ASPO GROUP FINANCIAL PERFORMANCE FOR 2003

The Group net sales rose 4.5% to EUR 145.2 million (EUR 138.9 million). The operating profit after depreciation totaled EUR 13.6 million (EUR 9.0 million) and after financial items EUR 12.5 million (EUR 8.0 million). The earnings per share totaled EUR 1.01 (EUR 0.66). The Board’s dividend proposal is for EUR 1.40 per share. The Board will propose for convertible capital notes issue and share repurchasing authorization.

2003 IN BRIEF

	2003	2002	Change %
Net Sales, MEUR	145.2	138.9	4.5
Operating Profit, MEUR	13.6	9.0	51.1
Share of Net Sales, %	9.4	6.5	
Profit before Extraordinary Items and Taxes, MEUR	12.5	8.0	
Share of Net Sales, %	8.6	5.8	
Personnel, December 31	536	538	
Earnings/Share, EUR	1.01	0.66	
Equity/Share, EUR	6.55	7.41	
Equity Ratio, %	44.8	55.0	
Return on Investment, % (ROI)	16.5	11.9	
Return on Equity, % (ROE)	14.5	9.5	

REVIEW OF OPERATIONS

The Aspo Group’s organic growth continued to exceed Finland’s overall economic growth and net sales rose to EUR 145 million. We were able to improve the profitability of operations, even though general market conditions remained relatively poor.

During the fiscal period the Aspo Shipping Division landed far-reaching new projects. A long-term transport partnership agreement was signed with the Rautaruukki Group and the joint venture started with a Swedish shipping company ordered a new ship.

Aspo Chemicals

For chemicals and plastics market conditions were similar to last year. Heavy price fluctuations reflected different expectations concerning the development of general market conditions. The price increases sought by producers were for the most part unsuccessful. The Chemicals Division was able to keep its profitability on a satisfactory level and net sales increased somewhat. Delivered volumes increased markedly, despite a general decline in markets.

Aspo Shipping

For the Shipping Division it was watershed year. Severe ice conditions and the docking program of older vessels taxed earnings in the beginning of the year, but later shipping volumes and earnings took off. Even in international markets we experienced a clear improvement. The contract signed with Rautaruukki led to investments of about EUR 23 million, as the required assets were transferred to Aspo under the terms of the agreement. Towards the end of the year ship prices began to rise significantly. However, Aspo was able to order a new ship from China at a competitive price and favorable terms in cooperation with a Swedish shipping company.

Aspo Systems

In the Systems Division we concentrated heavily on turning operations around despite very difficult market conditions. In addition to changes made in the company management, an earnings enhancement program was initiated with the objective of generating EUR 1.5 million in cost reductions by the end of 2004. A substantial part of the 2003 losses consisted of non-recurring expenses. Customer investments in the service station sector were minimal throughout the year. In the service and maintenance sector the market situation was almost normal notwithstanding the cold snap of the early winter. The Division’s comparable operating profit decreased from the previous year.

NET SALES

The Group’s net sales increased EUR 6.3 million (4.5%) to 145.2 million. The Group’s direct exports and non-domestic subsidiary sales totaled EUR 40.1 million (EUR 42.7 million).

The Chemicals Division’s net sales increased slightly and totaled EUR 57.9 million (EUR 56.6 million). Shipping Division net sales increased by 19.5% to EUR 51.5 million (EUR 43.1 million). The Systems Division’s comparable net sales were EUR 35.8 million (EUR 36.5 million); the net sales of the Systems Division in 2002 (EUR 39.2 million) include some sales of the divested Navintra.

NET SALES BY DIVISION

	2003 MEUR	2002 MEUR	Change MEUR	Change %
CHEMICALS				
Aspokem Ltd	46.2	47.4	-1.2	
Aspokem Eesti AS	4.7	5.0	-0.3	
Aspokem Latvia SIA	4.8	3.3	1.5	
UAB Aspokemlit	3.3	3.0	0.3	
OOO Aspokem	4.5	3.2	1.3	
Internal sales	-5.6	-5.3	-0.3	
TOTAL	57.9	56.6	1.3	2.3
SHIPPING				
ESL Shipping Oy	46.8	41.4	5.4	
Paratug Ltd Oy	4.7	1.7	3.0	
TOTAL	51.5	43.1	8.4	19.5
SYSTEMS				
Oy Autotank Ab	14.9	15.0	-0.1	
Autotank AB	11.7	12.3	-0.6	
Autotank Service AB	6.9	6.4	0.5	
Autotank As	4.7	3.6	1.1	
Autotank Oü	0.7	0.6	0.1	
SIA Autotank	0.3	0.3		
UAB Autotank	0.1	0.1		
Aspo Systems Ceska s.r.o.		0.1	-0.1	
Autotank Sp.zo.o	0.3		0.3	
Suhi-Suomalainen Hiili Oy*		2.7	-2.7	
Internal sales	-3.8	-1.9	-0.9	
TOTAL	35.8	39.2	-3.4	8.7
* Former Navintra Ltd (5 months in 2002)				
TOTAL NET SALES	145.2	138.9	6.3	4.5

EARNINGS

The Group’s operating profit was EUR 13.6 million (EUR 9.0 million), including non-recurring capital gains totaling about EUR 4.5 million.

