten percent. Increased capacity is also expected to boost the Division's net sales. The integration of new tonnage into the fleet usually takes about a year; therefore the average profitability may weaken at first.

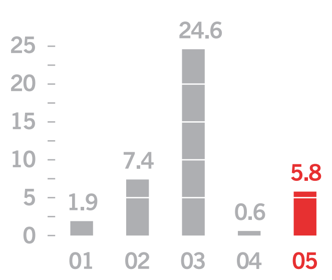
The currency risks associated with the shipping business have been hedged primarily with forward exchange agreements. The risks related to fuel price fluctuation have been hedged using bunker clauses included in customer contracts.

Aspo Systems

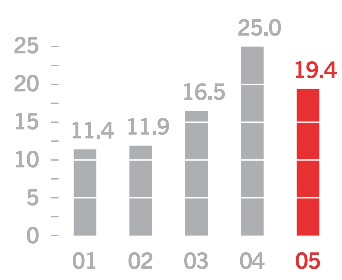
The Systems Division's market conditions are expected to remain better than average in 2006. Even though the client base has both the need and the opportunity to make investments, we expect organic growth to be moderate in this sector.

The Division's objective is to increase its net sales moderately and to focus on improving its profitability markedly from the previous year. Measures taken to enhance the efficiency of maintenance operations include sizeable investments in information technology. Owing to the investment scheme and the general business cycle, we expect the first half to show a loss.

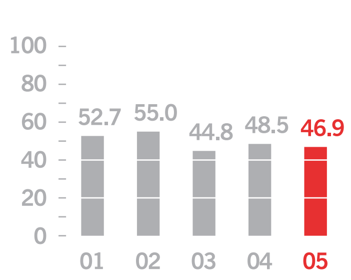
Investments, MEUR



Return on Investment, % (ROI)



Equity Ratio, %



Financial Statement, IFRS
Consolidated Income Statement

1 000 EUR	Note	2005	2004
Net Sales	1	**204 896**	184 280
Change in the inventory of finished goods and work in progress +/-		**-841**	2 407
Other operating income	3	**1 118**	2 062
Share of associated companies' profit or loss		**-1**	
Materials and services	6	**-102 761**	-89 374
Personnel costs	4	**-32 351**	-25 988
Depreciation	5	**-8 308**	-8 488
Other operating expenses	6	**-45 587**	-43 310
Operating Profit		**16 164**	21 589
Financial income and expenses	7	**-1 504**	-1 863
Profit Before Taxes		**14 660**	19 725
Income taxes from operational activities	8	**-3 885**	-4 186
Back-taxes			-1 134
Net Profit for the Period		**10 775**	14 405
Profit to parent company shareholders		**10 710**	14 315
Minority interest		**65**	90
Earnings per share to parent company shareholders:			
Earnings per share, EUR	9	**0.42**	0.61
Earnings per share (diluted), EUR	9	**0.40**	0.58

Consolidated Balance Sheet

1 000 EUR	Note	2005	2004
Assets			
Non-Current Assets			
Intangible assets	10	**490**	389
Goodwill	11	**7 243**	3 095
Tangible assets	12	**54 189**	61 422
Investments held for trading	13	**858**	712
Long-term receivables	14	**174**	240
Shares in associated companies	15	**1 236**	789
Deferred tax receivables	16	**1 630**	967
Total non-current assets		**65 819**	67 614
Current Assets			
Inventories	17	**15 357**	14 047
Accounts receivable and other receivables	18	**28 363**	23 951
Income tax receivables		**275**	699
Cash and cash equivalents	19	**12 545**	12 201
Total current assets		**56 540**	50 897
Total Assets		**122 359**	118 511
Shareholders' Equity and Liabilities			
Shareholders' Equity			
Share capital	20	**17 208**	17 101
Premium fund	20	**518**	439
Repurchased shares	20	**-1 861**	-1 003
Revaluation fund and other funds	20	**320**	212
Retained earnings	20	**30 246**	25 947
Net profit for the period	20	**10 710**	14 315
Equity portion of the convertible bond	20	**220**	220
Total shareholders' equity belonging to shareholders		**57 361**	57 232
Minority interest		**85**	98
Total shareholders' equity		**57 446**	57 330
Long-term Liabilities			
Long-term provisions		**99**	179
Deferred taxes	16	**9 249**	9 770
Long-term interest-bearing liabilities	21	**23 189**	25 141
Long-term interest-free liabilities	22	**215**	721
Pension liabilities	23	**925**	719
Total long-term liabilities		**33 677**	36 532
Short-term Liabilities			
Short-term provisions	24	**95**	388
Short-term interest-bearing liabilities	21	**3 115**	1 718
Short-term interest-free liabilities	22	**27 572**	21 829
Income tax liabilities		**454**	714
Total short-term liabilities		**31 236**	24 649
Total Shareholders' Equity and Liabilities		**122 359**	118 511

Consolidated Cash Flow Statement

1 000 EUR	2005	2004
Operational Cash Flow		
Operating profit	**16 164**	21 589
Adjustments to operating profit 1)	**8 990**	8 831
Change in working capital 2)	**2 122**	-5 440
Interest paid	**-2 432**	-1 467
Interest received	**683**	555
Dividends received	**37**	97
Taxes paid	**-4 626**	-8 285
Back-taxes paid for 1994		-8 834
Operational Cash Flow	**20 937**	7 046
Cash Flow from Investments		
Investments in tangible and intangible assets	**-1 658**	-595
Gains from the disposal of tangible and intangible assets	**95**	4 296
Gains from the disposal of other investments		700
Subsidiaries acquired	**-3 205**	-15
Subsidiaries sold		427
Associated companies acquired	**-449**	-50
Cash Flow from Investments	**-5 217**	4 764
Cash Flow from Financing		
Share repurchase	**-858**	-1 003
Change in long-term receivables	**-8**	385
Repayments of short-term loans	**-472**	-2 565
Repayments of long-term loans	**-3 870**	-21 167
Withdrawal of long-term loans		19 200
Profit distribution to minorities	**-67**	-62
Dividends paid	**-10 102**	-12 005
Cash Flow from Financing	**-15 376**	-17 217
Change in Liquid Funds	**344**	-5 408
Liquid funds Jan. 1	**12 201**	17 608
Liquid Funds at the Year-end	**12 545**	12 201

Notes to the consolidated cash flow statement

1) Adjustments to operating profit		
Depreciation and write-downs	**8 308**	8 402
Gains from the disposal of fixed assets and investments	**-84**	-1 683
Accrued personnel costs	**764**	2 112
Share of affiliate profit or loss	**1**	
Total	**8 990**	8 831
2) Change in working capital		
Inventories	**602**	-1 940
Short-term receivables	**-701**	-4 925
Short-term interest-free liabilities	**2 624**	1 473
Other changes	**-404**	-48
Total	**2 122**	-5 440

Statement of Changes in Shareholders' Equity

Shareholders' Equity Belonging to Parent Company Shareholders

1 000 EUR	Share Capital	Premium Fund	Fair Value Fund	Other Funds	Repur-chased Shares	Trans-lation Difference	Retained Earnings	Total	Minority Interest	Total Share-holders' Equity
Shareholders' Equity on December 31, 2003	17 101	439		25		-77	38 513	56 002	220	56 222
Impact of IFRS adoption			144			77	-447			
Adjusted Shareholders' Equity on January 1, 2004	17 101	439	144	25			38 066	55 776	220	55 996
Translation differences						-20				
Investments held for trading										
Change resulting from measurement at fair value			83							
Share of deferred taxes			-15							
Net profit for the period							14 315		28	
Other net income recorded directly in shareholders' equity				-25			-128			
Dividend payment							-11 971		-15	
Share repurchase					-1 003					
Equity portion of the convertible bond				220						
Change in minority interests									-133	
Shareholders' Equity on December 31, 2004	**17 101**	**439**	**212**	**220**	**-1 003**	**-20**	**40 283**	**57 232**	**98**	**57 330**
Translation differences						64			-2	
Investments held for trading										
Change resulting from measurement at fair value			146							
Share of deferred taxes			-38							
Net profit for the period							10 710		65	
Increase in share capital	86	-86								
Dividend payment							-10 081		-66	
Share repurchase					-858					
Conversion of convertible bond to shares	21	164								
Change in minority interests									-11	
Shareholders' Equity on December 31, 2005	**17 208**	**518**	**320**	**220**	**-1 861**	**44**	**40 912**	**57 361**	**85**	**57 446**

Notes to the Consolidated Financial Statements

Basic Information

Aspo Plc is a Finnish public corporation domiciled in Helsinki. Aspo Plc's shares are listed on the Helsinki Stock Exchange.

Aspo provides logistical support services for industrial customers in the energy and process industry sectors. The Group operates in three Divisions: Aspo Chemicals, Aspo Shipping and Aspo Systems. We have concentrated our operations around the Baltic Sea.

On January 1, 2005 Aspo adopted the International Financial Reporting Standards (IFRS) approved for use in the European Union in the preparation of its consolidated financial statements, and applied the IFRS 1 transition standard to the transition. The transition date was January 1, 2004. The comparative data for 2004 has been adjusted to comply with the IFRS standards. Financial statement information is presented in thousand euros and it is based on the original transaction cost unless otherwise stated in the accounting principles.

The Group has not applied those standards and interpretations that have been published but are not mandatory in terms of compliance.

Accounting Principles

Principles of Consolidation

The consolidated financial statements include the parent company Aspo Plc and all of its subsidiaries. Subsidiaries mean companies in which the parent company owns, directly or indirectly, more than 50% of the voting rights or in which the parent company otherwise exercises control. Associated companies in which the Group has 20 to 50% of the voting rights and at least a 20% holding or in which it otherwise exercises significant control have been consolidated using the equity method. If the Group's share of the associated company's losses exceeds the carrying amount, losses in excess of the carrying amount will not be consolidated unless the Group has undertaken to fulfil the associated companies' obligations. Unrealized profits between the Group and an associated company have been eliminated in accordance with the Group's ownership.

Subsidiaries acquired during the year have been consolidated from the time Aspo gained control. Divested operations are included up to the time Aspo surrendered control. Acquired subsidiaries have been consolidated using the acquisition cost method, which involves measuring the acquired company's assets and liabilities at fair value at the time of acquisition. The goodwill acquisition cost is the amount by which the subsidiary acquisition cost exceeds the net fair value of the acquired identifiable assets, liabilities and conditional liabilities. As allowed by the IFRS 1, acquisitions made before the adoption of IFRS have not been adjusted to comply with IFRS principles; instead, they remain at the FAS compliant values.

For acquisitions preceding the IFRS adoption date, the acquisition cost has been matched against the acquired subsidiary's fixed assets where applicable. The remaining portion of acquisition cost represents the Group's goodwill which has been amortized according to plan during the estimated economic life. In the IFRS, goodwill is not amortized; instead, it is tested annually for impairment.

Intra-Group business transactions, receivables, liabilities and intra-Group profit distribution have been eliminated in the consolidation.

Distribution of the fiscal year's profit between the parent company shareholders and minorities is shown in the income statement. Minority interest is presented as a separate item under the Group's shareholders' equity.

