ASPO Plc STOCK EXCHANGE RELEASE February 14, 2013 at 10.30

**ASPO GROUP FINANCIAL STATEMENT RELEASE JANUARY 1 TO DECEMBER 31, 2012**

**ASPO 2012: The fourth quarter was the best quarter of the year**
(Comparative figures are for the corresponding period in 2011)

- Aspo Group's net sales amounted to EUR 481.6 million (EUR 476.3 million)
- Operating profit was EUR 10.6 million (EUR 21.5 million)
- Profit before taxes amounted to EUR 7.4 million (EUR 17.4 million)
- Profit for the period totaled EUR 10.8 million (EUR 13.3 million)
- Earnings per share amounted to EUR 0.36 (EUR 0.45)

Aspo October-December 2012
- Aspo Group's net sales amounted to EUR 130.1 million (EUR 121.3 million)
- Operating profit was EUR 3.6 million (EUR 5.0 million)
- Profit before taxes amounted to EUR 2.7 million (EUR 4.8 million)
- Profit for the quarter amounted to EUR 2.9 million(EUR 4.0 million)
- Earnings per share stood at EUR 0.10 (EUR 0.13)

- The Board of Directors proposes a dividend of EUR 0.42 per share to the Annual Shareholders' Meeting (repayment of capital EUR 0.42).

Guidance for 2013
- Aspo aims to increase its operating profit and to achieve the previous year's level in net sales.

**KEY FIGURES**

| | **1-12/2012** | **1-12/2011** |
|---|---|---|
| Net sales, MEUR | 481.6 | 476.3 |
| Operating profit, MEUR | 10.6 | 21.5 |
| Share of net sales, % | 2.2 | 4.5 |
| Profit before taxes, MEUR | 7.4 | 17.4 |
| Share of net sales, % | 1.5 | 3.7 |
| Profit for the period, MEUR | 10.8 | 13.3 |
| Personnel at the end of period | 871 | 814 |
| | | |
| Earnings per share, EUR | 0.36 | 0.45 |
| EPS adjusted for dilution, EUR | 0.37 | 0.45 |
| | | |
| Equity per share, EUR | 2.95 | 3.05 |
| Equity ratio, % | 29.2 | 35.2 |
| Gearing, % | 131.6 | 94.1 |

**AKI OJANEN, ASPO'S CEO:**

"The year 2012 was particularly challenging for Aspo, and the level of operating profit is not satisfactory. In my opinion, the profit attributable to the shareholders, EUR 10.8 million (13.3), is reasonable, considering the market situation. Aspo achieved its best ever annual result in 2011, and we also expected 2012 to be good. However, the European economic crisis weakened the competitiveness of the industrial sector in the EU. This development was reflected in the transport volumes of the steel and energy industries, which are important to the shipping company, throughout 2012.

Our expertise and investments in the growth markets in Russia, Ukraine and other CIS countries have been important to the Group, and since 2009, our net sales in this area have grown by 30–40% annually. Compared with 2011, net sales in this market area increased by 29% in 2012, amounting to EUR 158 million. Profitability was better in the eastern markets than in the western markets.

In terms of operating profit and cash flow, the fourth quarter was clearly the best quarter of the year. ESL Shipping's operative result for the quarter was positive. Leipurin reported an operating profit which was clearly the best for the year, and Telko's operating profit was above the previous year's level. Kaukomarkkinat has invested strongly in development according to the new strategy, and this has resulted in expenses.

The amendment to the tonnage taxation act, which became effective in spring 2012, has permanently improved the Group's tax efficiency. In 2013, Aspo will focus on improving its cost efficiency and profitability."

## 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 market leaders in their sectors. They are responsible for their own operations and 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 schedule.

Aspo’s operating segments are ESL Shipping, Leipurin, Telko and Kaukomarkkinat. Other operations consist of Aspo Group’s administration and other operations that do not belong to the business units.

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

## OPERATIONAL PERFORMANCE

The uncertainty of the European economy and financial market has continued, which has negatively affected overall economic development within the European Economic Area. In Aspo’s operating areas, growth in the developing eastern markets has continued unchanged. Aspo’s financing costs have decreased due to lower interest rates.

### ESL Shipping

ESL Shipping is the leading dry bulk sea transport company operating in the Baltic Sea region. At the end of the review period, the company's fleet consisted of 14 vessels, of which the company owned 12 in full. One was leased and one partially owned.

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| Net sales, MEUR | 18.4 | 22.1 | -3.7 | 72.3 | 93.1 |
| Operating profit, MEUR | 2.0 | 2.7 | -0.7 | 3.7 | 10.5 |
| Personnel | 219 | 211 | 8 | 219 | 211 |

The international dry bulk cargo price levels remained record low throughout 2012. Transport volumes in industries important to the shipping company decreased because of lower production volumes in the steel industry and lower electricity prices in the energy sector, which significantly reduced the quantity of coal imported to Finland. In proportion to the transport demand, the shipping company had vessel overcapacity until the end of July.

The cargo volume carried by ESL Shipping in January-December amounted to 10.4 million tons (13.3). The steel industry accounted for 5.9 million tons (7.9) and the energy industry for 3.2 million tons (4.3) of the volume. The cargo volume carried in October-December amounted to 2.7 million tons (3.2). The steel industry accounted for 1.6 million tons (2.0) and the energy industry for 0.8 million tons (0.9) of the volume.

ESL Shipping's net sales decreased significantly to EUR 72.3 million (93.1) in January-December. The weak market situation, vessel overcapacity in the first half of the year and an increase in depreciation expenses weakened the operating profit, which decreased to EUR 3.7 million (10.5). The operating profit includes sales gains of EUR 2.6 million associated with vessel sales.

The last vessels of the investment program, two 1A ice-strengthened Supramax vessels ordered from the Korean Hyundai Mipo shipyard, were completed in the first half of the year. The reception and outfitting of the vessels caused significant costs. Because of the weak cargo volume situation in the Baltic Sea, the vessels have been operating in other areas, including the sea ice region in Canada. The shipping company and ABG Shipyard in India are involved in negotiations concerning the compensation payable for repairs made to m/s Alppila during the warranty period. The vessel was delivered to ESL Shipping in 2011.

