ASPO INTERIM REPORT JANUARY 1 – MARCH 31, 2000

The net sales of the Aspo Group rose by 37 % to EUR 25.0 million. The operating profit for the period totaled EUR 1.3 million (MEUR 0.4) and the profit before extraordinary items and taxes was EUR 1.1 million (MEUR 0.5). Earnings per share were EUR 0.09 (EUR 0.04). Group net sales for the entire year are expected to rise significantly over last year and the operating profit to improve.

GROUP NET SALES AND PROFITS

Net sales for the Aspo Group totaled EUR 25.0 million for the period from January 1 to March 31, 2000, compared with the previous year’s figure (Pro Forma) of EUR 18.2 million. All divisions increased their net sales. The performance of the Chemicals Division fell short of last year’s level while the earnings of the Shipping and Systems Divisions improved. Divisional and company-specific net sales figures and earnings by division are presented in the tables below.

The Group’s operating profit was EUR 1.3 million or 5.2 % of net sales (EUR 0.4 million; 2.4 % in 1999). Depreciation decreased by EUR 0.3 million to EUR 1.7 million. Net financial costs totaled EUR 0.2 million (0).

The profit before extraordinary items and taxes totaled EUR 1.1 million (EUR 0.4 million). The Group’s pre-tax profit was EUR 1.1 million (EUR 0.5 million). Earnings per share totaled EUR 0.09 (EUR 0.04). Share-specific ratios have been calculated on the basis of the number of shares outstanding after the bonus issue.

FINANCING AND INVESTMENTS

The Group’s financial position was satisfactory throughout the period. The Group held liquid assets totaling EUR 20.9 million at the end of the period. Gross investments for the period totaled EUR 0.2 million. The Group’s net financial costs as a percentage of net sales totaled 0.6 % (0).

The Group’s equity ratio increased from the year end figure of 53.2 % to 53.8 % (52.7 %).

ADMINISTRATION

At the Annual General Meeting of Aspo Plc held on April 13, 2000 the shareholders confirmed the number of the members of the Board at four as Mr. Teuvo Juuvinmaa announced that he would resign his Board membership. Retiring Messrs. Matti Arteva and Kari Haavisto were re-elected as Board Members for two year terms. Mr. Kari Stadigh and Mr. Roberto Lencioni will continue as Members of the Board.

At the Board meeting held immediately after the Annual General Meeting the Board elected Mr. Kari Stadigh as Chairman and Mr. Matti Arteva as the Vice-Chairman of the Board.

EQUITY

The total share capital of Aspo Plc as of December 31, 1999 was EUR 8,770,416 with 4,385,208 shares outstanding, each of which has a book value of EUR 2. At the Annual General Meeting of Aspo Plc held on April 13, 2000 the shareholders decided that the company's share capital will be raised through a bonus issue from EUR 8,770,416 to EUR 17,540,832 by transferring a sum amounting to EUR 8,770,416 from the unrestricted equity account to the share capital account. Thereafter there will be a total of 8,770,416 shares outstanding. The increase in the share capital was registered on April 18, 2000. The new shares issued in connection with the bonus issue were listed on the Helsinki Stock Exchange, effective April 19, 2000. The rights and privileges associated with the new shares took effect from the registration date of the increase in share capital.

During the period extending from January through March 2000 a total of 312,990 shares with a value of EUR 4,801,711 changed hands on the Helsinki Stock Exchange. The non-domestic share in the ownership of the stock was 10.2 % as of March 31, 2000. The share price reached a high of EUR 22.40 and a low of EUR 8.50 during the period under review. Figures related to the turnover and prices of shares have been calculated on the basis of the pre-bonus issue share volume.

AUTHORIZATIONS OF THE BOARD

At the Annual General Meeting the shareholders authorized the Board to make decisions to raise the company's share capital by one or several new share issues and/or one or several convertible bond or stock option issues. In connection with these issues the company's share capital can be increased by a maximum amount of EUR 1,315,562 through a maximum subsciption of 657,781 new shares with a book value of EUR 2 per share, at a price and under terms and conditions to be determined by the Board. The authorization entitles the Board to deviate from normal pre-emptive shareholder subscription rights for new shares.

The shareholders authorized the Board to repurchase the company's own shares using unrestricted funds. The authorization concerns a maximum of 219,260 shares to be acquired using public brokerage organized by the Helsinki Stock Exchange.

At the Annual General Meeting the shareholders further authorized the Board to administer the disposal of a total maximum amount of 219,260 repurchased shares. The Board may execute the disposal of the shares in a manner which differs from the preferred status of shareholders in the acquisition of shares held by the company.

All authorizations remain in force for one year from the date of the Annual General Meeting.

BUY-OUT OF ESL SHIPPING OY SHARES

The Board of Aspo Plc made a decision to buy out the other shareholders of its subsidiary, ESL Shipping Oy, in accordance with Finnish equity legislation provisions. The shareholders will be paid market price for the stock. The repurchase price is FIM 115 per share. On March 31, 2000 Aspo Plc’s holding in ESL Shipping was approximately 99.67 %.

