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ASPO GROUP INTERIM REPORT JANUARY 1 TO MARCH 31, 2011

Net sales and operating profit grew considerably
(comparative figures are for January-March 2010)

January-March 2011
- Aspo Group's net sales grew by 28% and amounted to EUR 106.7 million (EUR 83.4 million)
- Operating profit grew by 38% to EUR 2.9 million (EUR 2.1 million)
- Profit before taxes amounted to EUR 1.5 million (EUR 1.0 million)
- Earnings per share stood at EUR 0.04 (EUR 0.02)
- Aspo collected approximately EUR 20 million in new equity with a rights issue that ended after the review period.

Aspo changes its guidance.
New guidance for 2011: Aspo will increase its net sales by 10-20% and improve its operating profit.
Guidance given in the financial statement release on February 14, 2011: Aspo has the preconditions to increase its net sales and improve its earnings per share.

KEY FIGURES

	1-3/2011	1-3/2010	1-12/2010
Net sales, MEUR	106.7	83.4	395.9
Operating profit, MEUR	2.9	2.1	17.9
Share of net sales, %	2.7	2.5	4.5
Profit before taxes, MEUR	1.5	1.0	14.1
Share of net sales, %	1.4	1.2	3.6
Personnel at the end of period	739	702	712
Earnings per share, EUR	0.04	0.02	0.40
EPS adjusted for dilution, EUR	0.04	0.03	0.41
Equity per share, EUR	2.66	2.66	2.63
Equity ratio, %	31.7	36.2	33.2
Gearing, %	115.8	92.1	101.5

AKI OJANEN, ASPO'S CEO:

"Aspo's net sales and operating profit grew considerably. All operating segments increased their net sales and three operating segments were also successful in improving their operating profit. The Group's operating profit grew from the comparison period as Leipurin, Telko and Kaukomarkkinat improved their operating profit significantly.

ESL Shipping's operating profit was weakened by the costs incurred by the ice conditions of the Baltic Sea. The costs increased sharply during the worst ice conditions. Ice conditions are estimated to have been the worst for twenty-five years due to large pack ice areas and strong winds. The ships of our shipping company are efficient ice-strengthened vessels able to operate in difficult conditions. Ship traffic has increased on the Baltic Sea. Some of the ships with operating permission for the area are small and low-powered. All vessels are equally provided with ice-breaking help, which decelerates the whole ship traffic. Because of ship traffic restrictions set by authorities due to ice conditions, the ships can operate only when they get help or have operating permission. Our vessels waited for ice breaking help or operating permission for a total of 70 days. In addition, navigating in icy sea conditions reduces travel speed and substantially increases fuel consumption.

The Group's strategic goal is to grow in Russia, the Ukraine, and other CIS countries. We were successful with this during the review period. Aspo increased its net sales by 81% in these countries as compared with the previous year's first quarter.

Aspo has implemented a rights issue based on the shareholders' pre-emptive subscription right after the review period. The offered shares were subscribed up to 120.8%. A total of 98.6% of the shares were subscribed using the subscription right and the remaining part without subscription right. The new capital, nearly EUR 20 million, enables Aspo to continue with its growth strategy and strengthens the company's balance sheet."

ASPO AS A COMPANY

Aspo is a conglomerate that owns and develops business operations in northern Europe and growth markets, focusing on demanding B-to-B customers. Aspo’s strong company brands – ESL Shipping, Leipurin, Telko and Kaukomarkkinat – aim to be the market leaders in their sectors. They are responsible for their own operations, customer relationships, and the development of these. Together they generate Aspo’s goodwill. Aspo’s Group structure and business operations are continually developed without any predefined schedules.

Aspo’s operating segments are ESL Shipping, Leipurin, Telko and Kaukomarkkinat. Other operations include Aspo Group’s administration and other operations not belonging to the business units.

The Group monitors its net sales on the basis of the following geographical division: Finland, the Nordic countries, the Baltic countries, Russia + Ukraine + other CIS countries, and other countries.

OPERATIONAL PERFORMANCE

General uncertainty has continued in economic life. Uncertainty in the global economy was particularly visible as a change in the value of currencies, and the risk of inflation as an increase in the interest rate. Energy and raw material prices have risen due to increased international demand. The production volume for the basic industry has continued to improve in Aspo's market area, which has increased the demand for petrochemical products, food raw materials and industrial raw material cargos.

ESL Shipping

ESL Shipping is the leading dry bulk sea transport company operating in the Baltic Sea area. At the end of the review period, the company's fleet consisted of 15 vessels, of which the company owns 12 in full. Two are leased and one is partially owned.

	1-3/2011	1-3/2010	Change	1-12/2010
Net sales, MEUR	20.5	17.3	3.2	79.5
Operating profit, MEUR	0.4	1.4	-1.0	11.5
Personnel	179	186	-7	183

The dry bulk cargo price level has decreased worldwide. ESL Shipping's vessels operate mainly with long-term transport agreements. In the first half of the year, the shipping company leased external capacity due to difficult wintertime ice conditions. The capacity increase enabled the company to ensure that the agreements of long-term customers could be fulfilled.