Foreign Currency Items and Their Measurement

Business transactions in foreign currencies are recorded at the exchange rates of the transaction date. Foreign currency receivables and liabilities open at the end of the fiscal year have been measured using the closing rates on balance sheet date. Foreign exchange gains and losses related to business operations have been recognized as sales or purchases adjustment items. Aspo does not apply hedge accounting in accordance with IAS 39. Changes in the values of currency derivatives have been recorded under other operating income or expenses. In the consolidated financial statements, the income statements of foreign subsidiaries have been translated into euros using the average rate of the fiscal year. Balance sheet items have been translated into euros using the closing rates. Translation differences have been shown as a separate item under shareholders' equity.

Aspo has applied the IFRS 1 transition rule and reset the translation differences accumulated by the transition day to zero. This means that the translation differences arising from the translation of foreign subsidiaries' financial statements to euros have been included in retained earnings.

Segment Reporting

The business divisions represent primary segments and geographic areas represent secondary segments. The products and services of each business segment involve different risks and profitability elements. Business segments are based on the Group's internal organizational structure and its financial reporting. Secondary segments are key market areas in which the risks and profitability related to products and services differ from the risks and profitability inherent in the financial environment of other geographic segments.

Sales are shown according to the customer's geographic location while assets and investments are shown according to their own geographic location.

Inter-segment transactions are carried out at market prices.

Tangible Assets

Fixed assets have been recorded at the original acquisition cost net of cumulative depreciation less impairment. Planned depreciation is calculated on a straight-line basis based on the estimated useful economic life as follows:

Buildings and structures	15–30 years
Vessels	16–20 years
Pushers	8–10 years
Machinery and equipment	3–8 years
Piping	5–20 years
Other tangible assets	5–40 years

Land and water is not depreciated. Tangible assets are measured at the fair value at the time of acquisition.

A previously recorded write-down on tangible assets will be reversed if the estimates used to determine recoverable amount change. The post-reversal value may not, however, exceed the value the asset had before write-down in previous years.

Goodwill and Other Intangible Assets

The acquired subsidiaries have been consolidated using the acquisition cost method. The acquisition cost is matched against assets and liabilities based on their fair value at the time of acquisition. The remaining part of the acquisition cost is goodwill. Goodwill is not amortized; instead, its fair value is tested for impairment (see Goodwill impairment test on page 13).

Other intangible assets are measured at original acquisition cost and depreciated on a straight-line basis during their economic life. Other intangible assets include software and software licenses.

Research and Development Costs

Research and development costs are recognized as expenses at the time of occurrence. Development costs arising from the design of new products are capitalized in the balance sheet as intangible assets from the point when the product is technically and commercially feasible. Capitalized research and development costs will be depreciated over their economic life.

Inventories

Inventories are measured at the acquisition cost or the net realizable value, whichever is lower. Acquisition cost is determined using the FIFO (first in, first out) method. The acquisition cost of finished goods and work in progress includes raw material purchase costs, direct manufacturing wages, other direct manufacturing costs, and a share of manufacturing overheads (based on regular operating capacity), borrowing costs excluded. Net realizable value is the estimated sales price in ordinary activities less the costs associated with the completion of the product and sales costs.

Leasing Agreements

Fixed asset leasing agreements that involve the Group assuming an essential part of the risks and benefits inherent in ownership are classified as financial leasing agreements. Assets acquired through financial leasing agreements have been recorded in the balance sheet in the amount equalling the fair value of the asset at the start of the agreement, or a lower current value of minimum leases. The leasing fees are divided into financial expenses and loan repayment. The corresponding leasing liabilities less financial expenses are included in other long-term interest-bearing liabilities. The interest of finance is recorded in the income statement during the leasing period so that the interest rate for the remaining debt will be the same for each financial period. Assets leased under financial leasing agreements will be depreciated over their economic life or over the term of the leasing agreement, if shorter.

Fixed asset leasing agreement in which the material part of risks and benefits inherent in ownership remain with the lessor are classified as operating leases, the rents of which are recorded as expenses in equal amounts over the leasing period.

Employee Benefits

The Group's pension arrangements representing defined benefit plans comply with the local legislation and practices of the country in question. Defined benefit plans are financed through payments to pension insurance companies or pension insurance funds based on actuarial pension liability calculations. The Group's payments towards contribution plans are recorded as expenses in the relevant fiscal year.

In defined benefit plans, the pension liability is calculated by subtracting the fair value on balance sheet date of funds included in the plan from the current value on balance sheet date of future pension contributions, adjusted with the non-recorded actuarial gains or losses. Pension costs are recognized as expenses in the income statement and the costs are allocated over the employees' service time based on annual actuarial calculations. Pension liabilities involved in the defined benefit plan are determined using the projected unit credit method.

Aspo has applied the exception permitted in IFRS 1 and recorded all actuarial gains and losses accrued from defined benefit plans under shareholders' equity on the IFRS transition date. Actuarial gains and losses generated thereafter have been recorded in the income statement over the average remaining service time of the personnel in so far as they exceed the higher of the following: 10% of the pension liability or 10% of the fair value of funds.

Share-Based Payments

In December 2002, the Board of Directors of Aspo Plc decided to introduce a management incentive scheme tied to the share price development. This scheme covers Aspo Plc's and its subsidiaries' management and key personnel named by Aspo's Board of Directors, totalling 15 people. Each person acquired the agreed number of Aspo Plc shares in January 2003. In order to receive any bonus, the person must own the shares during the entire validity of the scheme, until December 2006.

The bonus is tied to the share price development and will be paid in cash upon the termination of the scheme. Costs arising from the scheme are measured at fair value at the time of reporting and expensed in equal installments in the income statement over the incentive earning period. Fair value is determined on the basis of the Black-Scholes model.

Provisions

A provision is entered into the balance sheet if the Group has, as a result of a previous incident, a legal or a factual obligation that will likely have to be fulfilled and the amount of the obligation can be reliably estimated. Warranty provisions include the cost of product repair or replacement, if the warranty period is still effective on the balance sheet date. Warranty provisions are determined on the basis of historical experience.

Environmental provisions are recorded when the Group has an obligation under environmental legislation or the Group's environmental responsibility principles that involves the decommissioning of a production plant, environmental rehabilitation and restoration, or relocating equipment.

Income Taxes

The Group's taxes include taxes based on the Group companies' profit or loss for the fiscal year, adjustment of taxes from previous fiscal years, and change in deferred taxes. Income taxes have been recorded in accordance with the tax rate of each country and deferred taxes in accordance with the Finnish tax rate. Deferred tax liabilities or receivables are calculated from the temporary differences between accounting and taxation in accordance with the tax rate in force on the balance sheet date or the estimated tax payment date. Elements resulting in temporary differences include defined benefit pension plans, provisions, depreciation differences and confirmed losses. Temporary differences between confirmed losses and other temporary differences are recognized as deferred tax receivables if it is likely that they can be used in the future. Share of associated companies' profits or losses shown in the income statement have been calculated from net profit or loss, and they include the impact of taxes.

Income Recognition Principles

Revenue from the sale of products is recognized when the material risks and benefits associated with the ownership of the goods have been transferred to the buyer. Revenue from services is recognized once the services have been performed.

Income and costs from long-term projects are recognized as revenue and expenses based on the percentage of completion when the outcome of the project can be reliably assessed. Percentage of completion is determined as the share of costs of the work completed by the time of review of the project's estimated total costs. When it is likely that the project will generate losses, losses will be expensed immediately. During the fiscal year, Aspo had no long-term projects under way.

Financial Assets and Liabilities

Financial assets and liabilities have been classified and measured and financial instruments have been recognized in the opening balance on January 1, 2004 in accordance with IAS 32 (Financial Instruments: Disclosure and Presentation) and IAS 39 (Financial Instruments: Recognition and Measurement). Aspo has not exercised the exemption offered to companies adopting IFRS, which states that comparison data on financial instruments for 2004 need not be adjusted.

Financial assets are derecognized when the Group has lost the contractual right to cash flows or when its has materially moved risks and revenue away from the Group.

Aspo's equity-based convertible capital loan has been divided into a loan portion and an equity portion. To calculate the share of equity, capital and interest measured at current value was subtracted from the cash received. The market interest for a corresponding non-convertible bond was used for calculation purposes. The transaction costs of the bond have been amortized using the effective interest rate method.

Financial Assets

Financial assets have been grouped into loans and other receivables, investments held to maturity, financial assets available for sale, and financial assets recognized at fair value through profit or loss.

Loans and other receivables and all financial liabilities have been recorded on the settlement date and presented in the balance sheet at amortized cost using the effective interest rate method. Transaction costs have been included in the original acquisition cost. Financial assets and liabilities recognized at fair value through profit or loss are recorded on the settlement date and measured at fair value.

Financial assets available for sale and financial assets and liabilities measured at fair value through profit or loss are measured at fair value using quoted market prices and rates or an imputed current value. Unlisted shares for which fair value cannot be reliably determined are recorded at acquisition cost less impairment. Changes in the fair value of financial assets available for sale are recorded in the fair value fund under shareholders' equity taking the tax impact into account. When such an asset is sold, otherwise realized or it has generated an impairment loss, the accumulated changes in fair value are moved from shareholders' equity to profit or loss. Acquisitions and disposals of financial assets available for sale are recorded on the settlement date.

Investments in shares, interest securities and convertible bonds have been classified as financial assets available for sale.

During the fiscal year, the Group had no financial assets or liabilities held to maturity or those recorded at fair value through profit or loss.

Financial Liabilities

Financial liabilities are recorded on the settlement date and recognized in the balance sheet at acquisition cost less transaction costs. Interest is allocated in the income statement on the loan maturity using the effective interest method.

Cash and Cash Equivalents

Cash includes cash funds, bank deposits and other highly liquid short-term (no more than three months) investments. Bank overdrafts have been presented under other short-term liabilities

Derivatives

Aspo does not apply IFRS-compliant hedge accounting. All derivatives have been recorded at fair value on the settlement date and measured at fair value. Changes in fair value are recorded through profit or loss. Changes in the fair value of derivatives associated with financial items have been recorded in financial income and expenses. Changes in the fair value of other derivatives have been recorded under other operating income and expenses. Fair value is determined on the basis of quoted market prices and rates, the discounting of cash flows and option measurement models.

The fair value of currency derivatives is calculated by discounting the predicted cash flows from agreements according to the interest rates of sold currencies and by converting the discounted cash flows using the exchange rate of the balance sheet date to calculate the difference between the discounted values. Fair values of interest rate options are determined with generally used option measurement models.

Estimates

When preparing financial statements in compliance with the international financial reporting standards, assumptions and estimates have to be made that affect the assets and liabilities on the balance sheet at the time of preparation, the reporting of conditional assets and liabilities and the income and expenses during the fiscal year. Estimates have been used e.g. to determine the amount of items reported in the financial statements, to determine goodwill and the useful life of tangible and intangible assets. Since the estimates are based on the best current assessments of the management, the final figures may deviate from those used in the financial statements.