The operating profit of the Chemicals Division remained on last year’s level, totaling EUR 2.6 million. The Shipping Division’s operating profit rose by EUR 2.7 million to EUR 10.1 million. The Systems Division generated an operating loss of EUR 1.4 million (+EUR 0.6 million).

The Group’s depreciation expenses rose EUR 0.3 million to EUR 7.7 million. Depreciation expenses totaled EUR 0.5 million in the Chemicals Division, EUR 5.4 million in the Shipping Division and EUR 0.7 million in the Systems Division.

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

The Group’s profit before extraordinary items and taxes totaled EUR 12.5 million (EUR 8.0 million). Funds related to the Helsinki Administrative Court order to pay back-taxes from the company’s adjusted 1994 taxation totaling EUR 7.7 million with interest have been recorded under extraordinary expenses.

The Group’s pre-tax profit was EUR 4.8 million (EUR 15.6 million). Direct taxes and net nominal tax liabilities totaled EUR 3.7 million (EUR 2.5 million).

OPERATING PROFIT BY DIVISION

	2003 MEUR	2002 MEUR	Change MEUR	Change %
Chemicals	2.6	2.6		
Shipping	10.1	7.4	2.7	36.5
Systems	-1.4	0.6	-2.0	-333.3
Other operations	2.3	-1.6	3.9	243.8
TOTAL	13.6	9.0	4.6	51.1

STOCK YIELDS

The Group generated earnings per share of EUR 1.01 (EUR 0.66). Equity per share was EUR 6.55 (EUR 7.41).

INVESTMENTS AND FINANCE

The Group’s investments totaled EUR 24.6 million (EUR 7.4 million) during the fiscal year. The largest investment was the acquisition of shipping assets of the Rautaruukki Group company, JIT-Trans Ltd, for a total of EUR 23 million.

INVESTMENTS BY DIVISION

	2003 MEUR	2002 MEUR
Chemicals	0.5	0.1
Shipping	23.8	3.1
Systems	0.2	4.2
Other operations	0.1	
TOTAL	24.6	7.4

The Group's liquidity was good throughout the fiscal year. Liquid assets totaled EUR 17.6 million (EUR 14.6 million) at the year-end. There was a total of EUR 30.1 million in liabilities on the Group balance sheet (EUR 20.5 million) as of the year-end. Interest-free liabilities totaled EUR 29.3 million (EUR 20.5 million).

The Group's equity ratio adjusted for nominal tax liabilities was 44.8% (55.0%) as of the year-end.

PERSONNEL

The Group's personnel totaled 536 (538) at the year-end and averaged 538 (525) during the period. The Group employed an average of 268 office personnel and a total of 270 non-office workers during the fiscal year.

AVERAGE NUMBER OF PERSONNEL BY DIVISION

	2003	2002
CHEMICALS		
Office personnel	73	63
Non-office workers	9	13
TOTAL	82	76
SHIPPING		
Office personnel	21	16
Crew members	194	176
TOTAL	215	192
SYSTEMS		
Office personnel	166	170
Non-office workers	67	79
TOTAL	233	249
GROUP MANAGEMENT	8	8
TOTAL	538	525

EQUITY

The total share capital of Aspo Plc as of December 31, 2003, was EUR 17,101,442 on 8,550,721 shares outstanding, each of which has a book value of EUR 2.

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

In addition, the Board has been authorized to decide on the purchase or disposal of the company’s own shares in deviation from the shareholders’ privileges. The shares will be acquired through public trading on the Helsinki Stock Exchange at the market price prevailing at the time of the purchase. The maximum number of shares to be repurchased is 427,536. The authorization of disposals concerns the same amount of shares.

As of February 11, 2004 the Board had not exercised these authorizations, which remain valid until April 10, 2004.

During the fiscal period under review a total of 1,531,107 Aspo Plc shares with a value of EUR 15.4 million changed hands on the Helsinki Stock Exchange. Aspo Plc shares reached a high of EUR 14.00 for the period under review and a low of EUR 8.60. The average price was EUR 10.05 and the year-end closing price was EUR 13.01. The market value of the share capital was EUR 111.2 million as of the end of the fiscal period.

As of December 31, 2003 a total of 42,057 shares were nominee registered or held by non-domestic entities, or 0.5% of the total shares and votes outstanding. The CEO and the members of the Board of Directors were in possession of 755,485 Aspo Plc shares or 8.8% of the company’s shares and votes outstanding as of December 31, 2003.

TAXATION

Aspo has appealed the verdict of the Administrative Court of Helsinki concerning its 1994 tax return to the Supreme Administrative Court. The remittance ordered by the lower court has not yet been paid.

The controversy involves taxation-related asset valuation and merger compensation pertaining to the restructuring of the Group.

BOARD OF DIRECTORS AND AUDITORS

At the Annual Shareholders' Meeting on April 10, 2003, Kari Stadigh, Matti Arteva, Kari Haavisto and Roberto Lencioni were elected as Board members. The members of the Board elected Mr. Stadigh as Chairman and Mr. Arteva as Vice-Chairman.

The terms of Mr. Arteva and Mr. Haavisto will expire at the Annual Shareholders' Meeting in 2004.

The company's current auditor is PricewaterhouseCoopers Oy, Authorized Public Accountants. The auditor in charge is APA Jouko Malinen.