LITIGATION IN PROGRESS

The division plan called for taxation-related litigation to be transferred to Aspo Plc. The Helsinki tax auditors have continued pursuing their application for a change in Aspo’s 1994 taxation. The Provincial Court gave its verdict on October 15, 1999 and returned the matter to the provincial tax authorities for reconsideration. Aspo Plc has applied an appeal from the Supreme Administratiove Court concerning certain of the substantive issues decided upon by the Provincial Court. The case is examined in more detail in the company’s Stock Exchange Bulletins published on December 23, 1999 and March 3, 2000.

Aspo Plc and the City of Helsinki have settled their dispute concerning the clean-up costs of the former oil storage center of Herttoniemi, Helsinki. The settlement called for Aspo to pay a lump sum to the City amounting to FIM 100,000. The City agreed in turn to drop any further legal action against Aspo and to make no further claims related the case in question.

PERSONNEL

The Group’s personnel averaged 366 from January 1 to March 31, 2000 compared with 287 for the same period the previous year. Personnel averaged 300 for 1999.

PROSPECTS FOR 2000

The Group net sales in 2000 are expected to increase significantly over last year. The Group’s operating profit is also expected to improve.

This forecast is based upon market conditions prevailing as of this report which appear to be favourable in all divisions at this time. The net sales of all divisions are expected to rise, with Systems sales showing the strongest relative growth.

With respect to earnings, Chemicals and Systems are expected to generate profits on par with last year’s relative level, while Shipping is expected to improve its financial performance.

DIVISIONAL PERFORMANCES

CHEMICALS

The Chemicals Division consists of Aspokem Ltd and its subsidiaries. They distribute, store and market chemicals, plastics and solid fuels. Aspokem Ltd is also engaged in East-West trading of chemicals. The company has subsidiaries in Estonia, Latvia and Lithuania and sales offices in Moscow and St. Petersburg.

	1-3/00	1-3/99	1-12/99
Net sales, MEUR	13.7	10.5	45.5
Operating profit, MEUR	0.6	0.8	2.1
Personnel	60	56	58

Net sales rose in particular because of trading activities, but also thanks to rising domestic chemical and plastic raw material sales, as well as growth in international subsidiary sales.

The development of Chemicals activities was, however, uneven. The warm winter had a negative impact on automotive chemical sales, while on the other hand, the strikes and labor unrest of the early spring increased chemicals sales, as clients purchased product for inventory. The prices of both chemicals and plastics continued to increase during the period under review which also bolstered the division’s net sales.

The deterioration of the Chemicals Division’s earnings from the corresponding period last year resulted mainly from the exceptionally strong performance in 1999. The performance of the automotive chemicals unit was clearly weaker than last year. The aggregate earnings of division subsidiaries improved over last year, however.

During the remainder of the year the financial performance of the Chemicals Division is expected to reach the same relative level as was generated last year. Net sales for the year as a whole are expected to exceed 1999 sales.

SHIPPING

The Shipping Division consists of ESL Shipping Oy along with its wholly-owned subsidiaries Oy Bomanship Ab and O.Y. Näppärä.

	1-3/00	1-3/99	1-12/99
Net sales, MEUR	7.5	6.0	27.5
Operating profit, MEUR	1.0	0.4	2.4
Personnel	153	158	158

As expected, ESL Shipping Oy put in a positive performance in the first quarter, both in terms of net sales and earnings. The division’s ships were able to sail Baltic routes and freight volumes showed positive development. Even though the recovery of ocean freight rates had no direct impact on Baltic freight rates, the combined effect of the rate recovery with the strengthening of the U.S. dollar had a positive influence on Shipping operations.

Most of the cargo shipped by the division was coal, whose consumption in Finland increased during the winter, but the snowy winter will probably end up supporting hydroelectric competitiveness in the North. It is therefore difficult to accurately forecast the raw material requirements of the electricity and heating energy industry for the remainder of the year.

The Shipping Division is expected to increase its net sales and earnings for the year as a whole over last year.

SYSTEMS

The Systems Division comprises Aspo Systems Oy and its subsidiaries, and Navintra Ltd. Aspo Systems Oy is Finland’s leading producer of automated fuel payment and dispensing systems. Navintra Ltd, whose operations were spun off into a separate unit as of March 1, 2000, focuses on marine navigation systems and equipment.

	1-3/00	1-3/99	1-12/99
Net sales, MEUR	3.8	1.8	10.5
Operating profit, MEUR	0.5	-0.2	0.5
Personnel	140	56	67

The net sales of the Systems Division increased in accordance with forecasts on the strength of the acquisition executed last December. Other operating income and earnings for the period under review include approximately EUR 0.7 million in extraordinary gains. Aspo Systems and its subsidiaries were able to raise sales primarily on the strength of rising exports. As expected, earnings were negative due to the consolidation expenses related to the December 1999 acquisition.

The operations of Navintra Ltd started up at the end of the period under review and its sales have progressed as expected.

The net sales of Aspo Systems Oy are expected to keep up with the current level throughout the year and earnings are expected to improve toward the year end.