The shipping company's fleet in the Baltic Sea was in full use in the fourth quarter. Net sales amounted to EUR 18.4 million (22.1). ESL Shipping's depreciation expenses increased significantly in spring 2012, when the new Supramax vessels were recognized in the company's balance sheet. The fourth-quarter gross margin was nearly on par with the previous year, amounting to EUR 3.9 million (4.1). Operating profit amounted to EUR 2.0 million (2.7). The shipping company sold its oldest barge, Para-Duo, in December, booking a sales gain of EUR 0.2 million.

After the reporting period, Markus Karjalainen, Managing Director of ESL Shipping, has resigned from his position. Lasse Rikala, a member of the company's Board of Directors, has been appointed as the acting Managing Director until further notice.

ESL Shipping was included in tonnage taxation retroactively from January 1, 2011. In tonnage taxation, shipping operations shifted from taxation of business income to tonnage-based taxation.

**Leipurin**

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

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| Net sales, MEUR | 36.8 | 35.1 | 1.7 | 131.1 | 128.2 |
| Operating profit, MEUR | 1.7 | 1.8 | -0.1 | 4.0 | 5.7 |
| Personnel | 281 | 275 | 6 | 281 | 275 |

There were no material changes to the prices of food industry raw materials in 2012.

The January-December net sales increased to EUR 131.1 million (128.2), and operating profit decreased to EUR 4.0 million (5.7). Growth continued in Russia, Ukraine and other CIS countries. Net sales in this area was EUR 40.1 million (31.8), and growth was 26%. Operating profit from bakery machinery and raw materials for other food industries decreased. Net sales from bakery raw materials grew and operating profit improved.

The year 2012 was a time of development and investments. Leipurin implemented a new ERP system, and its Finnish operations moved to new premises. Leipurin also integrated the Hausjärvi engineering shop with the Nastola production facility, and reorganized and improved the efficiency of other food industry sales. In 2012, the result included approximately EUR 0.5 million in expenses for reorganization of operations and renewal of systems.

In the fourth quarter, net sales grew by 5% to EUR 36.8 million (35.1). Operating profit for the period amounted to EUR 1.7 million (1.8), which was the best result for the year and close to the corresponding period’s level.

During the year, Leipurin launched business operations in a number of major cities in Russia and opened test bakeries in Moscow and Yekaterinburg. The share of net sales and operating profit generated in the emerging markets increased. Net sales generated in Russia, Ukraine and other CIS countries totaled EUR 13.0 million (11.4) in the fourth quarter. Profitability in Russia is above average. With the exception of the Nastola facility, Leipurin's Finnish operations moved to new premises in December. This resulted in expenses in the fourth quarter.

## Telko

Telko is the leading expert and supplier of industrial chemicals and plastic raw materials in the Baltic Sea region. The company operates in Finland, the Baltic countries, Scandinavia, Poland, the Czech Republic, Slovakia, Ukraine, Russia, Belarus, Kazakhstan, Uzbekistan, and China. Procurement operations are international. Business is based on representation by the best international principals and on the expertise of the personnel. Telko cooperates with its regional customers to develop their production and competitiveness.

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| Net sales, MEUR | 59.4 | 52.3 | 7.1 | 237.7 | 211.6 |
| Operating profit, MEUR | 1.4 | 1.3 | 0.1 | 8.4 | 8.6 |
| Personnel | 265 | 230 | 35 | 265 | 230 |

The prices of raw materials sold decreased in 2012. Basic demand in industries important to Telko declined in the western markets and continued to grow in the eastern markets.

Despite the lower price levels, Telko's net sales in January-December grew to EUR 237.7 million (211.6) Operating profit was nearly on par with the previous year's level, amounting to EUR 8.4 million (8.6). Net sales grew strongly in Russia, Ukraine and other CIS countries. Net sales in this area was EUR 117.6 million, with a growth of 30%. Operating profit was approximately 5%.

Telko’s business consists of separate sales activities in plastic raw materials and industrial chemicals. The net sales and profitability of industrial chemicals decreased. Net sales from plastic raw materials increased significantly, and their profitability also improved.

Economic uncertainty was reflected in Telko's operations in the EU markets in the fourth quarter. Net sales grew by 14% in the fourth quarter, amounting to EUR 59.4 million (52.3). Operating profit increased to EUR 1.4 million (1.3). Telko recognized a credit loss of EUR 0.3 million in Ukraine in the fourth quarter.

The share of net sales generated in the emerging markets continued to grow strongly. The fourth-quarter net sales in Russia, Ukraine and other CIS countries totaled EUR 30.8 million (28.3), or 52% of the overall net sales of Telko.

Telko has continued its investments into growing market areas, such as Ukraine and China, as well as into growth in Russian metropolises.

**Kaukomarkkinat**

Kaukomarkkinat supplies solutions for real estate, energy networks, the industrial sector and other demanding professional uses, using the best products available. The goal is to improve the customers' energy efficiency, process efficiency, and safety, and the profitability of their operations. The business is based on an in-depth understanding of customer needs, an extensive network of principals, and solid expertise in different technologies. Kaukomarkkinat operates in Finland, Russia, Poland, China, and Vietnam.

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| Net sales, MEUR | 15.5 | 11.8 | 3.7 | 40.5 | 43.4 |
| Operating profit, MEUR | -0.3 | 0.1 | -0.4 | -0.6 | 1.4 |
| Personnel | 94 | 85 | 9 | 94 | 85 |

In line with its strategy, Kaukomarkkinat has invested in local energy solutions and created an offering which consists of energy generation, distribution, and control solutions for single-family houses as well as industrial and commercial facilities. Kaukomarkkinat integrated all these functions into one single building systems business line in the fall.

Kaukomarkkinat has increased its personnel resources particularly in the building systems unit in Finland and in cleantech export to Russia and Poland. This has resulted in a higher cost structure for Kaukomarkkinat. The company has also continued its campaigns involving the product groups which are of key importance to the strategy, particularly in the second half of the year, which has resulted in increased marketing costs.