The exceptionally difficult ice conditions weakened operating profit in February-March in particular. Profitability was weakened by decreased vessel speeds, rapidly growing fuel consumption and the long waiting times due to ice conditions in the navigation routes.

The ice conditions were extremely difficult in February. Harsh frosts were followed by strong winds, which set pack ice areas in exceptionally swift motion compared to preceding years. Authorities restricted the navigation of vessels because of strong winds and the vessels had to wait for operating permissions and the help provided by ice-breakers. The ice-breaking capacity could not fully respond to the challenges set by last winter. The shipping company's vessels had to wait for either operating permission or the helping ice-breaker for a total of 70 days. The company was able to ensure the transport of raw material deliveries for the customers with efficient operation. Winter traffic witnessed four averages. However, the company managed to repair the damage caused by them without dockings.

The cargo volume carried by ESL Shipping in January-March amounted to 2.8 million tons (2.9). The steel industry accounted for 1.8 million tons (2.1) and the energy industry 0.9 million tons (0.7) of the volume.

Net sales amounted to EUR 20.5 million (17.3). Profitability weakened and operating profit was EUR 0.4 million (1.4).

During the period, ESL Shipping signed a significant, long-term contract with Rautaruukki Corporation for the marine transport of raw materials on the Baltic Sea. The contract makes it possible for the contracting parties to make long-term operational plans, and for ESL Shipping to renovate the barge stock used for the steel industry's transport purposes in the summer of 2011.

An 18,800 dwt vessel, m/s Alppila, is being built in India. The vessel will be delivered to the shipping company after a trial run and it will be ready for operation in the Baltic Sea area next fall. The vessel is in ESL Shipping's Eira class and will be built to the highest ice class, 1A Super. ESL Shipping will lease the vessel with a long-term leasing agreement.

Two ice-strengthened supramax vessels ordered from the Korean Hyundai Mipo shipyard are under construction in Vietnam. One of the vessels may be completed already in 2011 and the other in the spring of 2012. Both vessels are financed with a term loan facility.

Leipurin

Leipurin serves the baking and food industry by supplying ingredients, production machinery, and production lines, as well as related expertise. Leipurin operates in Finland, Russia, Poland, the Baltic countries, the Ukraine, Belarus, and Kazakhstan. In Russia, Leipurin has operations in several large cities in addition to St. Petersburg and Moscow. Procurement operations are international.

	1-3/2011	1-3/2010	Change	1-12/2010
Net sales, MEUR	29.9	25.2	4.7	108.7
Operating profit, MEUR	1.5	0.7	0.8	3.6
Personnel	232	224	8	226

Raw material prices in the food industry strengthened slightly during the period under review.

Bakery raw material sales continued to show positive development and grew by 17% as compared with the comparison period. Net sales grew particularly in Russia and the Baltic countries. Leipurin continued to focus and expand its operations in the growing markets. The net sales of the business in Russia, the Ukraine and other CIS countries was EUR 6.2 million (5.3); that is, 20.7% of Leipurin's total net sales and operating profit was 6.9% of net sales.

The operating profit in the Leipurin business was 5.0% of net sales; operating profit grew by 114% and was EUR 1.5 million (0.7).

The sale of bakery machinery and lines was better than in the comparison period last year and grew by 52%.

Telko

Telko is the leading expert and supplier of industrial chemicals and plastic raw materials in the Baltic Sea region. It operates in Finland, the Baltic countries, Scandinavia, Poland, the Ukraine, Russia, Belarus, Kazakhstan, and China. Procurement operations are international. Business is based on representation by the best international principals and on the expertise of the personnel. Telko develops the production and competitiveness of its customers' products in cooperation with them.

	1-3/2011	1-3/2010	Change	1-12/2010
Net sales, MEUR	48.1	34.5	13.6	175.2
Operating profit, MEUR	1.7	1.6	0.1	6.8
Personnel	225	191	34	199

The prices of raw materials sold strengthened further. Basic industrial demand was better than in the comparison period last year.

Telko was able to improve its operating profit in industrial chemicals and plastic raw materials. Its operating profit grew and amounted to EUR 1.7 million (1.6). The operating profit for the comparison period in 2010 is improved by the dissolution of the provision for bad debt, worth EUR 0.4 million.

Telko's restructuring measures have decreased fixed costs and Telko's net sales and profitability have improved thanks to new principals, customers and market areas.

Of all market areas, the developing markets' share increased both in net sales and profitability. The net sales of the business in Russia, the Ukraine, and other CIS countries was EUR 17.8 million (11.5); that is, 37% of total net sales and operating profit was 4.6% of net sales. The operating profit of Telko's business was 3.5% of net sales.