BOARD'S PROPOSALS FOR THE ANNUAL SHAREHOLDERS' MEETING

Dividend Proposal

At the Annual Shareholders' Meeting scheduled for April 1, 2004, the Board of Directors will propose that a dividend totaling EUR 1.40 per share be distributed to the shareholders for the fiscal 2003, such amount comprising a basic dividend of EUR 0.50 and a surplus dividend of EUR 0.90.

The proposed payment date will be April 15, 2004, and the dividend record date will be April 6, 2004.

Proposal for a Convertible Capital Notes Issue

The Board of Directors of Aspo Plc has in its meeting on 11 February 2004 agreed to propose to the Annual Shareholders' Meeting of Aspo Plc to be held on 1 April 2004 that convertible capital notes be issued for subscription by public, on the terms and conditions attached hereto.

The convertible capital notes shall, with deviation from the shareholders' pre-emptive right to subscription, be offered for subscription by public. It is proposed that the shareholders' pre-emptive right to subscription be deviated from, since the objective of the transaction is to increase the Company's growth potential by broadening its investor base.

The maximum amount of the convertible capital notes is EUR 20,000,000. The convertible capital notes will be issued within the electronic book-entry system. The convertible capital notes will be issued to a maximum amount of 40,000 note units with a nominal value of EUR 500. The minimum amount of a subscription for the convertible capital notes shall be EUR 10,000. The Board of Directors of the Company shall decide on the interest to be paid on the convertible capital notes by 1 April 2004. The maturity shall be five years.

The Company has the right to continue the maturity by a maximum of five years, for which period the interest to be paid on the convertible capital notes shall be increased by three percentage points.

Each note unit in the amount of EUR 500 is convertible into 28 Aspo Plc shares, whose book equivalent value is EUR 2. The conversion rate is EUR 17.86. The conversion period shall begin on 2 January 2005 and end on 31 May preceding the end of the maturity.

As a result of the conversion the share capital of Aspo Plc may be increased by a maximum of EUR 2,240,000 and the number of shares by a maximum of 1,120,000.

In total the shares that can be converted on the basis of the convertible capital notes now issued correspond to a maximum of 11.6% of the shares and of the voting rights in the Company after the potential share capital increase.

In addition, the Board applies for share repurchase and disposal authorizations.

IMPLEMENTATION OF IFRS STANDARDS

The Aspo Group will implement the reporting according to IFRS standards in 2005. According to the current estimate the change will not have a significant effect on the result or balance sheet of the Group.

PROSPECTS FOR 2004

The maturity of global economic conditions into sustainable growth remains uncertain. Large regional differences and fluctuations in currency values have added to this uncertainty.

Prospects in Finland and its neighboring markets have improved from a year earlier. Aspo’s divisions are benefiting increasingly from the positive general economic development of the Baltic Sea region, which stabilizes our operations and makes them more predictable. The organic growth of the Chemicals Division is expected to outstrip general economic growth, whereas growth prospects for the Systems Division are slightly negative. We expect significant growth for the Shipping Division as a result of last year’s investments.

We expect the net sales of the Aspo Group as a whole to increase by over 10% and we estimate that the comparable operating profit excluding capital gains will stay at least on last year’s level.

Aspo Chemicals

In general, the demand for chemicals and plastic raw materials is expected to remain steady without major changes. Price fluctuations for different qualities will probably remain above normal. Once demand picks up permanently, prices should rise, since the producers remain under pressure to raise prices.

In our now stable neighboring markets, such as the Baltic states, growth seems to be slowing. Therefore new investments have been increasing for instance in the rapidly growing Ukrainian markets.

Competition remains fierce across all markets. We expect earnings to remain on last year's level, but we anticipate that net sales will increase, which will facilitate the Chemicals Division's chances of improving its profits during this year.

Aspo Shipping

We expect shipping volumes and the net sales of the Shipping Division to continue growing this year. The distribution of cargos will change significantly, as coal's share will decrease while raw materials for the steel industry, such as iron ore pellets, will increase. The distribution of our invoicing currency is changing as well. The dollar's share will fall below half of the total, as the euro becomes our main invoicing currency.

We expect the Shipping Division's profitability to remain unchanged, provided that the dollar stays within the same range as it did during the beginning of the year. Consequently, there are good opportunities for the operating profit to grow this year.

Aspo Systems

We don't expect market conditions for the Systems Division to deteriorate any further. In technology, one positive development is the emergence of on-line and chip card applications. On the other hand, the results of a possible recovery will materialize only in the second half of the year, as the first half is typically weak in this sector. We expect the Division's profit enhancement program to have a concrete impact during the year and the substantial non-recurring expenses incurred last year will decrease significantly.

We expect the net sales of the Systems Division to drop slightly from the previous year but earnings should improve by about EUR 1 million.