Net sales in 2012 only reached EUR 40.5 million (43.4). Operating profit decreased to EUR -0.6 million (1.4). The profitability of Chinese project sales in the comparison year was exceptionally good.

In the fourth quarter, net sales increased to EUR 15.5 million (11.8), and the company reported a negative operating profit of EUR -0.3 million (0.1).

Demand for heat pumps returned to the level of the previous year's comparison period, focusing on increasingly larger real estate properties. The technical building services center Koskelo in Espoo was phased in. The center offers appropriate premises for sales, presentation, training and development activities as well as after-sales functions. Starting the operations resulted in expenses.

Demand for professional electronics continued to be high in Finland. Demand for industrial machinery in Finland was normal, but weakened in Poland. Demand for paper making machinery was satisfactory in Poland and Russia, but weakened in China.

**Other operations**

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

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| Net sales, MEUR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating profit, MEUR | -1.2 | -0.9 | -0.3 | -4.9 | -4.7 |
| Personnel | 12 | 13 | -1 | 12 | 13 |

The expenses of other operations in October-December amounted to EUR -1.2 million (-0.9). The increase was partly due to the allocation of expenses from Group-level projects to the fourth quarter.

## NET SALES

Aspo Group's net sales increased to EUR 481.6 million (476.3), showing an increase of EUR 5.3 million.

Net sales by segment, MEUR

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| ESL Shipping | 18.4 | 22.1 | -3.7 | 72.3 | 93.1 |
| Leipurin | 36.8 | 35.1 | 1.7 | 131.1 | 128.2 |
| Telko | 59.4 | 52.3 | 7.1 | 237.7 | 211.6 |
| Kaukomarkkinat | 15.5 | 11.8 | 3.7 | 40.5 | 43.4 |
| Other operations | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 130.1 | 121.3 | 8.8 | 481.6 | 476.3 |

There is no considerable inter-segment net sales.

Net sales by market area, MEUR

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| Finland | 42.0 | 44.5 | -2.5 | 158.9 | 181.2 |
| Nordic countries | 11.2 | 10.6 | 0.6 | 42.6 | 48.8 |
| Baltic countries | 12.7 | 8.4 | 4.3 | 49.4 | 50.6 |
| Russia, Ukraine + other CIS countries | 43.9 | 39.7 | 4.2 | 157.8 | 122.6 |
| Other countries | 20.3 | 18.1 | 2.2 | 72.9 | 73.1 |
| Total | 130.1 | 121.3 | 8.8 | 481.6 | 476.3 |

As regards the market areas, the share of Russia, Ukraine and other CIS countries of the net sales increased by 11%, and amounted to EUR 43.9 million (39.7), in the fourth quarter. The importance of this market area is emphasized in the Group when ESL Shipping's raw material export transports from Russia are included in the figures. Calculated this way, the region's fourth-quarter net sales accounted for 39%, or EUR 50.5 million (47.9), of the Group's overall net sales. Net sales increased in all market areas except Finland.

| MEUR | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| Russia, Ukraine + other CIS countries | 50.5 | 47.9 | 2.6 | 188.0 | 157.9 |

## EARNINGS

Aspo Group’s operating profit for the period was EUR 10.6 million (21.5). The operating profit includes sales gains of EUR 2.6 million from the sale of vessels.

ESL Shipping's operating profit amounted to EUR 3.7 million (10.5). Leasing costs related to vessel overcapacity, the weak market situation, and an increase in depreciation expenses had a negative effect on the operating profit. Leipurin’s operating profit was EUR 4.0 million (5.7). Costs associated with reorganization and the integration of production activities in machinery manufacturing weakened the business area's operating profit. Telko's operating profit decreased slightly to EUR 8.4 million (8.6). Kaukomarkkinat's operating profit was negative, EUR -0.6 million (1.4). The reorganization of the business, including recruitments, weakened the operating result. Project sales in China decreased from the previous year, which also had a negative effect on the operating result.

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 and amounted to EUR -4.9 million (-4.7).

The profit after taxes for 2012 improved due to the new tonnage taxation. In addition to the non-recurring effect recognized in taxes, it has a long-term positive effect on the results of ESL Shipping and the Group.

Operating profit by segment, MEUR

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| ESL Shipping | 2.0 | 2.7 | -0.7 | 3.7 | 10.5 |
| Leipurin | 1.7 | 1.8 | -0.1 | 4.0 | 5.7 |
| Telko | 1.4 | 1.3 | 0.1 | 8.4 | 8.6 |
| Kaukomarkkinat | -0.3 | 0.1 | -0.4 | -0.6 | 1.4 |
| Other operations | -1.2 | -0.9 | -0.3 | -4.9 | -4.7 |
| Total | 3.6 | 5.0 | -1.4 | 10.6 | 21.5 |

Earnings per share January–December

Earnings per share were EUR 0.36 (0.45) and diluted earnings per share were EUR 0.37 (0.45). Equity per share was EUR 2.95 (3.05).

## INVESTMENTS

The Group's investments in January-December amounted to EUR 30.5 million (42.7). Most of the investments consisted of the final payments for ESL Shipping’s Supramax vessel orders. Telko completed the refinery terminal investment in Rauma, Finland.

Investments by segment, acquisitions excluded, MEUR

| | 10-12/2012 | 10-12/2011 | Change | 1-12/2012 | 1-12/2011 |
|---|---|---|---|---|---|
| ESL Shipping | 0.0 | 0.6 | -0.6 | 26.8 | 38.8 |
| Leipurin | 0.6 | 0.1 | 0.5 | 1.0 | 0.9 |
| Telko | 0.1 | 0.2 | -0.1 | 2.3 | 2.6 |
| Kaukomarkkinat | 0.3 | 0.4 | -0.1 | 0.4 | 0.4 |
| Other operations | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 1.0 | 1.3 | -0.3 | 30.5 | 42.7 |

**FINANCING**

The Group's financing position weakened in 2012 compared to the comparison period. The Group’s cash and cash equivalents amounted to EUR 21.4 million (14.5) at the end of the period. The consolidated balance sheet included a total of EUR 140,1 million (101.5) in interest-bearing liabilities. Non-interest-bearing liabilities totaled EUR 80.9 million (74.9).