Kaukomarkkinat

Kaukomarkkinat specializes in energy efficiency technology, solutions to improve efficiency in the process industry, and security and digital products. Operations are based on the products of the best companies in the industry and the willingness of the company's own experts to improve the operations and efficiency of its customers. Kaukomarkkinat operates in Finland, Poland, Russia, China, and Vietnam.

	1-3/2011	1-3/2010	Change	1-12/2010
Net sales, MEUR	8.2	6.4	1.8	32.5
Operating profit, MEUR	0.4	-0.4	0.8	0.6
Personnel	90	87	3	91

Kaukomarkkinat's net sales and operating profit grew. In particular Finnish AV sales and Far Eastern project sales increased their net sales. The company's AV sales delivered large screen applications used in in-store advertising to a major Finnish store chain. The operating profit for Chinese project deliveries was positive and the order book is normal.

The order book and net sales for local energy equipment were good with regard to the season. Orders in major energy project deliveries have, at the municipality level, waited for the government's decisions on energy subsidies to be made project-by-project during the second quarter.

Other operations

Other operations include Aspo Group's administration and other operations not belonging to the business units.

	1-3/2011	1-3/2010	Change	1-12/2010
Net sales, MEUR	0.0	0.0	0.0	0.0
Operating profit, MEUR	-1.1	-1.2	0.1	-4.6
Personnel	13	14	-1	13

NET SALES

Aspo Group's net sales grew by EUR 23.3 million or 27.9% to EUR 106.7 million (83.4).

Net sales by segment, MEUR

	1-3/2011	1-3/2010	Change	1-12/2010
ESL Shipping	20.5	17.3	3.2	79.5
Leipurin	29.9	25.2	4.7	108.7
Telko	48.1	34.5	13.6	175.2
Kaukomarkkinat	8.2	6.4	1.8	32.5
Other operations	0.0	0.0	0.0	0.0
Total	106.7	83.4	23.3	395.9

There is no considerable inter-segment net sales.

Net sales by market area, MEUR

	1-3/2011	1-3/2010	Change	1-12/2010
Finland	45.2	35.8	9.4	167.1
Nordic countries	10.9	11.2	-0.3	51.9
Baltic countries	11.2	9.0	2.2	43.8
Russia, Ukraine + other CIS countries	30.7	17.0	13.7	88.5
Other countries	8.7	10.4	-1.7	44.6
Total	106.7	83.4	23.3	395.9

Net sales in Russia, the Ukraine and other CIS countries developed well in Leipurin and Telko. When ESL Shipping's raw material export transport from Russia is included in the net sales figures, the share of Russia is emphasized in the Group.

	1-3/2011	1-3/2010	Change	1-12/2010
Russia, Ukraine + other CIS countries	38.3	22.0	16.3	112.0

EARNINGS

Aspo Group's operating profit in January-March amounted to EUR 2.9 million (2.1). ESL Shipping's operating profit decreased to EUR 0.4 million (1.4). Leipurin's operating profit was EUR 1.5 million (0.7). Telko's operating profit increased by EUR 0.1 million to EUR 1.7 million (1.6). Kaukomarkkinat's operating profit was EUR 0.4 million (-0.4).

Other operations include Aspo Group's administration and a small share of other items not belonging to the business units. The operating profit of other operations was negative, amounting to EUR -1.1 million (-1.2).

Operating profit by segment, MEUR

	1-3/2011	1-3/2010	Change	1-12/2010
ESL Shipping	0.4	1.4	-1.0	11.5
Leipurin	1.5	0.7	0.8	3.6
Telko	1.7	1.6	0.1	6.8
Kaukomarkkinat	0.4	-0.4	0.8	0.6
Other operations	-1.1	-1.2	0.1	-4.6
Total	2.9	2.1	0.8	17.9

Earnings per share

Earnings per share was EUR 0.04 (0.02) and diluted earnings per share was EUR 0.04 (0.03). Equity per share was EUR 2.66 (2.66).

INVESTMENTS

The Group's investments amounted to EUR 9.9 million (0.4). Most of the investments consisted of the advance payments for supramax vessel orders of ESL Shipping.

Investments by segment, acquisitions excluded, MEUR

	1-3/2011	1-3/2010	Change	1-12/2010
ESL Shipping	9.6	0.1	9.5	11.1
Leipurin	0.1	0.1	0.0	0.3
Telko	0.2	0.1	0.1	0.9
Kaukomarkkinat	0.0	0.0	0.0	0.8
Other operations	0.0	0.1	-0.1	0.1
Total	9.9	0.4	9.5	13.2

FINANCING

The Group's financing position weakened compared to the first quarter in 2010. The Group's cash and cash equivalents amounted to EUR 6.4 million (5.9). There was a total of EUR 88.4 million (69.1) in interest-bearing liabilities on the consolidated balance sheet. The growth in interest-bearing liabilities was affected by payments related to ESL Shipping's vessel investments. Interest-free liabilities totaled EUR 68.0 million (52.7).