Helsinki, February 11, 2004

ASPO Plc
Board of Directors

ASPO GROUP INCOME STATEMENT

	2003 MEUR	2002 MEUR	Change MEUR	Change %
NET SALES	145.2	138.9	6.3	4.5
Other operating income	6.7	3.8	2.9	76.3
Depreciation and write-downs	7.7	7.4	0.3	-4.1
OPERATING PROFIT AFTER DEPRECIATION	13.6	9.0	4.6	51.1
Financial income and expenses	-1.0	-1.0		
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES	12.5	8.0	4.5	56.3
Extraordinary items	-7.7	7.6	-15.3	-201.3
PROFIT BEFORE TAXES AND MINORITY INTEREST	4.8	15.6	-10.8	-69.3
PROFIT FOR THE PERIOD	1.1	13.2	-12.1	-91.7
EARNINGS/SHARE, EUR	1.01	0.66		

ASPO GROUP BALANCE SHEET

	2003 MEUR	2002 MEUR	Change MEUR	Change %
Non-Current Assets				
Intangible assets	0.4	0.9	-0.5	-55.6
Goodwill	3.3	3.5	-0.6	17.1
Tangible assets	71.8	66.0	5.8	8.8
Investments	1.2	0.9	0.3	33.3
Current Assets				
Inventories	12.0	11.7	0.3	2.6
Long-term receivables	0.3	0.2	0.1	50.0
Short-term receivables	19.5	18.7	0.8	4.3
Short-term investments	13.5	10.9	2.6	23.9
Cash and bank deposits	4.1	3.7	0.4	10.8
TOTAL ASSETS	126.1	116.5	9.6	8.2

Shareholders’ Equity				
Share capital	17.1	17.1		
Other shareholders’ equity	38.9	46.3	-7.4	16.0

Minority interest	0.2	0.3	-0.1	33.3
Mandatory reserves	0.4	0.4		
Long-term liabilities	35.0	25.2	9.8	38.8
Short-term liabilities	34.5	27.2	7.3	26.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	126.1	116.5	9.6	8.2

CASH FLOW STATEMENT

	2003 MEUR	2002 MEUR
OPERATIONS		
Operating profit	13.6	9.0
Adjustments to operating profit	2.9	7.4
Net change in working capital	-1.8	1.7
Interest paid	-1.5	-1.6
Interest received	0.4	0.7
Taxes paid	-3.7	-3.3
Net Operational Cash Flow	9.9	13.9
INVESTMENTS		
Investments in tangible and intangible assets	-23.9	-0.5
Gains on the sale of tangible and intangible assets	11.4	2.5
Gains on the sale of shares	1.2	0.5
Sale of subsidiary shares	3.9	
Purchases of subsidiary shares		-6.3
Purchases of affiliate shares	-0.7	
Total Cash Flow From Investments	-8.1	-3.8
FINANCING		
Increase/Decrease in Long-term receivables		0.1
Increase/Decrease in short-term receivables		0.1
Repayments of short-term debt	-1.8	
New short-term debt	19.0	0.5
Repayments of long-term debt	-7.6	-5.0
Back-taxes (entered in extraordinary items)		7.6
Dividends paid	-8.4	-4.8
Total Financing	1.2	-1.5
Increase/Decrease in Liquid –funds	3.0	8.6
Liquid funds in beginning of year	14.6	6.0
Liquid funds at period end	17.6	14.6

KEY FIGURES

Equity/share, EUR	6.55	7.41
Equity Ratio, %	44.8	55.0
Gearing	22.2	9.2
Return on Investment,% (ROI)	16.5	11.9
Return on Equity, % (ROE)	14.5	9.5
Gross Investments, MEUR	24.6	7.4
Average Personnel	538	525

Accumulated excess depreciation and voluntary reserves totalling EUR 35.6 million have been allocated in the balance sheet under the equity, nominal tax liability and minority interest accounts.

ASPO GROUP CONTINGENT LIABILITIES

	2003 MEUR	2002 MEUR
Securities on Group liabilities	13.6	27.6
Leasing liabilities	19.2	21.8
Derivative contracts	3.3	0.7

All figures are unaudited.

Helsinki, 11 February 2004

Aspo Plc

Gustav Nyberg
CEO

Dick Blomqvist
CFO

ATTACHMENT
Terms and Conditions of the Convertible Capital Notes

ANNUAL SHAREHOLDERS’ MEETING

The Aspo Plc Annual Shareholders’ Meeting will be held on Thursday, April 1, 2004 at 14.00 at Hilton Helsinki Strand, John Stenbergin ranta 4, 00530 Helsinki. The record date for the Shareholders’ Meeting is March 22, 2004.

ASPO’S FINANCIAL INFORMATION IN 2004

We have arranged a press conference for the media and analysts to be held today, February 11, 2004, starting at 14.00 at Hotel Palace, Eteläranta 10.

The 2003 Annual Report will be published on the week 12 in Finnish, in English and in Swedish. You can read and order the report on our website at: www.aspo.fi

Aspo Plc will publish three Interim Reports in 2004:
for the first quarter on Thursday 29 April 2004,
for the second quarter on Thursday 19 August 2004, and
for the third quarter on Wednesday 27 October 2004.

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Distribution:
Helsinki Stock Exchange
The media
www.aspo.fi

Aspo Group focuses on logistical services for industry. Aspo serves businesses in the energy and industrial process sectors requiring strong specialist and logistical know-how. Aspo’s net sales in 2003 totaled EUR 145.2 million. About 40% of this came from Aspo Chemicals, 35% from Aspo Shipping and 25% from Aspo Systems.

ASPO PLC CONVERTIBLE CAPITAL NOTES 2004

I Terms and Conditions of the Convertible Capital Notes

1. Amount of the Convertible Capital Notes

The amount of the Convertible Capital Notes (Notes) shall be a maximum of EUR 20,000,000.