Goodwill Impairment Test

The Group tests the balance sheet value of goodwill annually or more often if there are any indications of potential impairment. The goodwill impairment loss is not reversed under any circumstances. Goodwill has been allocated to cash flow generating units the identification of which depends on which business unit's management monitors goodwill in their internal reporting. The unit's recoverable amount is calculated using value in use calculations. Cash flow based value in use is determined by calculating the discounted current value of predicted cash flows. The discount rate used in the calculations is based on the weighted average cost of the capital tied to the Group's business operations that is applied to the currency area in which the cash flow generating unit is considered to be located (business area). The weighted average cost of capital reflects the Group's average long-term financial structure.

An impairment loss is recognized immediately in the income statement if the asset's book value is higher than its recoverable amount.

Application of New or Amended IFRS Standards and IFRIC Interpretations

In 2006, the Group will adopt the following amended standards and interpretations published by IASB in 2004:

- Amendment to IAS 39: Cash Flow Hedge Accounting of Forecast Intragroup Transactions
- Amendment to IAS 39: Measurement at Fair Value
- IAS 39 and IFRS 4 (Amendment): Financial Guarantee
- IAS 19 (Amendment): Employee Benefits
- IAS 21 (Amendment): Net Investment in a Foreign Operation
- IFRIC 4: Determining Whether an Arrangement Contains a Lease.

The Group estimates that the adoption of the amended standards will not have any material effect on the Group's future financial statements.

The following new standards and interpretations taking effect in 2006 will not have an effect on the Group's financial statements:

- IFRS 1 (Amended): First-time Adoption of International Financial Reporting Standards and IFRS 6 (Amended): Exploration for and Evaluation of Mineral Assets
- IFRS 6: Exploration for and Evaluation of Mineral Assets
- IFRIC 5: Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
- IFRIC 6: Liabilities Arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
- IFRIC 7: Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
- IFRIC 8: Scope of IFRS 2

In 2007, the Group will adopt the following standard published by IASB:

- IFRS 7: Financial Instruments: Disclosures, and a Complementary Amendment of IAS 1.

The Group is currently studying the impacts of the standard and the changes it will entail.

1. Net Sales and Segment Information

Aspo's primary reporting segments include the business segments, namely Aspo Chemicals, Aspo Shipping and Aspo Systems. Other operations mainly involve Group administration costs. Secondary reporting covers geographic segments based on key market areas. Net sales are shown according to the customer's geographic location while assets and investments are shown according to their own geographic location.

1.1. Business Segments

2005 1 000 EUR	Chemicals	Shipping	Systems	Other	Elim.	Group
Sales outside the Group	73 583	79 167	52 146			204 896
Intra-Group sales	7 490	431	3 976		-11 897	
Net sales	81 073	79 598	56 121		-11 897	204 896
Operating profit	2 221	16 769	-1 255	-1 571		16 164
Net financial expenses						-1 504
Profit before taxes						14 660
Income taxes						-3 885
Net profit for the period						**10 775**
Depreciation on tangible assets	366	7 171	510	23		8 070
Depreciation on intangible assets	102	55	65	16		238
Segment's assets	22 416	57 523	25 236	4 667		109 842
Shares in associated companies		1 236				1 236
Non-allocated funds						11 281
Total funds						**122 359**
Segment's liabilities	8 268	7 420	10 292	264		26 244
Non-allocated liabilities						38 669
Total liabilities						**64 913**
Working capital	26 436	6 286	21 158	153		54 033
Fixed assets	1 760	51 726	9 280	1 250		64 015
Capital tied to business operations	**28 196**	**58 011**	**30 439**	**1 402**		**118 048**
Investments	375	626	4 735	103		5 839

The segment's assets and liabilities are items that the segment uses in its business operations or that can be reasonably allocated to the segments.

Non-allocated items include taxes and financial items and Group items. Investments consist of increases in tangible assets, intangible assets and goodwill used in more than one fiscal year.

2004 1 000 EUR	Chemicals	Shipping	Systems	Other	Elim.	Group
Sales outside the Group	65 686	80 676	37 919			184 280
Intra-Group sales	7 668	687	2 668		-11 023	
Net sales	73 353	81 363	40 588		-11 023	184 280
Operating profit	2 767	21 194	441	-2 611	-202	21 589
Net financial expenses	-114	-381	-177	-1 191		-1 863
Profit before taxes						19 725
Income taxes						-4 186
Back-taxes						-1 134
Net profit for the period						**14 405**
Depreciation on tangible assets	390	7 255	425	75		8 145
Depreciation on intangible assets	63	48	213	19		343
Segment's assets	22 388	65 979	14 132	8 609	-162	110 947
Non-allocated funds						7 564
Total funds						**118 511**
Segment's liabilities	9 113	6 783	5 810	845		22 551
Non-allocated liabilities						38 630
Total liabilities						**61 181**
Working capital	27 041	6 466	12 124	84		45 716
Fixed assets	1 861	58 699	4 643	1 203		66 407
Capital tied to business operations	**28 903**	**65 166**	**16 767**	**1 287**		**112 122**
Investments	305	140	191	24		660

1.2. Geographic Segments

1 000 EUR	Net Sales 2005	 2004	Investments 2005	 2004	Assets 2005	 2004
Finland	**128 357**	129 180	**1 051**	436	**84 173**	95 078
Nordic countries	**47 327**	29 066	**4 627**	34	**18 737**	6 645
Baltic countries	**16 659**	18 358	**39**	99	**4 926**	7 467
Russia and others	**12 552**	7 677	**123**	92	**3 242**	1 757
Total	**204 896**	184 280	**5 839**	660	**111 078**	110 947

2. Acquired and Discontinued Operations and Divestments

The Autotank Group, which effectively forms the Aspo Systems Division, expanded its service station maintenance activities significantly by acquiring the Scandinavian Malte Group's Swedish and Norwegian maintenance business in January 2005. The total sale price was approximately EUR 4.5 million. The impact of the sale price on cash flow was approximately EUR 3.2 million. The figures of the Malte Group have been consolidated as of the beginning of fiscal 2005.

1 000 EUR	Fair Values Recorded in Combination	Book Value Before Combination
Tangible fixed assets	705	956
Intangible assets	38	187
Inventories	1 818	3 224
Accounts receivable	4 945	4 634
Cash and cash equivalents	118	118
Total assets	**7 624**	9 118
Pension liabilities	-109	
Interest-bearing liabilities	-1 508	-1 508
Other liabilities	-5 439	-5 439
Total liabilities	**-7 056**	-6 947
Net assets	**568**	2 171
Acquisition cost	4 730	
Goodwill	4 162	4 162
Sale price paid in cash	3 227	
Cash flow effect	**3 227**	

3. Other Income

In 2004, Aspo Shipping's other operating income included a non-recurring item of EUR 1.6 million.

Other operating income 1 000 EUR	2005	2004
Total gains from the sale of fixed assets	**84**	1 683
Total rents and related remuneration	**17**	89
Disposal of the Aspo building purchase option	**850**	
Other income	**167**	291
Total other income	**1 118**	2 062

4. Employee Benefits and Personnel Information

Aspo Group employed 681 personnel at the year-end (566) and an average of 688 during the year (569).

The average number of office personnel during the year was 307 (264) and of non-office workers 381 (305). The parent company personnel at the year-end totaled 9 (8) and averaged at 9 (8).
All of these were office personnel.

Information regarding the employee benefits of senior management is given in the Related Parties section.

1 000 EUR	2005	2004
Wages and salaries	**24 853**	19 674
Pension costs, contribution plans	**2 420**	2 308
Pension costs, defined benefit plans	**33**	74
Option arrangements paid for in cash	**764**	390
Other indirect personnel costs	**4 280**	3 543
Total	**32 351**	25 988

Personnel by division at the year-end	2005	2004
Chemicals	**90**	86
Shipping	**255**	261
Systems	**327**	211
Aspo Plc	**9**	8
Total	**681**	566

Personnel breakdown by geographical area at the year-end	2005	2004
Finland	**425**	424
Nordic countries	**193**	86
Baltic countries	**33**	37
Russia and others	**30**	19
Total	**681**	566

5. Depreciation

1 000 EUR	2005	2004
Intangible assets	**238**	343
Buildings	**221**	266
Vessels	**7 139**	7 216
Machinery and equipment	**711**	664
Total	**8 308**	8 488

6. Operating Expenses

Materials and services 1 000 EUR	2005	2004
Purchases during the period		
Chemicals	**61 840**	54 995
Shipping	**11 282**	9 194
Systems	**19 829**	17 402
Total	**92 950**	81 591
Change in inventories	**693**	506
External services		
Chemicals	**1 860**	3 912
Systems	**7 258**	3 409
Other		-44
Total	**9 118**	7 277
Total materials and services	**102 761**	89 374

Items above operating profit include exchange rate gains in the amount of EUR 257,000 in 2005 and losses of EUR 264,000 in 2004.

Other operating expenses 1 000 EUR	2005	2004
Rents	**3 815**	2 502
Chemicals	**1 976**	1 687
Shipping	**32 185**	33 491
Systems	**5 958**	4 026
Non-allocated costs	**1 268**	1 400
Foreign exchange losses	**386**	203
Total	**45 587**	43 310

Other expenses include product development costs.

Product development costs 1 000 EUR	2005	2004
Systems	**1 119**	1 847
% of net sales	**2.1**	4.7

7. Financial Income and Expenses

1 000 EUR	2005	2004
Dividend income	**37**	137
Financial income	**365**	311
Interest rate derivatives		78
Foreign exchange gains	**318**	244
Total financial income	**720**	770
Financial expenses	**-1 581**	-1 777
Interest rate derivatives	**-59**	-251
Write-downs on shares		-349
Foreign exchange losses	**-584**	-256
Total financial expenses	**-2 224**	-2 633
Total financial income and expenses	**-1 504**	-1 863

8. Income Taxes

Taxes in the income statement

1 000 EUR	**2005**	**2004**
Taxes for the fiscal period	**-4 984**	-4 334
Change in deferred taxes and tax receivables	**1 099**	14
Taxes from previous fiscal periods		150
Back-taxes		-1 134
Others		-16
Total	**-3 885**	-5 320

Reconciliation of tax expenses in the income statement and taxes calculated using the parent company's tax rate (2005: 26%, 2004: 29%)

1 000 EUR	**2005**	**2004**
Profit before taxes	**14 660**	19 725
Back-taxes		-1 134
		18 591
Taxes calculated using the parent company's tax rate	**-3 812**	-5 392
Impact of foreign subsidiaries' tax rates	**94**	-236
Taxes from previous fiscal periods		150
The impact of change in tax rate on deferred taxes		1 100
Change in deferred tax receivables formed in previous years	**-66**	-358
Other items	**-101**	549
Taxes in the Income Statement	**-3 885**	-5 320

9. Earnings Per Share

Earnings per share are calculated by dividing the profit or loss for the year by the weighted average number of shares outstanding during the fiscal year. When calculating the diluted earnings per share, the average number of shares was adjusted with the dilutive effect of the equity-based convertible bond.

In accordance with the decision of Aspo Plc's Annual Shareholders' Meeting, the company share was split in April 2005. The split is explained in more detail in the Shareholders' Equity section under Shares and Share Capital. The share split has been taken into account in the comparison figures for the calculation of per-share indicators.