Aspo Group's net gearing was 115.8% (92.1), return on equity was 6.5% (3.2), and equity ratio was 31.7% (36.2).

The Group's cash flow from operations was negative in the review period, totaling EUR -2.9 million (-4.3). At the end of the period, the change in working capital stood at EUR -6.0 million (-6.7).

Cash flow from investments was EUR -9.8 million, which means that the Group's free cash flow was EUR -12.7 million in the review period.

The amount of binding revolving credit facilities signed between Aspo and its key banks stood at EUR 40 million at the end of the period. The total amount of revolving credit facilities was decreased by EUR 10 million in the review period. The amount of revolving credit facilities was decreased voluntarily while the number of long-term financing agreements was increased. At the end of the review period, EUR 30 million of the revolving credit facilities was unused. ESL Shipping signed a ship financing agreement during the period under review. The value of the agreement is EUR 25 million, and the loan period is 10 years.

Convertible capital loan

On March 31, 2011, Aspo Plc had EUR 10,800,000 in a convertible capital loan issued in 2009. The loan period is from June 30, 2009 to June 30, 2014. The loan will be repaid in one installment on June 30, 2014, assuming that the repayment conditions outlined in Chapter 12 of the Finnish Companies Act and the loan terms are met. The loan has a fixed interest rate of 7%.

The loan units can be converted into Aspo shares. Each EUR 50,000 loan unit entitled the loan unit holder to convert the loan unit into 7,690 shares in Aspo Plc at the end of the review period. The conversion rate was EUR 6.50. The loan can be converted annually between January 2 and November 30. The conversion period ends on June 15, 2014. During January-March 2011, 215,320 new shares were subscribed with 28 loan units.

Related party loans

Aspo Plc has granted a EUR 2.8 million loan to Aspo Management Oy, one of the company's related parties and controlled by the company, as part of a new shareholding plan for the Group. The interest of the loan receivable is 3%. The loan receivable falls due on March 31, 2014. It can be extended to March 31, 2016 at the latest. Aspo Plc's shares are used as collateral. The company has been consolidated in the financial statements. The loan is market-based.

RISKS AND RISK MANAGEMENT

In 2011, the sluggish upturn in the economic situation continued, which has lowered risk levels in all sectors. The improved economic situation is visible as increased inflation expectations and increased interest rates.

At the Group level, strategic risks are decreased by the fact that business operations are divided into four sectors and operations are carried out in a wide geographical area. Operative risks have decreased and the likelihood of materialization is lower, but the changes in the market as an aftermath of the recession are constantly monitored. Increased prices may result in a change in the value of inventories and cause reasonable price risks. Quick positive changes in financial structures may also cause risks due to changes in the customer or principal structure or technologies, and due to the fact that possibilities that require fast reaction remain unutilized.

Aspo is growing in developing market areas where growth risks are also affected by industrial and commercial investments, interest rate levels, exchange rates, and customers' liquidity, as well as changes in legislation and import regulations. Consumer behavior is also reflected in the risks generated through B-to-B customers and the risk levels. The industrial demand in Western countries has improved as the economy has recovered and risk levels have generally decreased. The changes in demand in emerging markets show a similar trend, but these changes are more difficult to predict.

Aspo has avoided considerable exchange rate losses due to active hedging of currency positions and currency flow. Credit loss risks have stabilized, but in the aftermath of the recession, we are still keeping a close eye on our customers.

The risks caused by the aftermath of the economic recession were monitored closely at Aspo. The company continued to carry out final risk analyses controlled by external assessors and to make continuity plans. The company reviews insurance coverage, complete with its risk levels, on a continuous basis to minimize loss risks.

One of the tasks of the audit committee established by Aspo's Board of Directors is to monitor the efficiency of the Group's internal supervision, internal audits, and risk management systems. The audit committee monitors the risk management process and carries out necessary measures to prevent strategic risks in particular. In accordance with the internal supervision principles approved by the Board of Directors, risk management is part of Aspo's internal supervision, and its task is to ensure the implementation of the Group's strategy, development of financial results, shareholder value, dividend payment ability, and continuity in business operations. The operational management of the business areas is responsible for risk management. The management is responsible for specifying sufficient measures, their implementation, and for monitoring and ensuring that the measures are implemented as part of day-to-day operational control. Risk management is coordinated by Aspo's CFO, who reports to the Group CEO.

Goodwill reflects the performance ability of each sector with capital employed, and the related risks are monitored with sector-specific impairment testing at least annually.

Aspo Group's financing and financing risk management are centralized in the parent company in accordance with the financing policy approved by the Board of Directors.