The Notes will be issued within the electronic book-entry system kept by Finnish Central Securities Depository Ltd (APK). The Notes will be issued to a maximum amount of 40,000 note units with a nominal value of EUR 500 each, known as subordinated notes ("debentuuri", as referred to in the Promissory Notes Act, Paragraph 5 Section 34, hereinafter Note Unit).

The principal of the Notes shall be entered in the equity in the balance sheet as a separate item.

2. Subscription Rights

The Notes shall be offered for subscription by public, with deviation from the shareholders' pre-emptive right to subscribe for securities. The minimum amount of a subscription for the Notes shall be EUR 10,000.

The Board of Directors of Aspo Plc (Board of Directors) shall decide who shall have the right to subscribe for any Note Units left unsubscribed.

The Board of Directors shall decide on the procedure to be observed in the event of oversubscription, whereby the Board of Directors shall have the possibility of reducing subscriptions. The Board of Directors shall have the right to reject any subscription made in its entirety.

In the event of oversubscription, the Note Units shall be allocated amongst the subscribers who have made approved subscriptions in proportion to the size of their subscriptions. However, the shareholders registered in the shareholders' register of Aspo Plc (Aspo or the Company) on 22 March 2004 shall have the order of priority in proportion to their shareholding.

3. Offer Period and Places of Subscription

The period for receiving subscription offers will commence on 26 April 2004 at 9:30 a.m. and end on or about 7 May 2004 at 04:00 p.m. The Offer Period can be terminated earlier irrespective of the demand situation.

Subscription offers shall be received at subscription places to be defined later by the Board of Directors.

4. Issue Rate and Approval of Subscription Offers

The rate of issue of the Notes is one hundred (100) per cent.

The Board of Directors will decide after the close of the Offer Period, on or about 25 May 2004, on approval of the subscription offers and will notify subscribers in writing of approval of their subscription offers.

5. Payment of Subscriptions

Subscribers shall pay for the Note Units by 4 June 2004, in accordance with separate instructions to be specified later.

6. Maturity

The Notes shall be dated 4 June 2004.

The maturity of the Notes shall be from 4 June 2004 to 4 June 2009. The Notes shall be repaid in a bullet payment on 4 June 2009, providing that the conditions of repayment specified in Section 7 are met.

The Company has the right to continue the maturity by a maximum of five years until 4 June 2014. The decision on continuation of the maturity must be made and published on 30 April 2009 at the latest.

7. Repayment of the Notes

A) Repayment at Maturity

The principal of the Notes may be repaid only if Aspo and the consolidated Group are left with full cover on restricted equity and other non-distributable items, in accordance with the balance sheet approved for the preceding financial year.

Should the conditions for repayment of the Notes not be met at maturity, the principal of the Notes shall be repaid in part to the extent that this is possible within the scope of the conditions of repayment. In other respects, the repayment of the Notes shall always be deferred to the corresponding date in the following year, until the Notes have been repaid in full.

B) Repayment Prior to Maturity

Aspo shall, furthermore, have the right, as from 2 January 2005, to repay the principal of the

Notes in full at the rate of 100 per cent with interest accrued up to the date of the repayment, providing that

a) the conditions for repayment mentioned in Section A) above and for payment of interest mentioned in Section 8 are met,

b) the trade-weighted average price of the Aspo share on the Helsinki Exchanges after 2 January 2005 or immediately prior to said date, has, during 20 of 30 consecutive trading days, exceeded the imputed conversion price specified in the Terms and Conditions of the Notes, or as modified in accordance with the Terms and Conditions of the Notes, by a minimum of 100 per cent, and that

c) the trade-weighted average price of the Aspo share on the trading day preceding the Payment Date exceeds the aforementioned imputed conversion price by not less than 50 per cent.

The Company shall notify the Note Unit holders (Note Unit Holder) of the exercise of the aforementioned right of repayment and of the relevant measures not later than 30 days and not earlier than 60 days prior to the Repayment Date.

The principal of the Notes shall not accrue interest for the period after the announced Repayment Date.

The Company shall, in addition to the repayment specified here, reserve for Note Unit Holders a special right of conversion pursuant to Sections 10 and 19.

Should a Note Unit Holder wish to exercise his right of conversion instead of the repayment as specified here, he/she must demand conversion of the Note Units into shares not later than 14 days prior to the Repayment Date announced by the Company. The Note Unit Holder shall, in this case, have the right to set as a condition for the conversion into shares that repayment be effected on the Repayment Date announced by the Company.

After the conversion has taken place, the Company must, without delay, notify the relevant registration authorities of the number of shares that have been issued against the Note Units.

C) Other Matters Pertaining to Repayment

Note Unit Holders shall be notified of repayment of the Notes in writing on the basis of the information recorded in the book-entry register no later than 30 days prior to repayment.

The principal of the Notes shall be repaid to the party who, at the commencement of the Repayment Date, is entitled to receive the payment according to the information recorded in the relevant book-entry account. If the book-entry unit issued for a Note Unit

is subject to temporary registration on the maturity date as specified in these Terms and Conditions of the Notes, or if the book-entries issued for the Note Unit have been recorded in a consignment account at the commencement of the maturity date, the repayment shall be made on the basis of the information in the book-entry account. If repayment is not possible on the basis of the information recorded in the Bondholder Register, payment shall be made to a party who can demonstrate that the book-entry issued for the Note Unit belonged to him/her at the commencement of the maturity date in accordance with the Terms and Conditions of the Notes.

