



Aspo Q1

May 9, 2017

CEO Aki Ojanen

CFO Arto Meitsalo

Strong growth Q1

Net sales increased significantly to EUR 119.0 (98.5) million.

Operating profit stood at EUR 4.4 (3.3) million.

Profit for the period was EUR 3.9 (2.3) million.

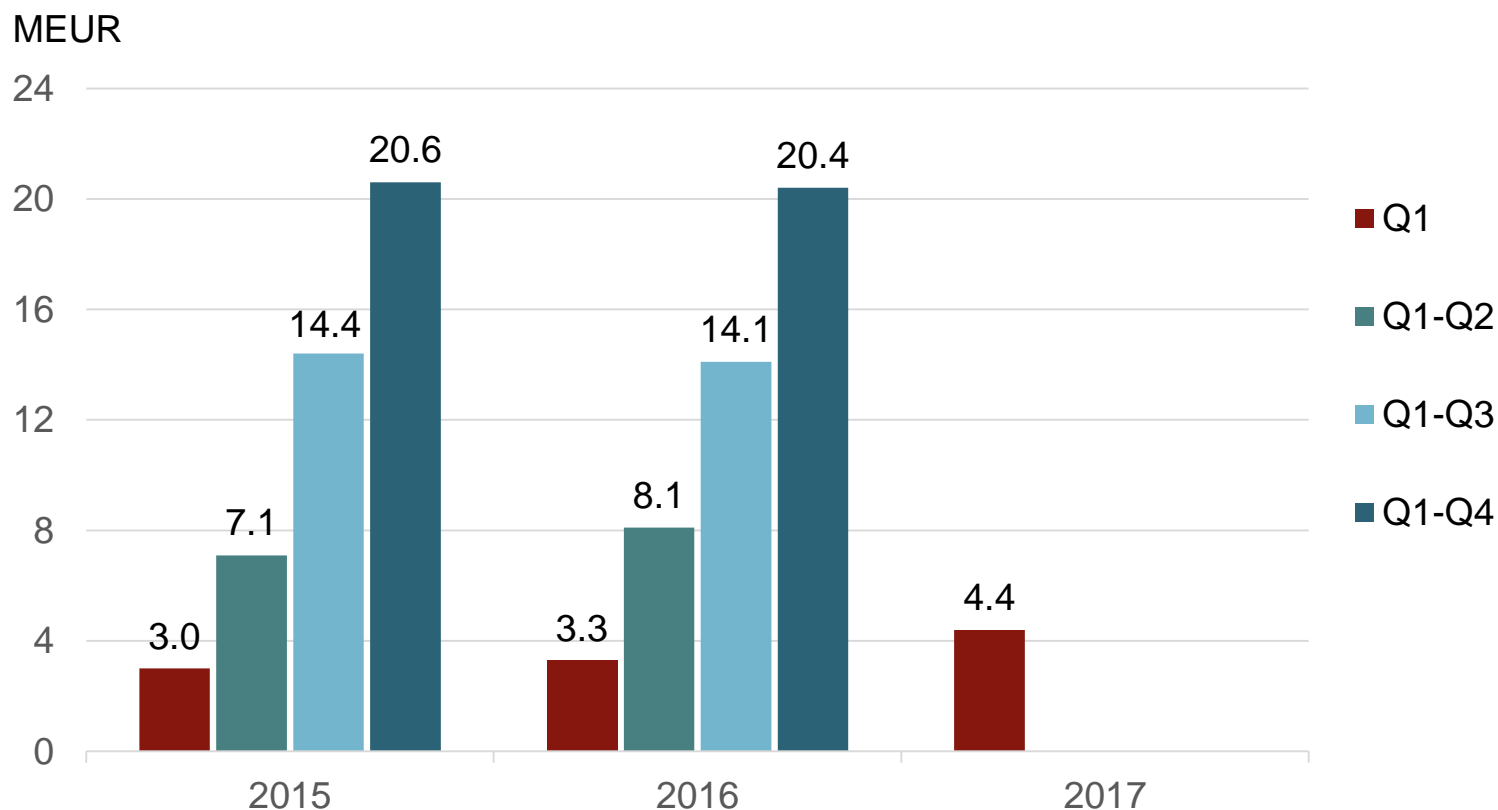
Earnings per share almost doubled to EUR 0.13 (0.07).