PERSONNEL

Personnel by segment, end of period

	1-3/2011	1-3/2010	Change	1-12/2010
ESL Shipping	179	186	-7	183
Leipurin	232	224	8	226
Telko	225	191	34	199
Kaukomarkkinat	90	87	3	91
Other operations	13	14	-1	13
Total	739	702	37	712

At the end of the period, Aspo Group employed 739 employees (702).

Changes in the total number of employees are due to an increase caused by organic growth and seasonal fluctuation in the number of ship personnel employed. The growth in the number of employees was relatively highest in Russia, Ukraine and other CIS countries, as well as in China.

Rewarding

Aspo Group has a profit bonus system. Part of the Group's profit is paid as a profit bonus to the personnel fund. The personnel fund aims to use most of the profit bonuses for the purchase of shares in Aspo Plc. The long-term goal is that the personnel will become a significant shareholder group in the company. All persons working at Aspo Group's Finnish subsidiaries are members of the personnel fund. Aspo's business areas pay part of their earnings as bonuses to the personnel. The calculation principles for the bonuses are decided upon by business area.

In 2009, Aspo's Board of Directors decided on a shareholding program for the Group's key personnel. The potential gain is based on continuation of the key employees' employment relationships and Aspo Group's cumulative Earnings per Share indicator (EPS) over the period of 2009–2011. The potential gain will be paid partly in Aspo shares and partly in cash between January and March 2012. The management shareholding program encompasses about 30 persons in Aspo's management and key personnel.

On October 26, 2010, Aspo's Board decided on a new shareholding plan for Aspo Group's management. The purpose of the plan is to enable considerable long-term ownership in Aspo for those involved in the plan. For the shareholding, the participants acquired a company called Aspo Management Oy, whose entire stock they own. Aspo Management Oy acquired 114,523 Aspo shares from the participants at market price. In addition, Aspo assigned 322,637 shares at EUR 7.93 per share to the company in a directed share issue. As part of the arrangement, the Board decided to grant Aspo Management Oy a EUR 2,800,000 interest-bearing loan to finance the share purchase. The plan is valid until the spring of 2014 and dissolved after that in a manner to be decided upon later. The plan will be extended for one year at a time if Aspo's share price at the beginning of 2014, 2015, or 2016 is below the average price at which Aspo Management Oy acquired the Aspo shares it owns. There are restrictions on the right of disposal of the shares for the duration of the plan. The participants' holding in Aspo Management Oy remains primarily valid until the system is dissolved.

SHARE CAPITAL AND SHARES

Aspo Plc’s registered share capital on March 31, 2011, was EUR 17,691,729.57, and the total number of shares was 27,052,023, of which the company held 254,233 shares, i.e. 0.94% of the share capital. Aspo Plc has one share series. Each share entitles the shareholder to one vote at the shareholder’s meeting. Aspo’s share is quoted on NASDAQ OMX Helsinki Ltd’s medium-sized companies group under industrial products and services.

From January to March 2011 a total of 1 096 149 Aspo Plc shares with a market value of EUR 8.77 million were traded on NASDAQ OMX Helsinki, in other words, 4.1% of the stock changed hands. In January–March, the stock reached a high of EUR 9.30 and a low of EUR 8.19. The average price was EUR 8.78 and the closing price at the end of the period was EUR 8.85. At the end of the period, the market capitalization excluding treasury shares was EUR 237.2 million.

At the end of the period, the number of Aspo Plc shareholders was 5,938. A total of 696,432 shares, or 2.6 % of the total share capital, were nominee registered or held by non-domestic shareholders.

DECISIONS OF THE ANNUAL SHAREHOLDERS’ MEETING

Dividend

The Annual Shareholders’ Meeting of Aspo Plc on April 5, 2011, approved the payment of a dividend totaling EUR 0.42 per share. The dividend will be paid on April 15, 2011.

Board of Directors and Auditor

The Annual Shareholders’ Meeting of Aspo Plc re-elected Matti Arteva, Esa Karppinen, Roberto Lencioni, Gustav Nyberg, Kristina Pentti-von Walzel and Risto Salo to the Board of Directors for one year. At the Boards’ organizing meeting held after the Annual Shareholders’ Meeting, Gustav Nyberg was elected to carry on as Chairman of the Board and Matti Arteva as Vice-Chairman. At the meeting the Board also decided to re-appoint Roberto Lencioni Chairman of the Audit Committee and Kristina Pentti-von Walzel and Risto Salo as committee members.

The authorized public accounting firm PricewaterhouseCoopers Oy will continue as company auditor. Jan Holmberg, APA, will act as the auditor in charge.