8. Interest

The Board of Directors shall decide on the interest to be paid on the Notes by 1 April 2004.

If the Company continues the maturity according to Section I.6, the interest to be paid on the Notes for the maturity after 4 June 2009, shall be increased by three (3) percentage points.

The interest will be paid annually in arrears on 4 June (hereinafter Interest Payment Date), for the first time on 4 June 2005, and for the last time at maturity. If an Interest Payment Date is not a banking day, interest can be paid on the following banking day. Adjourning the payment has no effect on the amount of interest.

The first Interest Period shall commence on 4 June 2004 and end on the first Interest Payment Date. Each subsequent Interest Period shall commence on the previous Interest Payment Date and end on the following Interest Payment Date. The final Interest Period shall end on the day by which the Notes are repaid in full.

Interest shall accrue according to actual days, exclusive of the first and inclusive of the last day of each Interest Period. The number of days in the interest year shall be 360.

Interest on the Notes can be paid annually only if the amount payable can be used for the distribution of profits according to the balance sheet of the Company and its consolidated Group as approved for the preceding financial year.

Interest left unpaid shall remain a liability of the Company and shall earn annual interest of two (2) percentage points in excess of the interest rate payable on the Notes. The Company shall be permitted to pay interest, the payment of which it has previously deferred, as well as the interest accrued on it in full or in part, at a date which it shall announce. If payment is made in part, the interest accrued on the original interest shall be payable first. Interest left unpaid and the interest which has accrued on it must be paid nevertheless in full

a)on the banking day following approval of the consolidated balance sheet, providing this is possible according to the balance sheet on the conditions set out in the previous paragraph, or

b) on repayment of the principal of the Notes. Interest left unpaid shall not earn further interest for the time after the announced Repayment Date.

The Company shall notify Note Unit Holders, in accordance with Section 19, of the deferral of payment of interest and the payment of interest left unpaid not later than five (5) banking days prior to the Interest Payment Date.

Interest accrued on interest left unpaid shall rank senior, after which unpaid interest balances shall be paid and then the interest earned for the previous year.

If the Notes cannot be repaid at maturity, the interest payable on the unpaid principal of the Notes shall be two (2) percentage points in excess of the annual interest rate confirmed to this Notes up to the Payment Date.

Interest shall be paid to a party who, according to the information recorded in the Bondholder Register at the commencement of the maturity date under the Terms and Conditions of the Notes, is entitled to receive such payment.

If the book-entry unit issued for a Note Unit is subject to temporary registration on the maturity date as specified in these Terms and Conditions of the Notes, or if the book-entries issued for the Note Unit have been recorded in a consignment account at the commencement of the maturity date, repayment shall be made on the basis of the information in the book-entry account. If repayment is not possible on the basis of the information in the book-entry account, payment shall be made to a party who can demonstrate that the book-entry issued for the Note belonged to him at the commencement of the maturity date in accordance with the Terms and Conditions of the Notes.

The Company can pay dividends to its shareholders if, and only if, all interest payments due to the Note Unit Holders, as well as any unpaid interest and interest accrued on it, have been taken into account as an imputed reduction in non-restricted equity.

The provisions governing a Note Unit Holder’s right to the payment of interest upon conversion of Note Units into shares are set out hereinafter in Section 14.

9. Priority Ranking of the Notes

Should the Company be placed in liquidation, the Notes shall fall due for repayment 90 days after the notice of liquidation has been entered into the Trade Register.

The Notes are a capital loan whose principal, interest, and any other yield may be paid on dissolution or bankruptcy of the Company solely at a priority ranking below that of all other creditors.

These Notes shall have the same priority ranking as any capital loans or comparable instruments which the Company may issue in the future.

Receivables based on the Notes may not be used to offset counterclaims.

The Notes are not secured by a guarantee or other collateral.

II Terms and Conditions of Conversion

The Notes can be converted into Aspo shares on the following Terms and Conditions:

10. Rate of Conversion

Each Note Unit in the amount of EUR 500 entitles the Note Unit Holder to convert the Note Unit into 28 Aspo shares whose book equivalent value is EUR 2.00. The conversion rate is EUR 17.86.

The Notes shall be convertible into a maximum total of 1,120,000 shares.

If a Note Unit Holder, upon conversion of Note Units into shares, receives a fraction of a share, he/she shall receive a cash payment for said fraction. The price of the share in such a case shall be the closing price of the share in continuous trading on the preceding trading day. If a Note Unit Holder converts more than one Note Unit into shares at the same time, the number of full shares shall be calculated on the basis of the number of all the Note Units.

11. Conversion Period

The conversion period for the Notes shall commence on 2 January 2005 and end on 31 May preceding the end of the maturity.

The annual conversion period for the Notes shall be from 2 January to 30 November. In the cases set out in Section 7 B), conversion into shares can also take place from 1 December to 31 December if the Board of Directors so decides. Should the share capital of the Company be changed in the manner mentioned in Section 15 or for some other weighty reason, the Board of Directors may temporarily suspend conversion of the Note Units into shares.

12. Entries in Book-Entry Accounts

The book-entry units applied in making a conversion will be removed from the Note Unit Holder’s book-entry account at the same time as the shares received as a result of conversion are entered in the book-entry account.