1 000 EUR	**2005**	**2004**
Profit before taxes and minority interest	**14 660**	19 725
- Income taxes on operational activities	**-3 885**	-4 186
- Minority interest	**-65**	-90
Total	**10 710**	15 449
Average number of shares during the fiscal period (in 1,000)	**25 391**	25 415
Earnings per share, EUR	**0.42**	0.61
Profit before taxes and minority interest	**14 660**	19 725
- Income taxes on ordinary activities	**-3 885**	-4 186
- Minority interest	**-65**	-90
Interest on convertible bond (adjusted with tax impact)	**704**	414
Total	**11 414**	15 864
Average number of shares during the fiscal period adjusted for dilution of convertible bond (in 1,000)	**28 720**	27 375
Diluted earnings per share, EUR	**0.40**	0.58

10. Intangible Assets

Intangible assets mainly include computer software and their licenses; these are depreciated on a straight-line basis in five years. The refurbishment costs of premises have been recorded under other intangible assets.

Intangible Assets 2005

1 000 EUR	Intangible Rights	Other Intangible Assets	Advance Payments	Total
Acquisition cost January 1	1 356	373	88	1 817
Translation difference		29		29
Increases	255	62	48	365
Decreases	-478	-1	-33	-512
Transfers between items	55		-55	
Acquisition cost December 31	**1 188**	**463**	**48**	**1 699**
Accumulated depreciation January 1	-1 120	-308		-1 429
Translation difference		-22		-22
Accumulated depreciation from decreases and transfers	478	1		479
Depreciation during the period	-198	-39		-238
Accumulated depreciation Dec. 31	**-841**	**-369**		**-1 210**
Book value December 31	**347**	**94**	**48**	**490**

Intangible Assets 2004

1 000 EUR	Intangible Rights	Other Intangible Assets	Advance Payments	Total
Acquisition cost January 1	1 550	358		1 907
Increases	37	16	88	141
Decreases	-214	-1		-214
Transfers between items	-16			-16
Acquisition cost December 31	**1 356**	**373**	**88**	**1 817**
Accumulated depreciation January 1	-1 016	-273		-1 289
Accumulated depreciation from decreases and transfers	204	1		204
Depreciation during the period	-308	-36		-343
Accumulated depreciation Dec. 31	**-1 120**	**-308**		**-1 429**
Book value December 31	**236**	**65**	**88**	**389**

11. Goodwill

Goodwill has been allocated to cash flow generating units by country or by business unit on the basis of the unit's location and depending on the status of goodwill monitoring in internal reporting.

Future cash flows from impairment calculations are based on the three-year economic plans approved by the Group Management. Estimates regarding cash flow in subsequent years are cautious with one per cent growth as default. No write-down was made for the fiscal year as the measures taken and decided on are believed to have a positive impact on financial performance.

If future cash flows were 10 per cent smaller on the operating profit level than the figures currently used for estimates, goodwill would have to be revised downwards by EUR 2.96 million. Similarly, if the weighted average capital cost rose by 10 per cent, goodwill would have to be written down by EUR 2.87 million.

Goodwill

1 000 EUR	2005	2004
Acquisition cost January 1	**3 095**	3 242
Subsidiary acquisition	**4 181**	
Decreases		-147
Translation difference	**-33**	
Acquisition cost December 31	**7 243**	3 095

12. Tangible Assets

Tangible Assets 2005

1 000 EUR	Land	Buildings	Machinery and Equipment	Vessels	Other Tangible Assets	Work in Progress and Advance Payments	Total
Acquisition cost January 1	223	5 193	6 087	142 564	510	62	154 640
Translation difference			-19		-9		-28
Increases			1 240	110	28	8	1 385
Decreases		-3	-391		-3		-397
Transfers between items		-892	1 178	-237	-18	-10	21
Acquisition cost December 31	**223**	**4 298**	**8 096**	**142 437**	**508**	**60**	**155 622**
Accumulated depreciation January 1		-2 433	-4 801	-85 653	-331		-93 218
Translation difference			22				22
Accumulated depreciation from decreases and transfers		904	-1 101		30		-167
Depreciation during the period		-221	-680	-7 139	-31		-8 070
Accumulated depreciation December 31		**-1 749**	**-6 560**	**-92 792**	**-332**		**-101 433**
Book value December 31	**223**	**2 550**	**1 535**	**49 644**	**176**	**60**	**54 189**

Tangible Assets 2004

1 000 EUR	Land	Buildings	Machinery and Equipment	Vessels	Other Tangible Assets	Work in Progress and Advance Payments	Total
Acquisition cost January 1	1 208	6 777	5 999	146 374	911		161 269
Increases			345		22	62	430
Decreases	-913	-448	-257	-3 810	-425		-5 854
Transfers between items	-71	-1 135			2		-1 205
Acquisition cost December 31	**223**	**5 193**	**6 087**	**142 564**	**510**	**62**	**154 640**
Accumulated depreciation January 1		-3 216	-4 232	-79 552	-553		-87 554
Accumulated depreciation from decreases and transfers		1 050	58	1 114	259		2 481
Depreciation during the period		-266	-627	-7 216	-37		-8 146
Accumulated depreciation December 31		**-2 433**	**-4 801**	**-85 653**	**-331**		**-93 218**
Book value December 31	**223**	**2 761**	**1 287**	**56 910**	**179**	**62**	**61 422**

Financial Leasing Arrangements

Tangible assets include a building and land area located in Tampere that have been leased with a financial leasing agreement. The depreciation schedule for the building is the same as the validity of the leasing agreement. Land area is not depreciated. The leasing agreement terminates in February 2006.

2005

1 000 EUR	Land	Buildings	Total
Acquisition cost January 1	162	1 789	1 951
Acquisition cost December 31	**162**	**1 789**	**1 951**
Accumulated depreciation January 1		-86	-86
Depreciation during the period		-86	-86
Accumulated depreciation December 31		**-172**	**-172**
Book value December 31	**162**	**1 617**	**1 779**

2004

1 000 EUR	Land	Buildings	Total
Acquisition cost January 1	162	1 789	1 951
Acquisition cost December 31	**162**	**1 789**	**1 951**
Accumulated depreciation January 1			
Depreciation during the period		-86	-86
Accumulated depreciation December 31		**-86**	**-86**
Book value December 31	**162**	**1 703**	**1 865**

13. Investments Held for Trading

Investments held for trading 2005 1 000 EUR	Quoted	Others	Total
Acquisition cost January 1	286	426	712
Revaluation to fair value fund	146		146
Acquisition cost December 31	**432**	**426**	**858**
Book value December 31	**432**	**426**	**858**

Investments held for trading 2004 1 000 EUR	Quoted	Others	Total
Acquisition cost January 1	202	427	629
Revaluation to fair value fund	84		84
Transfers between items		-1	-1
Acquisition cost December 31	**286**	**426**	**712**
Book value December 31	**286**	**426**	**712**

14. Long-term Accounts Receivable and Other Receivables

Long-term loan receivables include a loan granted by Aspo to Vatro, which will be repaid in 2017 in accordance with the legislation concerning the State Housing Board.

Other Items Included in Long-Term Receivables 1 000 EUR	2005	2004
Long-term loan receivables	**143**	152
Long-term derivatives, interest rate option	**31**	88
Total long-term accounts receivable and other receivables	**174**	240

15. Associated Companies

ESL Shipping Oy, an Aspo Group company, established an associated company Credo AB in which it has a 35-per cent holding. The associated company acted as the contractor for a vessel that will be commissioned in March 2006, at the earliest.

Shares in Associated Companies 1 000 EUR	2005	2004
Acquisition cost January 1	**789**	739
Increases	**449**	50
Acquisition cost December 31	**1 238**	789
Share of associated companies' profit or loss	**-1**	
Transfers between items	**-1**	
Equity adjustments December 31	**-2**	
Book value December 31	**1 236**	789

16. Deferred Taxes

Deferred tax receivables

1 000 EUR	**2005**	**2004**
Unused tax losses	**1 080**	538
Changes in warranty provisions	**51**	147
Other temporary differences	**499**	281
Total	**1 630**	967

Deferred tax liabilities

1 000 EUR	**2005**	**2004**
Depreciation in excess of plan	**9 016**	9 558
Fair value fund	**112**	74
Convertible bond	**92**	92
Inventories, forwards, leasing	**28**	46
Total	**9 249**	9 770

Changes in deferred taxes

1 000 EUR	**2005**	**2004**
Deferred tax receivables January 1	**967**	644
Items recorded in the income statement		
Pension liabilities	**9**	187
Measurement of derivatives	**191**	94
Other temporary differences	**340**	42
Receivables acquired with business acquisitions	**123**	
Deferred tax receivables December 31	**1 630**	967

1 000 EUR	**2005**	**2004**
Deferred tax liabilities January 1	**9 770**	10 509
Items recorded in the income statement		
Inventories, forwards, leasing	**-18**	46
Transaction costs of the convertible bond		92
Depreciation in excess of plan	**-542**	-951
Items recorded in shareholders' equity	**38**	74
Deferred tax liabilities December 31	**9 249**	9 770

17. Inventories

Work in progress includes costs of binding customer orders accumulated by the balance sheet date. The accumulated costs include direct labor and material costs and the relative proportion of indirect manufacturing and installation costs. Binding customer orders primarily involve orders for new equipment based on fixed contract prices.

Inventories **1 000 EUR**	**2005**	**2004**
Materials and supplies	**4 055**	2 909
Work in progress	**876**	1
Finished goods	**10 273**	10 980
Other inventories	**153**	157
Total	**15 357**	14 047

18. Accounts Receivable and Other Receivables

Accounts receivable are measured at their expected realizable value, which is their original invoicing value less the estimated impairment of the receivables. Accounts receivable will be written down if there is justifiable evidence suggesting that the Group will not receive all of its receivables under the original terms and conditions.

The book value is considered to be close to the fair value. Accounts receivable do not involve significant credit loss risks.

Interest-free accounts receivable and other receivables **1 000 EUR**	**2005**	**2004**
Accounts receivable	**23 325**	19 651
Refund from the Ministry of Transport and Communications	**2 470**	2 337
Derivative contracts	**164**	353
Advance payments	**692**	244
VAT receivable	**696**	648
Duties receivable	**107**	183
Other deferred receivables	**909**	534
Total	**28 363**	23 951

19. Cash and Cash Equivalents

The average interest rate for commercial paper on December 31, 2005 was 2.2%.

1 000 EUR	**2005**	**2004**
Commercial papers	**4 200**	6 500
Interest fund		1 000
	4 200	7 500
Bank accounts	**8 345**	4 701
Total	**12 545**	12 201

20. Shareholders' Equity

Shares and Share Capital

On December 31, 2005, Aspo Plc had 25,683,243 shares and its share capital totaled EUR 17.2 million.The nominal value of the share is EUR 0.67.

The shareholders' equity portion of Aspo's convertible bond has been presented under shareholders' equity. Company shares in Aspo's possession have been recorded as an element reducing shareholders' equity.

The Aspo share split decided by the Annual Shareholders' Meeting and the related bonus issue were implemented in April 2005.