The sales performance of Navintra Ltd is more difficult to forecast. With respect to established operations, sales are expected to remain on last year's level, but as far as new product areas are concerned, we do not yet have enough experience with the company's international distribution channels to forecast their performance accurately.

Systems operations as a whole are expected to generate a significant increase in net sales for 2000 and earnings are expected to remain on the same relative level as in 1999.

ASPO GROUP INCOME STATEMENT

	1-3/00		1-3/99		1-12/99	
	MEUR	%	MEUR	%	MEUR	%
NET SALES	25.0	100.0	18.2	100.0	83.5	100.0
Other operating income	1.0	3.8	0.2	1.1	1.2	1.4
Depreciation and write-downs	1.7	6.9	2.0	11.1	7.6	9.1
OPERATING PROFIT AFTER DEPRECIATION	1.3	5.2	0.4	2.4	1.6	1.9
Financial income and expenses	-0.2	-0.6	-	-	-0.2	-0.2
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	1.1	4.4	0.4	2.4	1.4	1.7
Extraordinary income	-	-0.1	0.1	0.3	7.3	8.8
PROFIT BEFORE TAXES AND MINORITY INTEREST	1.1	4.4	0.5	2.7	6.9	8.3
PROFIT FOR THE PERIOD	0.8	3.2	0.3	1.8	6.2	7.4
EARNINGS/SHARE, EUR	0.09		0.04		0.13	

Figures are unaudited.

The figures for the comparative period and for 1999 are pro forma.

Share-specific figures and ratios have been calculated on the basis of post-bonus issue share volumes.

Accrued taxes for this interim period have been calculated in accordance with the corporate tax rate in force during the period under review and they include taxes brought forward from earlier periods. The calculation of earnings/share excludes taxes on extraordinary items.

ASPO GROUP BALANCE SHEET

	3/00 MEUR	3/99 MEUR	Change %	12/99 MEUR
Fixed and other long-lived assets	84.6	84.8	-0.2	86.1
Inventories	10.7	7.6	40.2	9.8
Receivables	32.9	36.3	-9.5	31.8
Cash and bank deposits	0.9	16.7	-94.5	1.5
TOTAL ASSETS	129.1	145.4	-11.2	129.2
Shareholders’ Equity	69.3	74.4	-7.0	68.5
Minority interest	0.2	2.3	-91.0	0.2
Mandatory reserves	1.1	-		0.7
Long-term liabilities	37.9	45.3	-16.3	39.7
Short-term liabilities	20.7	23.4	-11.6	20.1
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY	129.1	145.4	-11.2	129.2
EQUITY / SHARE, EUR	7.90	8.78		7.81
EQUITY RATIO, %	53.8	52.7		53.2

Figures are unaudited.

The figures for the comparative period are pro forma.

Share-specific figures and ratios have been calculated on the basis of post-bonus issue share volumes.

Accumulated excess depreciation and voluntary reserves totalling EUR 39.8 million have been divided among shareholders’ equity, nominal tax liabilities and as part of minority interest.

CONTINGENT LIABILITIES	3/00 MEUR	12/99 MEUR
Securities on Group liabilities	37.8	37.8

NET SALES BY DIVISION

	1-3/00 MEUR	1-3/99 MEUR	1-12/99 MEUR
CHEMICALS			
Aspokem Ltd	13.2	10.6	44.2
Aspokem Eesti AS	0.6	0.4	2.4
Aspokem Latvia SIA	0.4	0.2	1.1
UAB Aspokemlit	0.1	0.1	0.6
Internal eliminations	-0.7	-0.7	-2.8
TOTAL	13.7	10.5	45.5
SHIPPING			
ESL Shipping Oy	7.5	6.0	27.4
Oy Bomanship Ab	-	-	0.2
Internal eliminations	-	-	-0.1
TOTAL	7.5	6.0	27.5
SYSTEMS			
Aspo Systems Oy	3.3	1.9	10.5
Aspo Systems Eesti Ou	0.1	-	-
Navintra Ltd	0.5	-	-
Internal eliminations	-0.1	-0.1	-
TOTAL	3.8	1.8	10.5
TOTAL NET SALES	25.0	18.2	83.5

OPERATING PROFIT BY DIVISION

	1-3/00 MEUR	1-3/99 MEUR	1-12/99 MEUR
Chemicals	0.6	0.8	2.1
Shipping	1.0	0.4	2.4
Systems	0.5	-0.2	0.5
Corporate Administration	-0.8	-0.7	-3.4
TOTAL	1.3	0.4	1.6

INVESTMENTS BY DIVISION

	1-3/00 MEUR	1-3/99 MEUR	1-12/99 MEUR
Chemicals	-	0.5	0.5
Shipping	0.02	-	4.6
Systems	0.2	0.03	2.9
Corporate Administration	-	0.03	1.4
TOTAL	0.2	0.6	9.4

AVERAGE PERSONNEL BY DIVISION

	1-3/00	1-3/99	1-12/99
Chemicals	60	56	58
Shipping	153	158	158
Systems	140	56	67
Corporate Administration	13	17	17
TOTAL	366	287	300

Helsinki, May 3, 2000

ASPO Plc

Board of Directors

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ASPO Plc

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