The Company shall have the right, upon receipt of a notification of conversion, to record in the relevant book-entry account a restriction on transfer concerning the Note Unit which is used in making the conversion, without recourse to the Note Unit Holder.

13. Increase in Share Capital through Conversion of Notes

The share capital of Aspo can be increased through a conversion of Note Units by a maximum of EUR 2,240,000, and the number of shares can increase by a maximum of 1,120,000 new shares.

14. Dividends and Other Shareholder Rights

New shares entitle their holders to a dividend for the first time for the financial year during which the conversion has taken place. Other shareholder rights shall commence from the date on which the increase in share capital is entered into the Trade Register.

When Note Units are converted into shares, the Note Unit Holder shall not be entitled to interest accrued on the principal of the Notes from the beginning of the preceding Interest Period. If, however, interest is due from a previous Interest Period and the interest accrued on this amount has not been paid by the conversion date owing to a cause mentioned in Section 8 of the Terms and Conditions of the Notes, or if it cannot be paid in accordance with said Section, the provisions of Section 8 shall be applied to the payment of said accrued interest, and when the conversion is made, a separate certificate for the amount of interest due shall be issued to the Note Unit Holder.

15. Share Issues, Convertible Notes, Stock Options, and Other Instruments entitling their Holder to Shares prior to the Close of the Conversion Period

Should the Company, prior to the close of the conversion period, increase its share capital through a new issue or issue new stock options or issue new convertible loans or other instruments entitling their holders to shares under the Finnish Companies Act such that the shareholder has a pre-emptive right of subscription, the Note Unit Holder shall have a right which is the same or equal to that of a shareholder. His/her principle of equality shall be implemented in a manner decided by the Board of Directors such that

a)the number of shares which can be received through conversion is changed, or

b)the Note Unit Holder is offered a similar subscription right to that of shareholders, or

c) a combination of the methods mentioned above in Sections a) and b) is used.

Should the Company, prior to the close of the conversion period, increase its share capital through a bonus issue, the rate of conversion shall be changed such that the proportion of the share capital represented by the shares to be received as a result of conversion remains unchanged.

16. Rights of Note Unit Holders in Certain Special Cases

Should the Company reduce its share capital otherwise than in the ways mentioned in Chapter 6 of the Finnish Companies Act, Section 1, Paragraphs 1, 4 and 5, prior to the close of the conversion period, the conversion rate shall be amended accordingly in the manner specified in detail in the resolution to reduce share capital. If the share capital is reduced in the ways set out in the aforementioned legal provisions, the reduction of share capital shall not have an effect on the conversion rate.

Should the Company buy back its own shares in proportion to the holdings of the shareholders, prior to the close of the conversion period, Note Unit Holders shall have a right that is the same or equal to that of shareholders. The principle of equality shall be implemented in a manner decided by the Board of Directors such that the number of shares to be received as a result of conversion shall be altered, or such that an opportunity shall be reserved for Note Unit Holders to exercise their conversion right, prior to the commencement of the share buyback, during a fixed period set by the Board of Directors.

Should the Company be placed in liquidation, prior to the close of the conversion period, an opportunity shall be reserved for Note Unit Holders to exercise their conversion right, during a fixed period set by the Board of Directors, prior to the commencement of liquidation.

Should a situation, prior to the close of the conversion period, arise of the type specified in Chapter 14, Section 19, of the Finnish Companies Act, whereby a shareholder holds more than 90% of the Company’s shares and voting rights and thus has a right and obligation to redeem the remaining shares, an opportunity shall be reserved for Note Unit Holders to exercise their conversion right during a fixed period set by the Board of Directors, after which time the conversion right will lapse.

Should the Company be changed from a public company into a private company, prior to the close of the conversion period, an opportunity shall be reserved for Note Unit Holders to exercise their conversion right, during a fixed period set by the Board of Directors, prior to the change.

Should the Company, prior to the close of the conversion period, decide to merge, not being the surviving entity, into another company or into a company to be formed as the result of a combination merger, or decide to demerge, an opportunity shall be reserved for Note Unit Holders to exercise their conversion right, during a fixed period set by the Board of Directors, after which time the conversion right will lapse.

Should, prior to the close of the conversion period, the book equivalent value of the share be changed such that the share capital remains unchanged, the conversion rate shall be changed such that the aggregate book equivalent value of the shares to be received as a result of conversion and the aggregate imputed conversion price remain unchanged.

III Other Terms and Conditions

17. Technical Amendments

The Board of Directors shall have the right to amend the technical procedures connected with the Notes in respect of payments and conversion into shares or other similar matter without the consent of Note Unit Holders or Note Unit Holders’ meeting.

The Company shall advise Note Unit Holders of any amendments in accordance with Section 19.

The Notes shall be applied for public listing in the Helsinki Exchanges.

18. Note Unit Holders’ Meeting

(A) The Board of Directors shall have the right to convene a meeting of the Note Unit Holders of these Notes (Note Unit Holders’ Meeting) to decide on amendments to the Terms and Conditions of the Notes.

(B) Notice of a Note Unit Holders’ Meeting shall be published no later than 10 days prior to the meeting in accordance with Section 19. The notice shall specify the date, hour, place, and agenda of the meeting, as well as the procedure for registering to attend the meeting.