Share Capital and Premium Fund 1 000 EUR	**In 1,000**	**Share Capital**	**Premium Fund**	**Repurchased Shares**	**Total**
January 1, 2004	8 551	17 101	439		17 541
Shares repurchased in May 2004	-24			-301	-301
Shares repurchased in June 2004	-55			-702	-702
December 31, 2004	**8 472**	**17 101**	**439**	**-1 003**	**16 538**
Own shares held by the company	79				
Total number of shares December 31, 2004	**8 551**				
January 1, 2005	8 472	17 101	439	-1 003	16 538
Share split in April 2005	16 943				
Increase in share capital May 31, 2005		86	-86		
Conversion of convertible bond to shares 2005	31	21	164		185
Shares repurchased in June 2005	-1			-7	-7
Shares repurchased in August 2005	-31			-217	-217
Shares repurchased in September 2005	-34			-238	-238
Shares repurchased in October 2005	-10			-66	-66
Shares repurchased in November 2005	-46			-293	-293
Shares repurchased in December 2005	-6			-36	-36
December 31, 2005	**25 317**	**17 208**	**518**	**-1 861**	**17 726**
Own shares held by the company	366				
Total number of shares December 31, 2005	**25 683**				

Revaluation fund and other funds 1 000 EUR	**2005**	**2004**
Revaluation fund for investments held for trading	**320**	212

Payable Dividends

The dividends paid by the Group are recorded for the period during which the shareholders approved their payment.

Distributable equity 1 000 EUR	**2005**	**2004**
Unrestricted equity	**28 320**	24 964
Translation difference	**66**	-20
Net profit for the period	**10 710**	14 315
Voluntary provisions in shareholders' equity	**-25 661**	-27 204
Distributable equity December 31	**13 434**	12 056

Voluntary provisions 1 000 EUR	**2005**	**2004**
Accumulated depreciation in excess of plan	**34 678**	36 762
Deferred taxes on excess depreciation	**-9 016**	-9 558
Total	**25 661**	27 204

Equity portion of convertible bond 1 000 EUR	**2005**	**2004**
Equity portion of convertible bond	**220**	220

21. Interest-bearing Liabilities

The balance sheet values of interest-bearing liabilities are not essentially different from their fair values. The equity-based convertible bond has a fixed 5% interest (loan period from June 4, 2004 to June 4, 2009) while other loans have an effective interest of 5.19%.

The Aspo Group's equity-based convertible bond totals EUR 18,765,000. The loan principal can only be repaid at maturity if the Group's restricted equity and other non-distributable items as shown on the latest confirmed balance sheet are fully covered.

The loan will be repaid in its entirety on June 4, 2009 provided that the repayment requirements specified in chapter 5 of the Companies Act and in the loan terms and conditions are met. According to the loan terms and conditions, Aspo will, as of January 2, 2005, be entitled to early repayment of the entire loan principal plus interest compounded by a factor of one hundred (100) percent up to the repayment date.

Each EUR 500 loan portion of Aspo's convertible bond entitles the holder to convert the loan portion into eighty-four (84) Aspo shares each with a counter value of EUR 0.67. The conversion rate of the share is five euro ninety-five cents (5.95).

Long-term liabilities

1 000 EUR	**2005**	**2004**
Loans	**3 166**	4 749
Financial leasing liabilities	**1 748**	1 768
Convertible bond	**18 261**	18 625
Pension loans	**13**	
Total	**23 189**	25 141

Short-term liabilities

1 000 EUR	**2005**	**2004**
Loans	**3 080**	1 626
Financial leasing liabilities	**20**	91
Pension loans	**15**	
Total	**3 115**	1 718

Repayment schedule for long-term liabilities

1 000 EUR	**2007**	**2008**	**2009**	**Total**
Loans	1 596	1 583		3 179
Financial leasing liabilities	1 748			1 748
Convertible bond			18 261	18 261
Total	**3 344**	**1 583**	**18 261**	**23 189**

Financial leasing liabilities

Minimum leasing payments

1 000 EUR	**2005**	**2004**
No more than one year	**142**	142
1–2 years	**29**	170
Future financial expenses	**-8**	-59
Total	**162**	253

Current value of minimum leasing payments

1 000 EUR	**2005**	**2004**
No more than one year	**91**	91
1–2 years	**20**	111
Total	**111**	203

22. Interest-free Liabilities

Long-term liabilities 1 000 EUR	2005	2004
Share-based incentive system		700
Interest rate options	**20**	22
Other	**196**	
Total	**215**	721

Short-term liabilities 1 000 EUR	2005	2004
Accounts payable	**13 790**	11 255
Advances received	**523**	284
Rents	**917**	613
Salaries and social contributions	**4 807**	4 826
Employer contributions	**1 249**	1 228
Accrued interest	**641**	1 400
Value added tax liability	**1 640**	2 023
Share-based incentive system	**1 429**	
Despatch provisions	**377**	
Missing purchase invoices and settlements	**696**	
Other short-term deferred liabilities	**1 502**	200
Total	**27 572**	21 829

23. Pension Obligations

In Group companies, pension schemes are arranged in compliance with local legislation and standard practices. For defined benefit plans, the pension to be paid, any disability compensation and benefits paid in conjunction with the termination of employment have been defined. In these arrangements, the pension benefits are generally based on the years of service and final salary. The majority of the Group's defined benefit plans arranged through funds are in Finland.

The Group's contributions for defined benefit plans placed in funds meet the requirements of each country's local authorities. The discount interest rate of the actuarial pension liability calculations is determined on the basis of the market interest rate.

Pension liabilities in the balance sheet 1 000 EUR	2005	2004
Current value of non-funded liabilities		85
Current value of funded liabilities	**1 983**	2 082
Fair value of funds	**-976**	-1 448
Non-recorded actuarial gains and losses	**-82**	
Total	**925**	719

Reconciliation of pension liabilities in the balance sheet	2005	2004
Net liability at the beginning of fiscal year	**719**	645
Subsidiary acquisitions	**173**	
Pension liabilities in the income statement	**33**	74
Net liability at the end of fiscal year	**925**	719

Pension liabilities in the income statement	2005	2004
Contribution plans	**2 420**	2 308
Defined benefit plans	**33**	74
Total	**2 453**	2 382

The actuarial assumptions used, %	2005	2004
Discount interest rate		
Finland	**4.50**	5.25
Norway	**5.00**	
Expected return on the funds		
Finland	**4.50**	5.25
Norway	**6.00**	
Assumed future pay increases		
Finland	**3.50**	3.50
Norway	**3.00**	
Inflation		
Finland	**2.00**	2.00

24. Provisions

The recorded provisions are based on best estimates at the time the accounts were closed. Warranty provisions are mainly associated with the Group's product warranties. Environmental provisions have to do with the cleaning of land area in Kotka.

Long-term provisions	**Warranty Provision**	
1 000 EUR	**2005**	**2004**
Provisions January 1	**179**	329
Translation differences	**-2**	
Increases in provisions	**12**	
Transfer to short-term provisions	**-90**	-149
Provisions December 31	**99**	179

Short-term provisions	**Warranty Provision**		**Provision for Environmental Obligations**	
1 000 EUR	**2005**	**2004**	**2005**	**2004**
Provisions January 1	**149**	149	**238**	249
Increases in provisions	**95**			
Used provisions	**-149**		**-6**	-11
Reversals of unused provisions			**-232**	
Provisions December 31	**95**	149		238

25. Risks and Risk Management

Financial Risks

The parent company is responsible for the Aspo Group's financing and financial risk management in accordance with the financial policy approved by the Board of Directors.

Currency Risks

In the Aspo Group, currency risks are controlled with hedging and intra-Group currency transactions. Approximately one third of Aspo Shipping's invoicing is currently in US dollars and roughly one fifth of Aspo Chemicals' purchases are priced in US dollars.

Financing and Liquidity Risk

To minimize financing and liquidity risks and to cover the estimated financing needs the Group has negotiated bilateral credit facilities of 1–2 years.

Interest Rate Risk

The impact of changes in interest rates on Aspo Shipping's interest-bearing liabilities represents an interest rate risk. The interest rate risk is contained by using interest rate swaps and interest rate options. Realized and open derivatives are recorded in their full fair value under financial items.

The interest on Aspo Shipping's long-term loan is hedged with interest rate options and swaps.

Credit Risk

The Group has an extensive customer base spread out over several market areas. Protection against credit risks include terms of payment based on advance payments and bank guarantees.

Information Technology

In order to ensure smooth and uninterrupted operations Aspo Group's key information systems and data connections are handled centrally in accordance with an IT policy approved within the Group. The IT policy takes into account the risks related to IT systems and structures, and risks involved in the availability and use of information.

26. Derivative Contracts

The available market prices and rates, the current value of future cash flows as well as option measurement models are used to calculate the fair value. Aspo does not apply hedge accounting in accordance with IAS 39.

1 000 EUR	Nominal Value 2005	Net Value 2005	Nominal Value 2004	Net Value 2004
Currency derivatives				
Currency forwards	**2 173**	**-23**	653	66
Interest rate derivatives				
Interest rate swaps	**7 915**	**-16**	7 915	-4
Interest rate options purchased	**27 655**	**-573**	27 655	-502
Interest rate options sold	**27 655**	**223**	27 655	199
Total		**-389**		-240

27. Commitments

As a part of their ordinary business activities, the Group and some of its subsidiaries sign different agreements under which financial or performance guarantees are offered to third parties on behalf of these subsidiaries. These agreements are signed primarily to support or improve the Group companies's credit rating, which will help obtain sufficient funding for the subsidiaries' intended business activities.

Collateral for own debt 1 000 EUR	2005	2004
Mortgages given	**5 382**	6 728
Bank guarantees	**870**	870
Other contingent liabilities		
Other leasing liabilities		
Within one year	**1 029**	642
More than a year and no more than five years	**2 109**	919
Bareboat contract		
Within one year	**1 703**	1 622
More than a year and no more than five years	**7 491**	7 291
Over five years	**960**	2 863
Total	**19 544**	20 934

28. Related Parties

During the fiscal year, there were no business transactions with the associated company.

Group companies

Company	Country	Ownership %
Aspo Plc. parent company	Finland	
Suhi – Suomalainen Hiili Oy	Finland	100.00
Autotank Ltd	Finland	100.00
Aspokem Ltd	Finland	100.00
ESL Shipping Oy	Finland	100.00
Oy Troili Ab	Finland	100.00
Oy Bomanship Ab	Finland	100.00
O.Y. Näppärä	Finland	100.00
Aspokem Eesti AS	Estonia	100.00
Aspokem Latvia SIA	Latvia	100.00
UAB Aspokemlit	Lithuania	100.00
OOO Aspokem	Russia	100.00
LLC Aspokem Ukraine	Ukraine	100.00
Aspokem AB	Sweden	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	100.00
Autotank Service AB	Sweden	100.00
Autotank Halmstad AB	Sweden	100.00
Autotank Skellefteå AB	Sweden	100.00
Autotank AS	Norway	100.00
Autotank Sp.zo.o.	Poland	55.00
OOO Autotank	Russia	51.00

The Group has not granted any loans or guarantees to company management.