Authorizations

Authorization of the Board to decide on the acquisition of company-held shares

The shareholders authorized the Board to decide on the acquisition of no more than 500,000 company-held shares using the unrestricted shareholders’ equity of the company. The shares shall be acquired through public trading, for which reason the shares are acquired otherwise than in proportion to the holdings of the shareholders and the consideration paid for the shares shall be the market price of the Aspo’s share at the time of repurchase. The authorization does not exclude the Board’s right to resolve on a directed repurchase. The shares shall be acquired to be used for financing or execution of corporate acquisitions or other transactions, for execution of the company’s share-ownership program or for other purposes determined by the Board. The Board may not exercise the authorization to acquire company-held shares if after the acquisition the company or its subsidiary would posses or have as a pledge more than ten (10) per cent of the company’s stock. The authorization is valid until the Annual Shareholders’ Meeting in 2012, but no more than 18 months from the approval at the Shareholders’ Meeting.

Authorization of the Board to decide on a share issue of the company-held shares

The shareholders authorized the Board to decide on a share issue, through one or several installments, to be executed by conveying the company-held shares. An aggregate maximum amount of 754,233 shares may be conveyed based on the authorization. The authorization will be used for the financing or execution of corporate acquisitions or other transactions, the execution of the company’s share-ownership program or for other purposes determined by the Board. The authorization includes the right of the Board of Directors to decide on all the terms and conditions of the conveyance and thus also includes the right to convey shares otherwise than in proportion to the holdings of the shareholders, in deviation from the shareholders’ pre-emptive right on the conditions provided by law. The authorization is valid until the Annual Shareholders’ Meeting in 2012, but no more than 18 months from the approval at the Shareholders’ Meeting.

Authorization of the Board to decide on a rights issue

The shareholders authorized the Board to decide on a rights issue for consideration, whereby shareholders have the right to subscribe for new Aspo shares in proportion to their previous shareholdings. The total number of new shares to be offered for subscription may not exceed 5,500,000. The Annual Shareholders’ Meeting authorized the Board to specify other terms and conditions governing such a rights issue. The authorization is valid until the Annual Shareholders’ Meeting in 2012 but not more than 18 months from the approval at the Shareholders’ Meeting. This authorization does not invalidate the Board authorization to decide on a share issue related to the transfer of the company-held shares.

EVENTS AFTER THE REPORTING PERIOD

Aspo implemented a rights issue based on the shareholders' pre-emptive subscription right after the review period. The new capital, nearly EUR 20 million, enables Aspo to continue with its growth strategy and strengthens its balance sheet.

Aspo's Board of Directors used the share issue authorizations granted by the Annual Shareholders' Meeting, and the conditions for the issue were published on April 5, 2011. The prospectus accepted by the national Financial Supervisory Authority for the issue of 3,838,143 new shares was published on April 8, 2011. According to the final result of the issue, a total of 3,785,900 shares (98.6% of the offered shares) were subscribed using the subscription rights. The remaining 52,243 shares (1.4% of the offered shares) were subscribed without subscription rights, and they have been delivered to investors according to the terms and conditions published on April 5, 2011. The share issue was subscribed up to 120.8%. Trading in the new shares together with present shares began on May 9, 2011.

To ensure uniform treatment of Aspo's shareholders, convertible capital loan holders and pursuant to convertible capital loan terms and conditions, Aspo's Board decided on April 5, 2011 to amend the terms and conditions of the convertible capital loan issued in 2009, with regard to the number of shares obtained in the conversion, so that each EUR 50,000 loan unit entitles its loan unit holder to convert the loan unit into 8,074 new shares in Aspo. The conversion rate changed to EUR 6.19. As a result of the issue, the maximum of new Aspo shares into which the whole capital loan is convertible increased by 79,488 shares from the previously notified number. Amendments made to the convertible capital loan terms and conditions came into effect on May 6, 2011.

A total of 69,210 new Aspo Plc shares, corresponding with nine loan units, were subscribed from the convertible capital loan issued in 2009. The new shares were entered into the trade register on April 1, 2011.

In accordance with the decision made by the Annual Shareholders' Meeting, a dividend of EUR 0.42 per share, a total of EUR 11,284,140.00, was paid to the shareholders. The dividend payment date was April 15, 2011.

On March 14, 2011, Aspo's Board of Directors decided to grant Aspo Management Oy a EUR 400,000 loan for the subscription related to the issue. After fulfilment of the preconditions for the decision, Aspo Management Oy withdrew a total of EUR 324,750.40 of the loan on April 14, 2011, and used all of its subscription rights for the subscription of Aspo shares. The loan is treated at Aspo Plc as a related parties' transaction.

Jukka Nieminen, M.Sc. (Tech.), has been appointed as the new Managing Director for Kaukomarkkinat Ltd as of August 8, 2011.

OUTLOOK FOR 2011

Aspo Group's current structure creates a good basis for operational growth. Aspo will increase its net sales by 10-20% and improve its operating profit. A possible change to the tonnage tax legislation would considerably improve the Group's profit after taxes. Aspo's guidance does not include the possible change to the tonnage tax legislation.