Aspo's financing position improved in the fourth quarter compared to the third quarter. The Group's cash and cash equivalents increased by EUR 7.1 million in the fourth quarter, and interest-bearing liabilities decreased by EUR 8.6 million from the third quarter.

Aspo Group’s net gearing was 131.6% (94.1), and the equity ratio was 29.2% (35.2). Aspo Group's financing position was positively affected by the cash flow from operations in the fourth quarter, as well as the vessel sales carried out in the second quarter, while vessel investments and the repayment of capital in the first half of the year had a negative effect on the cash flow.

Both net gearing and the equity ratio developed favorably compared with the third quarter.

The Group’s cash flow from operating activities amounted to EUR 8.8 million (20.7) in January–December. Cash flow from operating activities decreased from the comparison period. This was mainly attributable to weaker profitability. At the end of the period, the change in working capital stood at EUR -6.2 million (-3.1).

Cash flow from operating activities was strong in the fourth quarter. In January-September, cash flow from operating activities amounted to EUR -7.0 million; thus, the fourth-quarter cash flow from operating activities totaled EUR 15.8 million.

Cash flow from investments totaled EUR -26.2 million (-44.7). Cash flow from investments was affected by the final instalments for the vessels delivered during the period. The shipping company's investment scheme related to new vessels was completed during the period. The Group’s free cash flow in January–December amounted to EUR -17.4 million (-24.0).

The amount of binding revolving credit facilities signed between Aspo and its core banks stood at EUR 60 million at the end of the period. At the end of the review period, EUR 20 million of the revolving credit facilities was in use. EUR 28 million of Aspo’s EUR 50 million commercial paper program had been used at the end of the period.

No significant loan agreements will expire in 2013.

### Convertible capital loan

Aspo Plc has EUR 10,300,000 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 entitles its holder to convert the loan unit into 8,074 new shares in Aspo. The conversion rate is EUR 6.19. The loan can be converted annually between January 2 and November 30. The conversion period ends on June 15, 2014.

In 2012, 8,074 new shares were subscribed for with one loan unit.

### Related party loans

Aspo Plc has granted a EUR 2.9 million loan to Aspo Management Oy, one of the company's related parties and controlled by the company, as part of a shareholding plan for the Group. The interest on 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. The loan is market-based. Aspo Management Oy may not deposit in pledge or use as security the Aspo Plc shares it holds without Aspo Plc’s written consent. The company has been consolidated in the financial statements.

## RISKS AND RISK MANAGEMENT

Global economic uncertainty increased further in 2012, which made it more difficult to evaluate risks in Aspo's business environment. Aspo estimates that both its strategic and operational risks have increased. Although net sales developed as planned, operating profit remained below the targeted level, which indicates that some operational risks have been realized. However, both operating profit and cash flow began to recover in the fourth quarter.

Strategic risks are reduced at Group level by the business being divided into four segments and business being conducted over a wide geographical area. Strategic risks have increased due to the weaker outlook of metals industry customers, short-term solutions in the energy sector, and the effects of lower marine cargo prices on cargo traffic on the Baltic Sea. Investment trends and changes to retails structures, especially in the western markets, have also increased the strategic risks. Rapid changes in economic structures may cause risks due to changes in the customer or principal structure or technologies, and due to unutilized opportunities that require a quick response.

ESL Shipping has had time-chartered vessel capacity, the purpose of which has been to reduce risks associated with the customers' production levels, but its use remained below the expected level. This capacity, which is more expensive for the shipping company, was given up at the end of July. Measures adopted in the other businesses include centralizing stocks and increasing the efficiency of stock monitoring and the monitoring and collection of sales receivables. The order book of Leipurin's machinery business is monitored more closely, and reporting has been increased further.

Operational risks have increased further due to the uncertainty of the business environment. The focus of Aspo’s growth is on emerging market areas where growth risks are also affected by factors such as the level of the global market prices of raw materials, exchange rates, interest rate levels, industrial and commercial investments, customers' liquidity, and 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 growth opportunities presented by emerging markets boost interest among competitors in launching or expanding business in these areas. In addition, the environment in the emerging markets is challenging. This has led to some competitors exiting these markets, which creates further opportunities for others. The demand for Aspo's products and services in Western countries has decreased in proportion to the developing markets, and macroeconomic factors of uncertainty keep the risk levels high. The changes in demand in emerging markets show an opposite trend, but these changes are more difficult to predict.

Aspo has succeeded in keeping its net exchange rate losses small. Active hedging of currency positions and currency flows has also mostly neutralized the effects of changes to exchange rates. While changes in credit loss risk vary between business areas and customers, credit loss risks in general have grown, and to some extent risks have also been realized.

The quantity and probability of loss risks was extensively assessed in the latter half of 2011, and insurance policies to cover the risks were put out to tender at the same time. In order to verify the amounts insured, Aspo reviewed and renewed its insurance policies in 2012. The amounts insured are sufficient, considering the extent of Aspo’s operations.

One of the responsibilities of Aspo’s audit committee 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 and 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 segment, including capital employed, and their related risks are monitored under segment-specific impairment testing at least once a year. Additional impairment tests were not necessary in 2012.

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**

At the end of the period, the number of personnel at Aspo Group was 871 (814) and the average during the period was 858 (797). The average number of officials was 578 (559) and of employees, 281 (238). The number of personnel in the parent company consisting of officials was 12 (12) at the end of the period and 12 (12) on average during the period.

Of Aspo Group’s personnel, 52% (55) work in Finland, 3% (2) in other Nordic countries, 8% (9) in Baltic countries, 29% (25) in Russia, Ukraine and other CIS countries, and 8% (9) in other countries. Men make up 62% (62) and women 38% (38) of the workforce. Of Aspo Group’s employment contracts, 99% (99) are full time. During the financial year, 155 (151) new employment contracts were signed. The cost of all employment benefits within the Group in 2012 amounted to EUR 39.7 million (37.5).