Management benefits

Salaries and benefits 1 000 EUR	**2005**	**2004**
Executives, salaries	**566**	626
Executives, bonuses	**156**	96
Board members	**179**	144
Total	**901**	866

Transition to IFRS Reporting

These are the Aspo Group's first financial statements prepared in compliance with the International Financial Reporting Standards (IFRS) for the fiscal year ended on December 31, 2005.

The most significant changes in the balance sheet and shareholders' equity resulting from the introduction of IFRS compared with the Finnish Accounting Standards (FAS) have to do with employee benefits, the measurement of shares, leasing agreements, and the amortization of goodwill.

Consolidated Income Statement

EUR million	FAS 1–12/2004	IFRS Adjustments	IFRS 1–12/2004
Net Sales	184.5	-0.2	184.3
Change in the inventory of finished goods and work in progress	2.4		2.4
Other operating income	1.8	0.2	2.1
Materials and services	-89.4		-89.4
Personnel costs	-26.0		-26.0
Depreciation and write-down	-8.8	0.3	-8.5
Other operating expenses	-43.6	0.3	-43.3
Operating Profit	**20.9**	**0.7**	**21.6**
Financial income and expenses	-1.7	-0.2	-1.9
Profit Before Taxes and Minority Interest	**19.2**	**0.5**	**19.7**
Income taxes on operational activities	-4.1		-4.2
Back-taxes	-1.1		-1.1
Net Profit for the Period	**13.9**	**0.5**	**14.4**
Profit to parent company shareholders	13.9	0.5	14.3
Minority interest	-0.1		-0.1

Statement of Changes in Shareholders' Equity

EUR million	Jan 1, 2004	Dec 31, 2004
Shareholders' equity of parent company shareholders, FAS	56.0	76.0
Minority interest	0.2	0.1
Shareholders' equity, FAS	**56.2**	**76.1**
Impact of transition to IFRS reporting		
Measurement at fair value	0.2	0.2
Employee benefits	-0.7	-0.6
Depreciation and amortization		0.4
Inventories	0.1	
Derivatives	0.1	-0.2
Capital loan		-18.6
Shareholders' equity, IFRS	**55.9**	**57.3**

Consolidated Balance Sheet December 31, 2004

EUR million	FAS Dec 31, 2004	IFRS Adjustments	IFRS Dec 31, 2004
Assets			
Non-current assets			
Intangible assets	0.4		0.4
Goodwill	2.7	0.4	3.1
Tangible assets	59.6	1.9	61.4
Investments held for trading		0.7	0.7
Long-term receivables	0.1	0.1	0.2
Long-term investments	1.2	-0.4	0.8
Deferred tax receivables	0.7	0.3	1.0
Total non-current assets	**64.7**	**2.9**	**67.6**
Current assets			
Inventories	13.9	0.1	14.0
Accounts receivable and other receivables	24.9	-0.2	24.7
Cash and cash equivalents	12.2		12.2
Total current assets	**51.0**	**-0.1**	**50.9**
Total Assets	**115.7**	**2.9**	**118.5**
Shareholders' Equity and Liabilities			
Shareholders' equity			
Share capital	17.1		17.1
Premium fund	0.4		0.4
Fair value fund and other funds		0.2	0.2
Retained earnings	25.4	-0.4	25.0
Net profit for the period	13.9	0.5	14.3
Capital loan	19.2	-19.0	0.2
Total majority shareholders' equity	76.0	-18.8	57.2
Minority interest	0.1		0.1
Total shareholders' equity	**76.1**	**-18.8**	**57.3**
Long-term liabilities			
Long-term provisions		0.2	0.2
Deferred taxes	9.6	0.2	9.8
Long-term interest-bearing liabilities	4.7	20.4	25.1
Long-term interest-free liabilities		0.7	0.7
Pension liabilities		0.7	0.7
Total long-term liabilities	**14.3**	**22.2**	**36.5**
Short-term liabilities			
Short-term provisions	0.6	-0.2	0.4
Short-term interest-bearing liabilities	1.6	0.1	1.7
Short-term interest-free liabilities	23.1	-0.5	22.6
Total short-term liabilities	**25.3**	**-0.6**	**24.7**
Total Shareholders' Equity and Liabilities	**115.7**	**2.8**	**118.5**

Shares and Shareholders

Share Capital

According to Aspo Plc's Articles of Association, the company's minimum share capital is EUR 8,729,178 and its maximum share capital is EUR 34,916,712 within which limits the share capital can be increased or decreased without amending the Articles of Association. On December 31, 2005, the registered share capital of Aspo Plc was EUR 17,207,772.81.

During the year, the company's share capital increased by a total of EUR 106,330.81. In connection with a stock split (split 1:3) the share capital was increased in April 2005 through a bonus issue of EUR 85,507.21 to produce an exact counter value for the share, EUR 0.67. The increase in share capital corresponding to the 31,080 shares subscribed during the year with Aspo's convertible bonds was EUR 20,823.60.

As a result of the conversion of convertible bonds, the company's share capital may increase by a maximum of EUR 2,240,000 and the number of shares by a maximum of 3,360,000 new shares. The shares subscribed with convertible bonds represent no more than 11.6% of the company's share capital and voting rights.

Shares

According to Aspo Plc's Articles of Association, the minimum number of shares is 5,000,000 and the maximum number is 53,000,000. At the end of December 2005, the number of shares was 25,683,243. The company's own shareholding was 365,950 shares, accounting for 1.42 per cent of Aspo Plc's stock.

Aspo Plc has a single share series. Each share entitles its holder to one vote at the Annual Shareholders' Meeting. The company shares have been traded on the Main List of the Helsinki Stock Exchange since October 1999. The company's GICS classification is Industrials. The trading code of the share is ASU1V and the trading lot is 50 shares.

Dividend

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

The Board of Directors of Aspo Plc will propose at the Annual Shareholders' Meeting that a dividend of EUR 0.40 per share be paid for fiscal 2005, representing 94.6 % of the company's earnings.

Tax Value of the Share in Finland

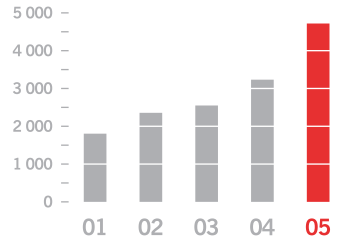
The official tax value for Aspo Plc share for 2005 taxation in Finland is EUR 4.45.

Authorizations

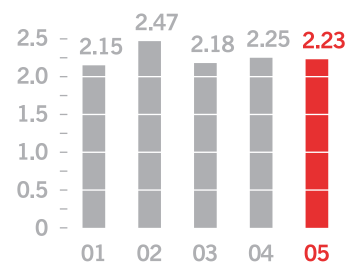
Authorization to Repurchase and Dispose of the Company's Own Shares

The 2005 Annual Shareholders' Meeting authorized the Board of Directors to use distributable profit funds to repurchase a maximum of 300,000 company shares irrespective of the shareholders' holdings. The shares will be purchased through public trading organized by the Helsinki Stock Exchange at the going price. The share

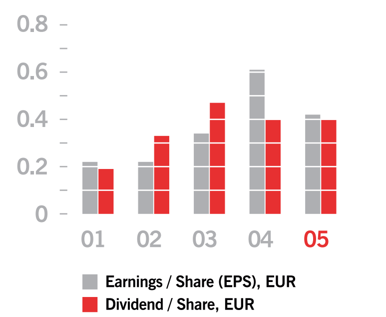
Number of Shareholders



Equity / Share, EUR



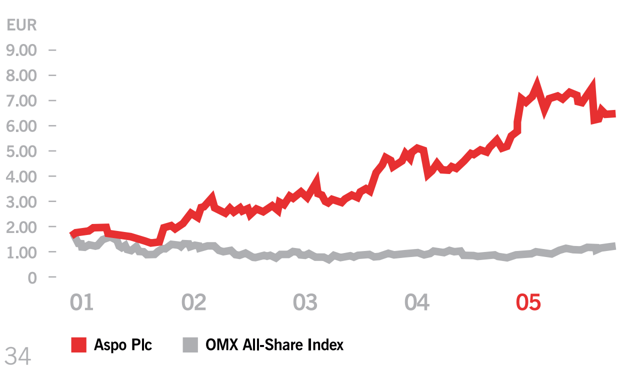
Earnings and Dividend / Share, EUR



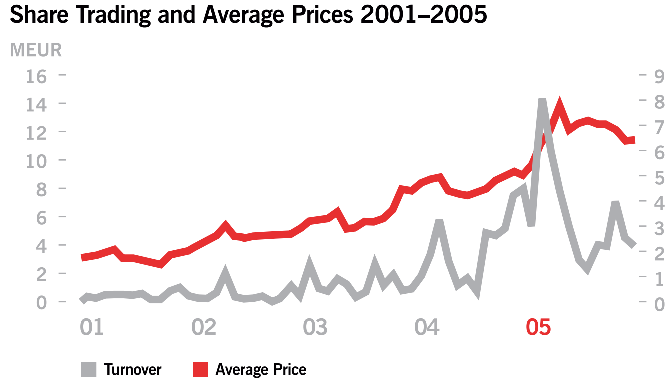
Repurchases of Aspo Plc Own Shares During the Fiscal Period

Time	Number	Nominal Value EUR 0,67 / Share	EUR / Share Average	EUR / Share Range
June 2005	1 000	670	6.70	6.70
August 2005	31 250	20 928	6.96	6.85 – 7.03
September 2005	34 450	23 082	6.91	6.86 – 6.95
October 2005	10 200	6 834	6.49	6.25 – 6.90
November 2005	46 350	31 055	6.33	6.21 – 6.41
December 2005	5 700	3 819	6.33	6.31 – 6.37

Share Price Performance 2001–2005



Share Trading and Average Prices 2001–2005



repurchase 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 537,000 repurchased shares in one or more lots in deviation from the shareholders' pre-emptive rights.

The shares will be purchased and disposed of mainly to finance any acquisitions or other purchases related to the company's operations. The Board may also propose to the shareholders that some shares be nullified. The authorizations are valid for a year from the decision of the Shareholders' Meeting.

The Board has used its authorization to repurchase shares during the fiscal period. In its meeting on May 11, 2005, the Board decided to repurchase a maximum of 300,000 shares through public trading on the Helsinki Stock Exchange. A total of 128,950 shares were repurchased during the fiscal period, which raised the number of shares held by the company to 365,950. The average purchase price of the shares was EUR 6.65.

Trading and Share Price Performance

During 2005, a total of 7,597,788 Aspo Plc shares were traded in the Helsinki Stock Exchange with a value of EUR 71.9 million, or 29.6 percent of the shares changed owners. The high during the period was EUR 7.83 and the low was EUR 5.05. The average price was EUR 6.64 and the closing price EUR 6.90. The company has a liquidity providing agreement regarding its share with Kaupthing Bank Oyj.

The market value of the share capital at the year-end, without stock held by the company, was EUR 174.7 million. For the latest trading information, please visit www.aspo.fi.

Share Ownership

Aspo's shares are included in the book-entry system maintained by the Finnish Central Securities Depository Ltd.