(C) The Note Unit Holders’ Meeting must be held in Helsinki and its chairman shall be appointed by the Company.

(D) The Note Unit Holders’ Meeting shall have a quorum if two or more persons together holding at least 50% of the outstanding principal amount of the Notes are present. The Note Unit Holders’ Meeting shall, nevertheless, only have a quorum for passing an extraordinary resolution pursuant to Section 18 (I) if two or more persons are present who together represent at least 75% of the outstanding principal amount of the Notes.

(E) If the Note Unit Holders’ Meeting does not have a quorum within 30 minutes of the time for starting the meeting as set forth in the notice, consideration of the agenda of the meeting can be deferred to a new Note Unit Holders’ Meeting at the request of the Company, said meeting to be held within no less than 14 days and no more than 28 days at a place designated by the Company.

The new Note Unit Holders’ Meeting shall have a quorum if two or more persons together representing at least 10% of the outstanding principal amount of the Notes are present. The new Note Unit Holders’ Meeting shall, nevertheless, constitute a quorum for the purpose of passing an extraordinary resolution pursuant to Section 18 (I) only if two or more persons are present who together represent at least 67% of the outstanding principal amount of the Notes.

(F) Notice of a new Note Unit Holders’ Meeting to be held owing to an adjournment, shall be published in the same manner as the notice convening the original meeting. The notice shall furthermore state the conditions under which a quorum shall be constituted.

(G) Note Unit Holders’ voting rights shall be determined on the basis of the principal amount of Note Units held. Aspo and the consolidated companies of the Aspo Group shall not hold voting rights at the Note Unit Holders’ Meeting.

Resolutions of the Note Unit Holders’ Meeting shall be passed by a simple majority of the votes cast. Should the voting result in a tie, the chairman shall have the casting vote. An extraordinary resolution pursuant to Section 18 (I) shall be passed, however, only if it obtains at least three-quarters of the votes cast.

(H) A representative of the Company and a person authorized to act for the Company shall have the right to attend and speak at a Note Unit Holders’ Meeting.

(I) A Note Unit Holders’ Meeting shall have the right to decide on the following matters, which may be set forth in a proposal of the Board of Directors, subject to an extraordinary resolution supported by a minimum of three-quarters of the votes cast:

(a) altering the basis of calculating the interest on the Notes,

(b) changing the denomination of the Notes,

(c) amending the conditions under which a Note Unit Holders’ Meeting shall have a quorum or amending the qualified majority requirement for passing an extraordinary resolution and

(d) amending Section 9 of the Terms and Conditions of the Notes.

(J) Resolutions passed by a Note Unit Holders’ Meeting shall be binding upon all Note Unit Holders, regardless of whether they are present at a meeting and of whether the resolution of the Note Unit Holders’ Meeting has been entered in their Note Units. Note Unit Holders are obliged to inform subsequent transferees of the Note Units of the resolutions of the Note Unit Holders’ Meeting.

(K) Terms and Conditions of the Notes, the amendment of which requires the approval of a General Meeting of Shareholders of Aspo may not be amended by a resolution of a Note Unit Holders’ Meeting before the General Meeting of Shareholders has given its approval.

(L) Where, in accordance with the Terms and Conditions of the Notes, the Company may unilaterally decide on a measure, a decision taken on such a matter shall not require the approval of a Note Unit Holders’ Meeting.

(M) A reduction of the principal amount or the interest of these Notes and an amendment to the last paragraph of Section 8 of these Terms and Conditions shall require the consent of all the Note Unit Holders as given at a Note Unit Holders’ Meeting or in some other certifiable manner.

19. Notices

Note Unit Holders shall be obliged to inform the Company in case of changes in his/her contact information or in case he/she transfers his/her Note Units.

Note Unit Holders shall be advised of matters pertaining to the Notes by means of a notice published in Helsingin Sanomat or in another national daily newspaper designated by the Board of

Directors. Note Unit Holders shall be considered to have received notification when the notice has been published in Helsingin Sanomat or in another national daily newspaper designated by the Board of Directors.

In addition to the procedure described in the previous paragraph, the Company can deliver notifications concerning the Notes in writing directly to Note Unit Holders, making said delivery to the addresses they have informed to the Company. Mailed notification shall be considered to have been delivered on the date when the delivery has been left in the post office. In this context, a Note Unit Holder is deemed to be the party who, on the day of publication of the notice, has been entered as a Note Unit Holder for the Notes in the Bondholder Register which is kept by Finnish Central Securities Depository Ltd.

20. Statute of Limitations

Where payment of the principal or interest has not been possible, due to missing contact information, within five years of the date on which payment was first due under the Terms and Conditions of these Notes, the right to any and all payment shall be forfeit.

21. Governing Law

These Convertible Capital Notes shall be governed by Finnish law, and disputes arising in respect of them shall be resolved in a competent court in Finland.

22. Force Majeure

Aspo cannot be held responsible for the unreasonable impairment of its operations due to a case of force majeure or a similar cause.

23. Information

Copies of the documents pertaining to the Notes shall be available for public inspection at the Head Office of Aspo at Lautatarhankatu 8 B, 00580 Helsinki.

These terms and conditions have been made in Finnish and English. In case of any discrepancy between the Finnish and English terms and conditions, the Finnish terms and conditions are decisive.