ESL Shipping

The shipping company's own vessel capacity has decreased in the past few years. The company has ordered a vessel, m/s Alppila, from India. The shipyard that builds the vessel estimates that its building is completed in the summer of 2011 and it is able to operate on the Baltic Sea next fall. Due to more demanding winter traffic conditions than before and to ensure docking in early summer, the time charters of m/s Beatrix and m/s Nassauborg have been extended until the summer of 2011. The aim is to ensure that there is enough capacity in the growing Baltic Sea cargo markets. A considerable share of the transport capacity for 2011 is covered with long-term price and transport volume agreements. The steel industry volumes are estimated to remain at the 2010 level, while the energy sector cargo volumes are estimated to increase from the last year's level. One Finnish steel mill has announced a blast furnace renovation scheduled for the second quarter.

The amendment to the tonnage tax legislation, which is waiting for approval by the EU commission, would have a considerable effect on ESL Shipping's post-tax result if applied.

Leipurin

Organic growth is expected to continue. The new offices that were established create a good foundation for several years of growth in bakery raw material sales. Bakery machinery sales are predicted to grow in Finland, the Baltics and Russia. Leipurin investigates the possibilities of further expanding its product range to fulfill the needs of Eastern growth markets in particular. Establishing other food industry operations in Russia and the Baltic region is expected to have a positive effect on Leipurin's result. The order book for bakery machinery and lines is normalizing and thus better than last year. Leipurin has expanded its product range, paying special attention to bakery technology and price competitiveness in the Eastern growth markets.

Telko

Organic growth is expected to continue. Telko continues to expand in Russia, the CIS countries, and China, in accordance with its strategy. The company will still open new offices in major Russian cities. The new customs treaty between Russia, Belarus, and Kazakhstan from July 1, 2010 creates good opportunities of expanding operations to cover Belarus and Kazakhstan through subsidiaries. Telko will focus on further development of logistics and finding strong new principal representatives.

The subsidiary in China is expanding its operations by establishing a unit in the Guanzo area in Southern China. The operation is based on raw material service for the Chinese business owned by northern European industrial plastic pressing enterprises. Telko makes preparations for establishing a refinery terminal in Russia. It would enable the company to provide a large new customer base with liquid chemical products.

Kaukomarkkinat

Kaukomarkkinat aims to increase the product range of its local energy solutions, especially in Finland. The demand is expected to grow due to increased energy prices and the new EU directives aimed at generating energy savings.

The sales of solar cells, pellet boilers and power plants, and air heat source pump solutions are expected to remain at least at the present level. Turbine and heat exchanger projects in industrial use are expected to increase compared to the first quarter in previous year.

The order book for the Finnish AV and data department is good. The order book for Far Eastern project deliveries is significantly better than in 2010, and it covers 2011 deliveries.

Helsinki, May 11, 2011

ASPO Plc

Board of Directors

ASPO GROUP INCOME STATEMENT

	1-3/2011		1-3/2010		1-12/2010	
	MEUR	%	MEUR	%	MEUR	%
Net sales	106.7	100.0	83.4	100.0	395.9	100.0
Other operating income	0.1	0.1	0.6	0.7	1.5	0.4
Depreciation and write-downs	-2.0	-1.9	-2.1	-2.5	-8.1	-2.0
Operating profit	2.9	2.7	2.1	2.5	17.9	4.5
Financial income and expenses	-1.3	-1.2	-1.1	-1.3	-3.8	-1.0
Profit before taxes	1.5	1.4	1.0	1.2	14.1	3.6
Profit for the period	1.1		0.5		10.4	
Other comprehensive income						
Translation differences	0.1		0.9		1.2	
Cash flow hedges	-0.8				-0.9	
Income tax on other comprehensive income	0.2				0.2	
Other comprehensive income for the year, net of taxes	-0.5		0.9		0.5	
Total comprehensive income	0.6		1.4		10.9	
Profit attributable to shareholders	1.1		0.5		10.3	
Non-controlling interest	0.0		0.0		0.1	
Total comprehensive income attributable to shareholders	0.6		1.4		10.8	
Non-controlling interest	0.0		0.0		0.1	

ASPO GROUP BALANCE SHEET

	3/2011 MEUR	3/2010 MEUR	Change %	12/2010 MEUR
Assets				
Non-current assets				
Intangible assets	15.5	16.1	-3.7	15.9
Goodwill	40.6	40.3	0.7	40.6
Tangible assets	62.5	48.5	28.9	54.4
Available-for-sale assets	0.2	0.2	0.0	0.2
Long-term receivables	1.3	0.6	116.7	1.3
Shares in associated companies	1.7	1.6	6.2	1.7
Total non-current assets	121.8	107.3	13.5	114.1
Current assets				
Inventories	45.4	30.4	49.3	44.9
Sales and other receivables	53.7	46.9	14.5	46.7
Cash and bank deposits	6.4	5.9	8.5	7.1
Total current assets	105.5	83.2	26.8	98.7
Total assets	227.3	190.5	19.3	212.8
Shareholders’ equity and liabilities				
Shareholders’ equity				
Share capital	17.7	17.7	0.0	17.7
Other shareholders’ equity	52.5	51.0	2.9	51.1
Shareholders’ equity attributable to equity holders of the parent	70.2	68.7	2.2	68.8
Non-controlling interest	0.7	0.0	0.0	0.7
Long-term liabilities	80.9	56.4	43.4	78.5
Short-term liabilities	75.5	65.4	15.4	64.8
Total shareholders' equity and liabilities	227.3	190.5	19.3	212.8