Personnel by segment, year-end

| | 12/2012 | 12/2011 | Change |
|---|---|---|---|
| ESL Shipping | 219 | 211 | 8 |
| Leipurin | 281 | 275 | 6 |
| Telko | 265 | 230 | 35 |
| Kaukomarkkinat | 94 | 85 | 9 |
| Other operations | 12 | 13 | -1 |
| Total | 871 | 814 | 57 |

At the end of the financial year, Aspo Group had 871 employees (814).

Changes in the total number of personnel result from the increase caused by organic growth, the effect of new ships, and seasonal fluctuation in the number of ship personnel employed.

**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 companies 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 approved by business area.

In 2010, Aspo’s Board decided on a 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 shareholding purposes, 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. Aspo Management Oy also subscribed to 62,452 shares in Aspo’s rights issue and raised an additional loan of EUR 324,750.40 from Aspo to finance the purchases. At the end of the reporting period the loan amounted to EUR 2,934,750.40. The plan is valid until spring 2014, after which it will be dissolved 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. As a rule, the participants’ holding in Aspo Management Oy remains valid until the system is dissolved.

In 2009, Aspo's Board of Directors decided on a share price-based incentive scheme for about 30 persons where the potential gain was based on Aspo Group's cumulative earnings per share indicator (EPS) over the period of 2009–2011. On the basis of this scheme, a total of 150,638 company-held shares was decided to be transferred to employees covered by the shareholding plan in February 2012.

On February 14, 2012, Aspo’s Board of Directors decided on a new share-based incentive plan for about 30 persons. The plan will last for three years, but the Board of Directors will decide on the performance criteria and participants each year. The potential reward is based on Aspo Group’s earnings per share (EPS) key figure for each performance year of the plan (2012 to 2014). The prerequisite for participation in the plan is that the person acquires Aspo shares, or holds Aspo shares or Aspo Management’s shares, up to the number predetermined by the Board of Directors, and undertakes to follow the rules of the plan. No share bonus will be paid for the 2012 vesting period since Aspo's result remained below the targeted level.

## RESEARCH AND DEVELOPMENT

Aspo Group’s R&D focuses mainly on developing operations, procedures and production technology without a separate organization, which means that the development investments are included in normal operational costs and are not itemized.

## ENVIRONMENT

Aspo Group’s regular operations do not have any significant environmental impact. The Group companies follow Aspo’s environmental policy with the main principle of continuously improving operations. Throughout its operations, Aspo supports the principles of sustainable development.

Aspo looks after the environment by taking initiatives and continuously monitoring the laws and recommendations connected to its operation and any revisions to these. Aspo wants to be a pioneer in all of its operations and also anticipates future developments in environmental regulations.

## MANAGEMENT AND AUDITORS

Aspo Plc’s Annual Shareholders’ Meeting re-elected Matti Arteva, Esa Karppinen, Roberto Lencioni, Gustav Nyberg, Kristina Pentti-von Walzel, and Risto Salo to the Board of Directors for a one-year term. Marja-Liisa Kaario was elected as new member to the Board.

At the Board’s 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 appoint Roberto Lencioni Chairman of the Audit Committee and Marja-Liisa Kaario and Kristina Pentti-von Walzel as committee members.

In 2012, the Board of Directors arranged 15 meetings, of which six were teleconferences. The average participation rate was 100%.

eMBA Aki Ojanen has acted as the CEO of the company.

The authorized public accounting firm PricewaterhouseCoopers Oy has been the company’s auditor. Mikko Nieminen, APA, has acted as the auditor in charge.

### Board authorizations

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

The Annual Shareholders’ Meeting authorized the Board of Directors to decide on the acquisition of no more than 500,000 of the company-held shares using the unrestricted shareholders’ equity of the company. The authorization includes the right to accept company-held shares as a pledge.

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 share at the time of repurchase. Shares may also be acquired outside public trading for a price which at most corresponds to the market price in public trading at the time of acquisition. The authorization includes the Board´s right to resolve on a directed repurchase or the acceptance of shares as a pledge, if there is a compelling financial reason for the company to do so as provided for in Chapter 15, section 6 of the Finnish Limited Liability Companies Act. The shares shall be acquired to be used for the financing or execution of corporate acquisitions or other transactions, for execution of the company's share-ownership programs or for other purposes determined by the Board.

The Board may not exercise the authorization to acquire company-held shares or to accept them as a pledge if after the acquisition the company or its subsidiary would possess or have as a pledge in total more than ten (10) percent of the company's stock. The authorization is valid until the Annual Shareholders' Meeting in 2013 but not more than 18 months from the approval at the Shareholders' Meeting.

The Board of Directors shall decide on any other matters related to the acquisition of company-held shares.

The authorization will supersede the authorization for the acquisition of company-held shares which was granted to the Board of Directors by the Annual Shareholders' Meeting on April 5, 2011.

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

The Annual Shareholders´ Meeting authorized the Board of Directors 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 834,529 shares may be conveyed based on the authorization. The authorization will be used for the 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 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, if a compelling financial reason exists for the company to do so. The authorization remains in force until September 30, 2015.

Company-held shares may be transferred either against or without payment. Under the Finnish Limited Liability Companies Act, a directed share issue may only be carried out without payment, if there is an especially compelling reason for the same, both for the company and in regard to the interests of all shareholders in the company.

The Board of Directors shall decide on any other matters related to the share issue.

The authorization will supersede the authorization concerning a share issue which was granted to the Board of Directors by the Annual Shareholders' Meeting on April 5, 2011.

**Authorization of the Board to decide on a rights issue**

The Annual Shareholders' Meeting authorized the Board of Directors to decide on a rights issue for consideration. The authorization includes the right of the Board of Directors to decide on all of the other terms and conditions of the conveyance and thus also includes the right to decide on a directed share issue, in deviation from the shareholders' pre-emptive right, if a compelling financial reason exists for the company to do so. The total number of new shares to be offered for subscription may not exceed 1,500,000. The authorization remains in force until September 30, 2015.

The authorization will supersede the authorization concerning a share issue which was granted to the Board of Directors by the Annual Shareholders' Meeting on April 5, 2011.