No major changes have occurred in Aspo Plc ownership. At the end of 2005 the number of shareholders totaled 4,747. Of these 98.7 percent represented direct shareholding and 1.3 percent nominee registrations. A total of 0.8 percent of the shares was held by foreign entities. On December 31, 2005, the ten largest shareholders owned 45.1 percent of the company's shares and voting rights. A list of major shareholders is shown with monthly updates on the company website at 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 with their interest groups on December 31, 2005 was 2,854,947, which represents 11.1 percent of the shares and voting rights.

Major Shareholders on December 31, 2005	Number of Shares	Share of Stock and Voting Rights, %	Less Own Shares %
Nyberg H.B.	3 000 000	11.68	11.85
Mutual Employee Pension Insurance Co. Varma	1 478 000	5.75	5.84
Vehmas A.E.	1 360 920	5.30	5.38
Vehmas Tapio	1 181 838	4.60	4.67
Stadigh Kari	1 000 000	3.89	3.95
Vehmas Liisa	999 090	3.89	3.95
Berling Capital Oy	794 850	3.09	3.14
Nyberg Gustav	668 885	2.60	2.64
Estlander Henrik	667 752	2.60	2.64
Placeringsfonden Aktia Capital	438 000	1.71	1.73
10 major shareholders, total	**11 589 335**	**45.12**	**45.78**
Nominee registrations	337 047	1.32	
Own shares	365 950	1.42	
Other shares	13 390 911	52.14	
Total Shares	**25 683 243**	**100.0**	

Distribution of Ownership December 31, 2005

By Number of Shares

Number of Shares	Number of Owners	Share of Owners %	Total Shares	Share of Stock %	Less Own Shares %
1–100	301	6.34	21 932	0.08	0.09
101–500	1 400	29.49	436 028	1.70	1.72
501–1 000	1 153	24.29	911 469	3.55	3.60
1 001–5 000	1 461	30.78	3 181 203	12.38	12.56
5 001–10 000	228	4.80	1 577 427	6.14	6.23
10 001–50 000	160	3.37	2 962 682	11.54	11.70
50 001–100 000	16	0.34	1 227 070	4.78	4.85
100 001–500 000	19	0.40	4 209 633	16.39	15.18
500 001–	9	0.19	11 151 335	43.42	44.05
Total in joint accounts			4 464	0.02	0.02
Total	**4 747**	**100.0**	**25 683 243**	**100.0**	**100.0**

By Owner Groups	Ownership %	Shares %
1. Households	90.3	68.7
2. Companies	6.7	14.6
3. Financial and insurance institutions	0.6	5.0
4. Non-profit organizations	1.8	4.9
5. Public organizations	0.2	6.0
6. Non-domestic	0.4	0.8

Share Trading by Year

	Trading MEUR	Trading, No. of Shares	Average Price, EUR	Lowest EUR	Highest EUR
2001	5.3	966 604	5.45	4.10	6.40
2002	5.8	708 000	8.23	6.15	9.26
2003	15.4	1 531 107	10.05	8.60	14.00
2004	47.0	3 244 927	14.48	10.71	16.35
2005	71.9	7 597 788	6.64	5.05	7.83

Key Figures

	IFRS 2005	IFRS 2004	FAS 2003	FAS 2002	FAS 2001
Net sales, MEUR	**204.9**	184.3	145.2	138.9	123.1
Operating profit, MEUR	**16.2**	21.6	13.6	9.0	8.7
% of net sales	**7.9**	11.7	9.3	6.5	7.1
Profit before taxes, MEUR	**14.7**	19.7	4.8	15.6	0.8
% of net sales	**7.2**	10.7	3.3	11.3	0.7
Return on investment, % (ROI)	**19.4**	25.0	16.5	11.9	11.4
Return on equity, % (ROE)	**18.8**	27.4	14.5	9.5	9.4
Equity ratio, %	**46.9**	48.5	44.8	55.0	52.7
Equity ratio net of tax liabilities, %	**54.5**	56.8	52.7	64.9	62.9
Gearing. %	**24.0**	25.6	22.2	9.2	28.6
Gross investments in fixed assets, MEUR	**5.8**	0.6	24.6	7.4	1.9
% of net sales	**2.8**	0.3	17.0	5.3	1.5
Personnel, December 31	**681**	566	536	538	435
Personnel, average	**688**	569	538	525	412
Share-Related Key Figures *					
Earnings per share (EPS), EUR	**0.42**	0.61	0.34	0.22	0.22
Diluted earnings per share, EUR	**0.40**	0.58			
Shareholders' equity per share, EUR	**2.23**	2.25	2.18	2.47	2.15
Nominal dividend per share, EUR (Board proposal)	**0.40**	0.40	0.47	0.33	0.19
Adjusted dividend per share, EUR	**0.40**	0.40	0.47	0.33	0.19
Dividend/earnings, %	**94.6**	65.3	138.3	147.9	86.3
Effective dividend yield, %	**5.8**	7.8	10.8	11.2	8.9
Price – earnings ratio (P/E)	**16.36**	8.4	12.9	13.5	9.7
Diluted price – earnings ratio (P/E)	**17.36**	8.8			
Share price performance					
Average price, EUR	**6.64**	4.83	3.35	2.74	1.82
Low, EUR	**5.05**	3.57	2.87	2.05	1.37
High, EUR	**7.83**	5.45	4.67	3.09	2.13
Average price on the closing day, EUR	**6.90**	5.10	4.34	2.98	2.10
Market value of total shares outstanding, December 31, MEUR	**177.2**	130.8	111.2	76.4	53.9
Market value of shares, less own shares, December 31, MEUR	**174.7**	129.6	111.3	76.4	53.9
Share turnover, 1,000 shares	**7 598**	3 245	1 531	708	966
Share turnover, %	**29.6**	37.9	17.9	8.3	11.0
Total share trading, 1,000 EUR	**71 909**	46 997	15 391	5 828	5 264
Total number of shares on December 31, 1,000 shares	**25 683**	25 653	25 653	25 653	26 310
Outstanding	**25 317**	25 415	25 653	25 653	25 653
Outstanding, average	**25 391**	25 415	25 653	25 653	25 743
Diluted average number of shares	**28 720**	27 375			

* Share-related key figures were calculated using the number of shares after the share split.

Calculation of Key Figures

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

Return on Equity, % (ROE)
Profit before taxes – 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 funds /
Shareholders' equity + Minority interest

Average number of personnel
Average of the number of personnel at the end of each month

Earnings per share (EPS), EUR
Profit before taxes – Income taxes on ordinary activities –
Minority interest / Average adjusted number of shares
during the fiscal year

Shareholder's equity per share, EUR
Shareholders' equity / Adjusted number of shares
on balance sheet date

Adjusted dividend per share, EUR
Dividend per share paid for the fiscal year / Share issue multiplier

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

Effective dividend yield, %
Adjusted dividend per share x 100 /
Average share price on closing day weighted with trading volume

Price/earnings ratio (P/E)
Adjusted average share price on closing day / Earnings per share

Market value of shares, EUR
Number of shares outside the Group x
Average share price on closing day weighted with trading volume

The impact of own shares has been eliminated in the
calculation of key figures.

Parent Company's Financial Statement, FAS

Parent Company's Income Statement

1 000 EUR	Note	2005	2004
Other operating income	1.1	**1 627**	745
Personnel costs	1.2	**-1 285**	-1 871
Depreciation and write-down	1.3	**-39**	-78
Other operating expenses	1.4	**-1 872**	-2 519
Operating Loss		**-1 569**	-3 723
Financial income and expenses	1.5	**-496**	-1 189
Loss Before Extraordinary Items		**-2 065**	-4 912
Extraordinary items	1.6	**19 670**	20 660
Profit Before Appropriations and Taxes		**17 605**	15 748
Appropriations	1.7	**6**	-29
Direct taxes	1.8	**-4 593**	-4 879
Net Profit for the Period		**13 017**	10 840

Parent Company's Balance Sheet

1 000 EUR	Note	2005	2004
Assets			
Fixed Assets			
Intangible assets	2.1	**102**	22
Tangible assets	2.1	**111**	128
Long-term investments	2.2	**14 971**	14 971
Total fixed assets		**15 185**	15 121
Current Assets			
Long-term receivables	2.3	**84**	84
Short-term receivables	2.3	**30 405**	58 865
Short-term investments	2.4	**4 200**	7 500
Cash and bank deposits		**3 336**	834
Total current assets		**38 025**	67 284
Total Assets		**53 210**	82 405
Shareholders' Equity and Liabilities			
Shareholders' Equity			
Share capital	2.5	**17 208**	17 101
Premium fund	2.5	**518**	439
Retained earnings	2.5	**115**	213
Profit for the period	2.5	**13 017**	10 840
Capital loan	2.5	**19 815**	20 000
Total shareholders' equity		**50 672**	48 595
Accumulated Appropriations	2.6	**23**	29
Mandatory Provisions	2.7	**815**	775
Liabilities			
Short-term liabilities	2.8	**1 700**	33 007
Total liabilities		**1 700**	33 007
Total Shareholders' Equity and Liabilities		**53 210**	82 405

Parent Company's Cash Flow Statement

1 000 EUR	2005	2004
Operational Cash Flow		
Operating loss	**-1 569**	-3 723
Adjustments to operating loss	**316**	1 209
Change in working capital	**-229**	-72
Interest paid	**-1 417**	-850
Interest received	**875**	469
Dividends received	**37**	97
Back-taxes for 1994		-8 834
Taxes paid	**-4 278**	-8 137
Operational Cash Flow	**-6 266**	-19 839
Cash Flow from Investments		
Investments in tangible and intangible assets	**-103**	-24
Gains from the disposal of other investments		700
Subsidiaries sold		427
Cash Flow from Investments	**-103**	1 103
Cash Flow from Financing		
Repurchase of shares	**-858**	-1 003
Change in short-term receivables	**-21 807**	-2 063
Change in short-term liabilities	**-31 329**	7 141
Withdrawal of long-term loans		20 000
Group contributions paid	**69 622**	
Dividends paid	**-10 057**	-11 971
Cash Flow from Financing	**5 570**	12 104
Change in Liquid Funds	**-799**	-6 632
Liquid funds on January 1	**8 334**	14 966
Liquid Funds on December 31	**7 536**	8 334

Notes to the Parent Company's Financial Statements

1.1 Other Operating Income

Other operating income 1 000 EUR	2005	2004
Gains on the sale of fixed assets		20
Other Group operating income	**360**	647
Rental income and related remuneration	**413**	63
Other operating income	**854**	14
Total	**1 627**	745

1.2 Notes Regarding Personnel and Board Members

Personnel costs 1 000 EUR	2005	2004
Salaries and wages	**603**	1 256
Share-based incentive scheme	**278**	
Profit bonus paid to personnel fund	**2**	
Pension costs	**226**	405
Other personnel costs	**176**	210
Total	**1 285**	1 871

Management salaries and benefits 1 000 EUR	2005	2004
CEO's salary	**194**	165
CEO's bonus	**96**	73
Board members	**86**	69
CEO and Board members, total	**376**	308