STATEMENT OF CHANGES IN SHAREHOLDERS’ EQUITY

A = Share capital
B = Premium fund
C = Fair value fund
D = Other funds
E = Repurchased shares
F = Translation difference
G = Retained earnings
H = Total
I = Non-controlling interest
J = Total shareholders’ equity

MEUR	A	B	C	D	E	F	G	H	I	J
Balance at 31.12.2010	17.7	4.3	-0.7	5.4	-4.5	-0.4	46.9	68.7	0.8	69.5
Comprehensive income:										
Profit for the period							1.1		0.0	
Translation difference						0.1				
Cash flow hedge, net of taxes			-0.6							
Total comprehensive income			-0.6			0.1	1.1	0.6		
Transactions with owners:										
Share-based payment							0.1			
Conversion of convertible bond				1.2						
Rights issue				-0.4						
Total transactions with owners				0.8			0.1	0.9		
Balance at 31.3.2011	17.7	4.3	-1.3	6.2	-4.5	-0.3	48.1	70.2	0.7	70.9
Balance at 31.12.2009	17.7	4.3	0.0	2.8	-3.7	-1.6	47.4	66.9	0.1	67.0
Comprehensive income:										
Profit for the period							0.5		0.0	
Translation difference						0.9				
Total comprehensive income						0.9	0.5	1.4		
Transactions with owners:										
Share-based payment				0.2	0.1		0.0			
Total transactions with owners				0.2	0.1		0.0	0.4		
Balance at 31.3.2010	17.7	4.3	0.0	3.0	-3.6	-0.7	48.0	68.7	0.0	68.7

ASPO GROUP CASH FLOW STATEMENT

	1-3/2011 MEUR	1-3/2010 MEUR	1-12/2010 MEUR
OPERATIONAL CASH FLOW			
Operating profit	2.9	2.1	17.9
Adjustments to operating profit	2.3	2.5	8.3
Change in working capital	-6.0	-6.7	-8.5
Interest paid	-1.5	-1.2	-4.8
Interest received	0.2	0.4	1.2
Taxes paid	-0.8	-1.4	-4.5
Total operational cash flow	-2.9	-4.3	9.6
INVESTMENTS			
Investments in tangible and intangible assets	-9.8	-0.2	-11.9
Gains on the sale of tangible and intangible assets		0.1	0.6
Purchases of business operations			-0.3
Associated companies acquired			0.2
Total cash flow from investments	-9.8	-0.1	-11.4
FINANCING			
Change in short-term borrowings	8.5	-0.5	-14.9
Change in long-term borrowings	3.5	-0.7	24.0
Share repurchase			-0.9
Dividends paid			-10.8
Total financing	12.0	-1.2	-2.6
Increase / Decrease in liquid funds	-0.7	-5.6	-4.4
Liquid funds in beginning of year	7.1	11.5	11.5
Liquid funds at period end	6.4	5.9	7.1

KEY FIGURES AND RATIOS

	1-3/2011	1-3/2010	1-12/2010
Earnings per share, EUR	0.04	0.02	0.40
EPS adjusted for dilution, EUR	0.04	0.03	0.41
Equity per share, EUR	2.66	2.66	2.63
Equity ratio, %	31.7	36.2	33.2
Gearing, %	115.8	92.1	101.5

ACCOUNTING PRINCIPLES AND FINANCIAL REPORTING

Aspo Plc’s interim report has been compiled in accordance with the principles of IAS 34 Interim Financial Reporting. The same accounting principles have been adopted in the interim report as in the Financial Statements on December 31, 2010. The calculation formulas for key indicators are explained on page 82 of the 2010 financial statements. The information in this report is unaudited.

Helsinki May 11, 2011

ASPO Plc

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PRESS AND ANALYST CONFERENCE

The press and analyst conference will be arranged today, Wednesday May 11, 2011, at 14.00 at Restaurant Savoy, 7th floor, Eteläesplanadi 14, FI-00130 Helsinki.

FINANCIAL INFORMATION IN 2011

Aspo Plc will publish the following Interim Reports in 2011:
for the second quarter on August 18, 2011
for the third quarter on October 26, 2011

DISTRIBUTION:
NASDAQ OMX Helsinki
Key media
www.aspo.com