The Board of Directors has not used its authorizations given in 2012.

## SHARE CAPITAL AND SHARES

Aspo Plc's share capital on December 31, 2012 was EUR 17,691,729.57 and the total number of shares was 30,967,450 of which the company held 183,891 shares; that is, 0.6% of the share capital. Aspo Plc has one share series. Each share entitles the shareholder to one vote at the shareholders' meeting. Aspo's share is quoted on NASDAQ OMX Helsinki Ltd's Mid Cap segment under industrial products and services.

During 2012, a total of 2,704,413 Aspo Plc shares with a market value of EUR 17.6 million were traded on NASDAQ OMX Helsinki, in other words, 8.7% of the stock changed hands. During the year, the stock reached a high of EUR 7.95 and a low of EUR 5.70. The average price was EUR 6.63 and the closing price at year-end was EUR 6.39. At the end of the financial year, the market value excluding treasury shares was EUR 196.7 million.

The number of Aspo Plc shareholders was 6,497 at period-end. A total of 613,636 shares, or 2.0% of the share capital, were nominee registered or held by non-domestic shareholders.

In 2012, based on the authorization given by the Shareholders' Meeting in 2011, Aspo Plc transferred a total of 150,638 company-held shares to individuals covered by the performance share plan of 2009.

### Flagging notifications

Havsudden Oy Ab announced on June 12, 2012, that its holdings have exceeded 5% of the share capital in Aspo Plc. The transfer does not imply any changes in voting rights.

Henrik Nyberg announced on June 27, 2012, that his holdings have decreased below five per cent (5%) of the share capital and voting rights in Aspo Plc. The amount of shares transferred corresponds to 1.9% of the total number of shares in Aspo Plc.

Havsudden Oy Ab announced on June 27, 2012, that its holdings have exceeded ten per cent (10%) of the share capital and five per cent (5%) of the voting rights in Aspo Plc. Following the transfer Havsudden Oy Ab owns shares that correspond to 10.1% of the share capital and 5.2% of the votes in Aspo Plc. The amount of shares transferred corresponds to 3.3% of the total number of shares in Aspo Plc.

## EVENTS AFTER THE FINANCIAL YEAR

On January 8, 2013, Markus Karjalainen, Managing Director of ESL Shipping Ltd., announced that he will resign from his position. Lasse Rikala, M.Sc. (Econ.) has been appointed as the acting Managing Director of ESL Shipping Ltd until further notice. Lasse Rikala is a board member of ESL Shipping Ltd. The recruitment process for a new Managing Director has commenced.

## DIVIDEND PROPOSAL

The Board of Directors proposes to the 2013 Annual Shareholders' Meeting that a dividend of EUR 0.42 per share will be paid for the financial year that ended on December 31, 2012, and that no dividend is to be paid on the Aspo shares held by the company.

## OUTLOOK FOR 2013

Aspo’s current, both operationally and geographically diversified structure creates a good basis for long-term growth. ESL Shipping's capacity is now better balanced with the demand on the Baltic Sea, which is expected to continue to be satisfactory. Telko and Leipurin have invested in the eastern growth markets and established new offices. Profitability in this market area is better than in the western markets. Kaukomarkkinat has revised its strategy, focusing primarily on local energy solutions and solutions improving industrial energy efficiency.

The uncertainty of economic development in the European Economic Area is expected to continue in 2013, but growth in the eastern growth markets is expected to continue in the sectors important to Aspo.

Aspo aims to increase its operating profit and to achieve the previous year's level in net sales.

### ESL Shipping

ESL Shipping's activities in the Baltic Sea transport market are estimated to remain at the current satisfactory level. International cargo prices are expected to remain low.

The energy and steel industries, which are important to the company, are expected to increase their raw material transports using the shipping company's vessels in 2013 compared to 2012. Significant customer agreements will continue unchanged in 2013.

One of the new Supramax vessels will continue operating in the Canadian ice traffic until the spring, and the other one will be operating in international spot traffic. The rest of the fleet will operate in contract traffic on the Baltic Sea. A considerable share of the capacity for 2013 has been handled through long-term price and transport agreements.

The amendment to the tonnage tax legislation has improved the operating conditions of shipping companies and encourages them to maintain and add to a merchant fleet in Finland.

ESL Shipping is expected to improve its profitability.

### Leipurin

Organic growth is expected to continue in bakery raw materials. The offices that were established in Russia, Ukraine, and Kazakhstan provide a good foundation for several years of growth in bakery raw material sales. Bakery machinery sales are predicted to grow from 2012. In Finland, the restructuring of the bakery industry is expected to continue further in such a way as to increase the outfitting of bakeries in shopping centers and supermarkets as well as the baking activities in them. While raw material sales to other food industry players are expected to decrease, profitability is expected to improve from the previous year. Leipurin will improve its cost efficiency and profitability.

### Telko

Organic growth is expected to continue in the eastern markets. The offices set up in Russia, Kazakhstan, and China provide a good foundation for several years of growth. However, the future trend in industrial demand is difficult to forecast.

Telko continues to expand profitably in line with its strategy in Russia, Ukraine, other CIS countries, and China. New offices will be opened in major Russian cities in 2013. Telko is investigating potential investments in chemical refinery terminals in Western Russia and Ukraine. A refinery terminal would ensure the logistical resources needed for long-term growth in the chemicals business, as well as customer-specific upgrading of products in Russia. The share of plastic raw materials of Telko's overall sales is expected to increase further. In 2013, Telko aims to improve the cost efficiency of its operations by way of improving its supply chain management in particular.

**Kaukomarkkinat**

The demand for hybrid systems which combine several different heat sources is expected to grow further in Finland. Kaukomarkkinat's offering includes new air-to-water heat pumps and solar thermal collectors, ground source heat pumps, heat storage and heat distribution systems, and building automation systems. Kaukomarkkinat has also further expanded its product range through the introduction of a facility-size heat pump under its own trademark. Kaukomarkkinat expects demand to develop favorably in the future as energy prices rise and the standards for energy efficiency are increased.