1.3 Depreciation and Write-Down

Depreciation and write-down 1 000 EUR	2005	2004
Depreciation of tangible and intangible assets	**39**	78
Total	**39**	78

1.4 Other Operating Expenses

Other operating expenses 1 000 EUR	2005	2004
Rent	**589**	589
Other expenses	**1 282**	1 930
Total	**1 872**	2 519

1.5 Financial Income and Expenses

Financial income and expenses 1 000 EUR	2005	2004
Dividend income		
From outside the Group	**37**	97
Income from long-term investments	**37**	97
Other interest and financial income		
From Group companies	**591**	199
From others	**284**	301
Total interest and financial income	**875**	501
Interest and other financial expenses		
To Group companies	**216**	466
Write-down of shares		349
To others	**1 193**	971
Total interest and other financial expenses	**1 408**	1 786
Total financial income and expenses	**-496**	-1 189

1.6 Extraordinary Items

Extraordinary items 1 000 EUR	2005	2004
Income		
Group contribution, Aspokem Ltd	**1 670**	1 750
Group contribution, ESL Shipping Oy	**18 000**	20 020
Group contribution, Oy Troili Ab		11
Group contribution, Suhi – Suomalainen Hiili Oy		13
Total	**19 670**	21 794
Expenses		
Back-taxes with interest		1 134
Total extraordinary items	**19 670**	20 660

1.7 Appropriations

Appropriations 1 000 EUR	2005	2004
Excess depreciation	**6**	-29

1.8 Direct Taxes

Direct taxes 1 000 EUR	2005	2004
Income taxes on extraordinary items	**5 114**	6 320
Income taxes on ordinary activities	**-521**	-1 441
Total	**4 593**	4 879

2.1 Tangible and Intangible Assets

Tangible and Intangible Assets

1 000 EUR	Intangible Rights	Advance Payments	Total Intangibles	Land	Buildings	Machinery and Equipment	Other Tangible Assets	Total Tangible
Acquisition cost January 1	218		218	1	467	373	125	967
Increase	48	48	96			7		7
Acquisition cost Dec. 31	**265**	**48**	**313**	**1**	**467**	**381**	**125**	**974**
Accumulated depreciation January 1	-195		-195		-464	-323	-52	-839
Depreciation for the fiscal year	-16		-16			-23		-23
Accumulated depreciation December 31	**-211**		**-211**		**-465**	**-346**	**-52**	**-862**
Book value December 31	**54**	**48**	**102**	**1**	**2**	**35**	**73**	**111**

2.2 Investments

Investments 1 000 EUR	**Subsidiary Shares**	**Other Shares**	**Total**
Acquisition cost January 1	14 548	424	14 971
Acquisition cost December 31	**14 548**	**424**	**14 971**
Book value December 31	**14 548**	**424**	**14 971**

2.3 Receivables

Long-term receivables 1 000 EUR	**2005**	**2004**
Loan receivables	**84**	84
Total long-term receivables	**84**	84

Short-term receivables	**2005**	**2004**
From Group companies		
Group contributions receivable		49 952
Loan receivables	**30 070**	8 254
	30 070	58 206
Deferred receivables *)	**335**	659
Total short-term receivables	**30 405**	58 865
*) Main item		
Tax receivable	**316**	630

2.4 Short-Term Financial Assets

Short-term financial assets 1 000 EUR	2005	2004
Replacement	**4 200**	7 500
Book value	**4 200**	7 500

2.5 Shareholders' Equity

The parent company has a capital loan of EUR 19,815,000.The principal of this loan may only be repaid at maturity if the restricted equity and other undistributable funds reported in the latest confirmed fiscal financial statements of both the Company and Group are fully covered. The loan will be repaid in its entirety on June 4, 2009, assuming that the repayment provisions of the loan agreement and of Chapter 5 of the Companies Act have been satisfied. According to requirements defined in Article 7 of the loan agreement provisions, as of January 2, 2005 Aspo may prematurely repay the principal in its entirety, plus interest compounded by a factor of one hundred percent (100) up to the date of repayment. A fixed annual interest of 5% will be paid on the principal of the loan.

Shareholders' equity 1 000 EUR	2005	2004
Share capital January 1	**17 101**	17 101
Conversions	**21**	
Increase in share capital	**86**	
Share capital December 31	**17 208**	17 101
Premium fund January 1	**439**	439
Conversions	**164**	
Increase in share capital	**-86**	
Share premium fund December 31	**518**	439
Retained earnings January 1	**11 054**	13 187
Dividend distribution	**-10 081**	-11 971
Repurchased shares	**-858**	-1 003
Retained earnings December 31	**115**	213
Net profit for the year	**13 017**	10 840
Capital loan, Group	**1 050**	800
Capital loan	**18 950**	19 200
Conversions	**-185**	
Total capital loan	**19 815**	20 000
Total shareholders' equity	**50 672**	48 595
Distributable unrestricted equity	**13 132**	11 054

2.6 Accumulated Appropriations

Accumulated appropriations 1 000 EUR	2005	2004
Accumulated depreciation in excess of plan and voluntary provisions December 31	**23**	29

2.7 Mandatory Provisions

Mandatory provisions 1 000 EUR	2005	2004
Share-based incentive scheme	**815**	537
Provision for expenses related to acquisitions or divestitures		238
Total mandatory provisions	**815**	775

2.8 Short-Term Liabilities

Short-term liabilities 1 000 EUR	2005	2004
Unpaid dividend 2000–2004	**24**	7
Accounts payable	**99**	82
Employer contributions	**28**	26
Deferred payables *)	**650**	1 034
Total	**777**	1 142
Debts to Group companies		
Loans	**866**	31 831
Deferred payables	**33**	28
Total	**899**	31 858
Total short-term liabilities	**1 700**	33 007
*) Main items		
Accrued interest	**551**	568
Annual vacation and other salary allocations	**99**	287

3. Other Notes

Unpaid lease payments 1 000 EUR	2005	2004
Payable in the next fiscal year	**89**	60
Payable later	**235**	172
Total leasing liabilities	**324**	231

Guarantees on behalf of Group companies 1 000 EUR	2005	2004
Duty guarantee	**505**	505
Pension loans	**28**	43
Total	**533**	547

Liabilities 1 000 EUR	2005	2004
Leasing liabilities	**2 571**	2 645
Bareboat contract	**12 191**	13 805
Total	**14 762**	16 450

Derivative contracts 1 000 EUR	**2 173**	653

Proposal of the Board on the Distribution of Profits

The Group's unrestricted shareholders' equity on the balance sheet is EUR 35,488,368.82, of which EUR 13,433,789.64 is distributable. The parent company's unrestricted shareholders' equity is EUR 13,131,592.93. On December 31, 2005 the number of registered shares was 25,683,243 of which the company held 365,950.

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

A dividend of EUR 0.40 / share to be paid out on 25,317,293 shares	10,126,917.20 €
To be held in the retained earnings account	3,004,675.73 €
	13,131,592.93 €

Helsinki, March 7, 2006

Kari Stadigh	Matti Arteva
Kari Haavisto	Esa Karppinen
Roberto Lencioni	Gustav Nyberg CEO

Auditors' Report

To the Shareholders of Aspo Plc

We have audited the accounting records, the report of the Board of Directors, the financial statements and the administration of Aspo Plc for the period January 1 – December 31, 2005. The Board of Directors and the CEO have prepared the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, as well as the report of the Board of Directors and the parent company's financial statements, prepared in accordance with prevailing regulations in Finland, containing the parent company's balance sheet, income statement, cash flow statement and notes to the financial statements. Based on our audit, we express an opinion on the consolidated financial statements, as well as on the report of the Board of Directors, the parent company's financial statements and the administration.

We conducted our audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance about whether the report of the Board of Directors and the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the report of the Board of Directors and 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 the administration is to examine whether the members of the Board of Directors and the CEO of the parent company have complied with the rules of the Companies Act.

Consolidated Financial Statements

In our opinion the consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view, as defined in those standards and in the Finnish Accounting Act, of the consolidated results of operations as well as of the financial position.

Parent Company's Financial Statements, Report of the Board of Directors and Administration

In our opinion the parent company's financial statements have been prepared in accordance with the Finnish Accounting Act and other applicable Finnish rules and regulations. The parent company's financial statements give a true and fair view of the parent company's result of operations and of the financial position.

In our opinion the report of the Board of Directors has been prepared in accordance with the Finnish Accounting Act and other applicable Finnish rules and regulations. The report of the Board of Directors is consistent with the consolidated financial statements and the parent company's financial statements and gives a true and fair view, as defined in the Finnish Accounting Act, of the result of operations and of the financial position.

The consolidated financial statements and the parent company's 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 disposal of distributable funds is in compliance with the Companies Act.

Helsinki, March 9, 2006

PricewaterhouseCoopers Oy
Authorized Public Accountants

Jouko Malinen
Authorized Public Accountant

Information for Shareholders

Basic Share Information

Listed on: Helsinki Stock Exchange, Main List
Trading code: ASU1V
Industry sector: Industrials
Trading lot: 50 shares

Annual Shareholders' Meeting

The Aspo Plc Annual Shareholders' Meeting will be held at the Pörssi restaurant at Fabianinkatu 14, 00100 Helsinki on Tuesday, April 4, 2006 at 2 p.m.

The record date of the Annual Shareholders' Meeting is March 24, 2006. Shareholders should register for the meeting by no later than 4 p.m. on March 30, 2006. Shareholders can register by telephone at +358 9 7595 368, by fax at +358 9 7595 301, by e-mail to hilkka.jokiniemi@aspo.fi or by letter to Aspo Plc, P.O.Box 17, FI-00581 Helsinki, Finland.

In connection with the registration, shareholders are requested to notify the company of any proxies authorized to exercise their voting rights. Proxies, if any, should be posted in advance to the above address.

Dividend Payments

Aspo's dividend policy is to distribute approximately half of the year's earnings in dividends. The Board of Directors will propose at the Annual Shareholders' Meeting that a dividend of EUR 0.40 per share be paid for 2005.

Ex-dividend date	April 5, 2006
Dividend record date	April 7, 2006
Dividend payment date	April 18, 2006

Financial Reporting in 2006

Financial Statements Bulletin	March 7, 2006
Annual Report for 2005	Week 12
Interim Report January–March	April 27, 2006
Interim Report January–June	August 24, 2006
Interim Report January–September	October 26, 2006

Aspo's website at www.aspo.fi offers a wide range of investor information. The company's annual reports, interim reports and stock exchange releases are also available on the website in Finnish and in English. Aspo's printed annual report will be published in Finnish, Swedish and English. Reports can also be ordered by phone +358 9 7595 361, by fax +358 9 7595 301 or by e-mail from asta.nurmi@aspo.fi.

Material will be sent to shareholders to the address shown in the shareholder register maintained by the Finnish Central Securities Depository. Address changes should be notified to the manager of the shareholders' own book-entry account.

Aspo Plc's Investor Relations

For any further information concerning Aspo's investor relations issues, please contact:

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Dick Blomqvist, CFO
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Aspo will not organize meetings with investors and the Group's representatives will not comment on the financial performance in the period between the end of the fiscal period and the publication of the results for the period in question.

ASPO

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