The share of professional electronics services and project sales of the overall net sales has increased. As regards industrial machinery sales, solutions utilizing industrial waste heat and energy company investments are areas specially targeted for growth. Kaukomarkkinat and Turku Energia have signed an agreement on the delivery of a second heat pump plant in 2013.

In China, Kaukomarkkinat is seeking growth in the sales of paper making machinery, but also in the delivery of environmental technology solutions primarily to existing process industry customers.

The company has expanded its international office network by way of recruiting specialists in international trade to its sales team. Companies supplying sustainable technology have been acquired as principals. Kaukomarkkinat expects to achieve significant growth and improve its profitability through cleantech export.

**Legal proceedings**

ESL Shipping is seeking a refund from the State of Finland for fairway dues charged before 2006 in court. According to ESL Shipping, Finland has not complied with the EU's fairway dues legislation.

**Operational risks**

The overall economic situation may affect industrial demand. It is difficult to foresee whether the growth in demand in Aspo’s market areas will continue, or whether there will be any other sudden changes in business preconditions. Changes in the financial markets and in the value of currencies may have an effect on the Group's future profit development.

A more detailed account of the risk management policy and the main risks has been published in the 2011 annual report and on the company's website. More detailed information on financing risks can be found in the notes to the financial statements.

Helsinki, February 14, 2013

ASPO Plc

Board of Directors

**ASPO GROUP INCOME STATEMENT**

| | 10-12/2012 | | 10-12/2011 | |
|---|---|---|---|---|
| | MEUR | % | MEUR | % |
| Net sales | 130.1 | 100.0 | 121.3 | 100.0 |
| Other operating income | 0.9 | 0.7 | 0.4 | 0.3 |
| Depreciation and write-downs | -2.9 | -2.2 | -2.1 | -1.7 |
| Operating profit | 3.6 | 2.8 | 5.0 | 4.1 |
| Financial income and expenses | -1.0 | -0.8 | -0.1 | -0.1 |
| Profit before taxes | 2.7 | 2.1 | 4.8 | 4.0 |
| Profit for the period | 2.9 | 2.2 | 4.0 | 3.3 |
| Other comprehensive income | | | | |
| Translation differences | -0.4 | | 0.1 | |
| Cash flow hedges | 0.0 | | 1.0 | |
| Income tax on other comprehensive income | 0.0 | | -0.3 | |
| Other comprehensive income for the period, net of taxes | -0.4 | | 0.8 | |
| Total comprehensive income | 2.5 | | 4.8 | |
| Profit attributable to shareholders | 2.9 | | 4.0 | |
| Non-controlling interest | 0.0 | | 0.0 | |
| Total comprehensive income attributable to shareholders | 2.5 | | 4.8 | |
| Non-controlling interest | 0.0 | | 0.0 | |

| | 1-12/2012 | | 1-12/2011 | |
|---|---|---|---|---|
| | MEUR | % | MEUR | % |
| Net sales | 481.6 | 100.0 | 476.3 | 100.0 |
| Other operating income | 4.1 | 0.9 | 1.3 | 0.3 |
| Depreciation and write-downs | -10.8 | -2.2 | -8.2 | -1.7 |
| Operating profit | 10.6 | 2.2 | 21.5 | 4.5 |
| Financial income and expenses | -3.2 | -0.7 | -4.0 | -0.8 |
| Profit before taxes | 7.4 | 1.5 | 17.4 | 3.7 |
| Profit for the period | 10.8 | 2.2 | 13.3 | 2.8 |
| Other comprehensive income | | | | |
| Translation differences | 0.6 | | -0.7 | |
| Cash flow hedges | -1.5 | | 1.3 | |
| Income tax on other comprehensive income | 0.4 | | -0.3 | |
| Other comprehensive income for the period, net of taxes | -0.5 | | 0.3 | |
| Total comprehensive income | 10.3 | | 13.6 | |
| Profit attributable to shareholders | 10.8 | | 13.3 | |
| Non-controlling interest | 0.0 | | 0.0 | |
| Total comprehensive income attributable to shareholders | 10.3 | | 13.6 | |
| Non-controlling interest | 0.0 | | 0.0 | |

**ASPO GROUP BALANCE SHEET**

| | 12/2012 MEUR | 12/2011 MEUR | Change % |
|---|---|---|---|
| Assets | | | |
| | | | |
| Non-current assets | | | |
| Intangible assets | 14.7 | 16.1 | -8.7 |
| Goodwill | 45.3 | 45.0 | 0.7 |
| Tangible assets | 108.3 | 88.8 | 22.0 |
| Available-for-sale assets | 0.2 | 0.2 | 0.0 |
| Long-term receivables | 3.1 | 1.6 | 93.8 |
| Shares in associated companies | 2.2 | 1.9 | 15.8 |
| Total non-current assets | 173.8 | 153.6 | 13.2 |
| | | | |
| Current assets | | | |
| Inventories | 50.8 | 43.1 | 17.9 |
| Sales and other receivables | 65.2 | 57.7 | 13.0 |
| Cash and bank deposits | 21.4 | 14.5 | 47.6 |
| Total current assets | 137.4 | 115.3 | 19.2 |
| Total assets | 311.2 | 268.9 | 15.7 |
| | | | |
| Shareholders' equity and liabilities | | | |
| | | | |
| Shareholders’ equity | | | |
| Share capital | 17.7 | 17.7 | 0.0 |
| Other shareholders’ equity | 71.8 | 74.1 | -3.1 |
| Shareholders’ equity attributable to equity holders of the parent | 89.5 | 91.8 | -2.5 |
| Non-controlling interest | 0.7 | 0.7 | 0.0 |
| | | | |
| Long-term liabilities | 96.3 | 108.0 | -10.8 |
| Short-term liabilities | 124.7 | 68.4 | 82.3 |
| Total shareholders' equity and liabilities | 311.2 | 268.9 | 15.7 |

**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 31.12.2011 | 17.7 | 4.3 | 0.3 | 26.2 | -5.1 | -1.1 | 49.5 | 91.8 | 0.7 | 92.5 |
| Comprehensive income: | | | | | | | | | | |
| Profit for the period | | | | | | | 10.8 | 10.8 | | |
| Translation difference | | | | | | 0.6 | | 0.6 | | |
| Cash flow hedge, net of taxes | | | -1.1 | | | | | -1.1 | | |
| Total comprehensive income | | | -1.1 | | | 0.6 | 10.8 | 10.3 | | |
| Transactions with owners: | | | | | | | | | | |
| Repayment of capital | | | | -12.7 | | | | -12.7 | | |
| Share-based payment | | | | 0.2 | 0.9 | | -1.0 | 0.1 | | |
| Conversion of convertible bond | | | | 0.0 | | | | | | |
| Total transactions with owners | | | | -12.5 | 0.9 | | -1.0 | -12.6 | | |
| Balance at 31.12.2012 | 17.7 | 4.3 | -0.8 | 13.7 | -4.2 | -0.5 | 59.3 | 89.5 | 0.7 | 90.2 |
| | | | | | | | | | | |
| 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 | | | | | | | 13.3 | 13.3 | 0.0 | |
| Translation difference | | | | | | -0.7 | | -0.7 | | |
| Cash flow hedge, net of taxes | | | 1.0 | | | | | 1.0 | | |
| Total comprehensive income | | | 1.0 | | | -0.7 | 13.3 | 13.6 | | |
| Transactions with owners: | | | | | | | | | | |
| Dividend payment | | | | | | | -11.1 | -11.1 | | |
| Share repurchase | | | | | -2.0 | | | -2.0 | | |
| Share disposal | | | | 0.1 | 1.4 | | | 1.5 | | |
| Share-based payment | | | | | | | 0.4 | 0.4 | | |
| Conversion of convertible bond | | | | 1.5 | | | | 1.5 | | |
| Rights issue | | | | 19.2 | | | | 19.2 | | |
| Total transactions with owners | | | | 20.8 | -0.6 | | -10.7 | 9.5 | | |
| Balance at 31.12.2011 | 17.7 | 4.3 | 0.3 | 26.2 | -5.1 | -1.1 | 49.5 | 91.8 | 0.7 | 92.5 |

| **ASPO GROUP CASH FLOW STATEMENT** | 1-12/2012 MEUR | 1-12/2011 MEUR |
|---|---|---|
| OPERATIONAL CASH FLOW | | |
| Operating profit | 10.6 | 21.5 |
| Adjustments to operating profit | 7.9 | 8.9 |
| Change in working capital | -6.2 | -3.1 |
| Interest paid | -4.0 | -4.4 |
| Interest received | 1.1 | 0.8 |
| Taxes paid | -0.6 | -3.0 |
| Total operational cash flow | 8.8 | 20.7 |
| | | |
| INVESTMENTS | | |
| Investments in tangible and intangible assets | -29.8 | -41.5 |
| Gains on the sale of tangible and intangible assets | 4.0 | 0.1 |
| Purchases of subsidiary shares | -0.2 | -3.3 |
| Purchases of business operations | -0.3 | |
| Associated companies acquired | 0.1 | |
| Total cash flow from investments | -26.2 | -44.7 |
| | | |
| FINANCING | | |
| Rights issue | | 19.2 |
| Change in short-term borrowings | 42.3 | -5.4 |
| Change in long-term borrowings | -5.4 | 29.2 |
| Share repurchase | | -2.0 |
| Share disposal | | 1.5 |
| Dividends paid | | -11.1 |
| Repayment of capital | -12.7 | |
| Total financing | 24.2 | 31.4 |
| | | |
| Increase / Decrease in liquid funds | 6.8 | 7.4 |
| Liquid funds in beginning of year | 14.5 | 7.1 |
| Translation difference | 0.1 | |
| Liquid funds at period end | 21.4 | 14.5 |

**KEY FIGURES AND RATIOS**

| | 1-12/2012 | 1-12/2011 |
|---|---|---|
| Earnings per share, EUR | 0.36 | 0.45 |
| EPS adjusted for dilution, EUR | 0.37 | 0.45 |
| | | |
| Equity per share, EUR | 2.95 | 3.05 |
| Equity ratio, % | 29.2 | 35.2 |
| Gearing, % | 131.6 | 94.1 |

## ASPO GROUP CONTINGENT LIABILITIES

| | 2012 MEUR | 2011 MEUR |
|---|---|---|
| Securities on group liabilities | 122.2 | 152.9 |
| Leasing liabilities | 40.3 | 39.2 |
| Derivative contracts, fair values, net | | |
| -Currency forwards | | 1.1 |
| -Interest rate swaps | -1.2 | -0.8 |

## ACCOUNTING PRINCIPLES AND FINANCIAL REPORTING

Aspo Plc's interim report has been prepared in accordance with the principles of IAS 34 Interim Financial Reporting. From April 1, 2012, the internal long-term loans belonging to the Telko segment of Telko's Ukrainian subsidiary have been reclassified as net investments into international operations under IAS 21. A corresponding principle was applied to the internal long-term loans of Telko's Belarusian subsidiary as described in the financial statements bulletin for 2011. In other respects, the same accounting principles have been adopted in the interim report as in the Financial Statements on December 31, 2011. The calculation formulas for key indicators are explained in the 2011 financial statements. The information in this report is unaudited.

## PRESS AND ANALYST CONFERENCE

A press and analyst conference will be arranged today, Thursday February 14, 2013 at 13.30 at the Paavo Nurmi cabinet at Hotel Kämp, Pohjoisesplanadi 29, 00100 Helsinki.

## ANNUAL SHAREHOLDERS' MEETING

The Aspo Plc Annual Shareholders' Meeting is scheduled to be held on Wednesday, April 10, 2013, at 14.00 in the Stock Exchange Building at Fabianinkatu 14, 00100 Helsinki.

## FINANCIAL INFORMATION IN 2013

The 2012 Annual Report will be published during week 14 at the latest in Finnish and in English. You can read and order the report on our website at www.aspo.com. Aspo Plc will publish three Interim Reports in 2013: for the first quarter on April 29, 2013, for the second quarter on August 20, 2013, and for the third quarter on October 24, 2013.

Helsinki February 14, 2013

ASPO Plc

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