Net cash from operating activities improved from the comparative period but was negative EUR -3.2 (-7.0) million.

Guidance remains unchanged:
Aspo's operating profit will be EUR 22-27 (20.4) million in 2017.

Operating profit increased by 33%

Operating profit



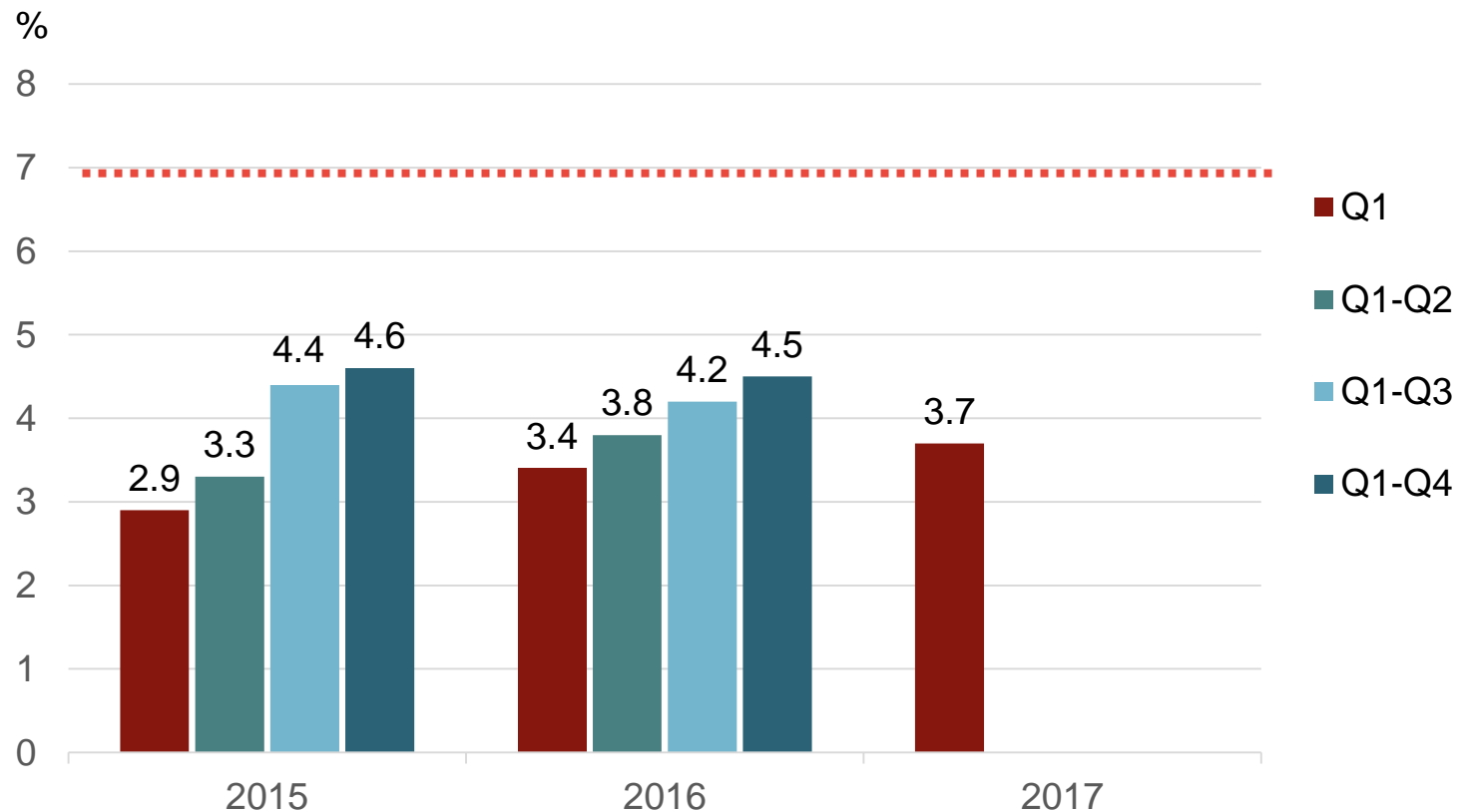
Operating profit was EUR 4.4 (3.3) million.

Operating profit increased due to ESL Shipping and decrease in Group costs.

Q1 is usually the lowest of the year.

Long-term financial targets

Operating profit, %



Q1 May 9, 2017

4

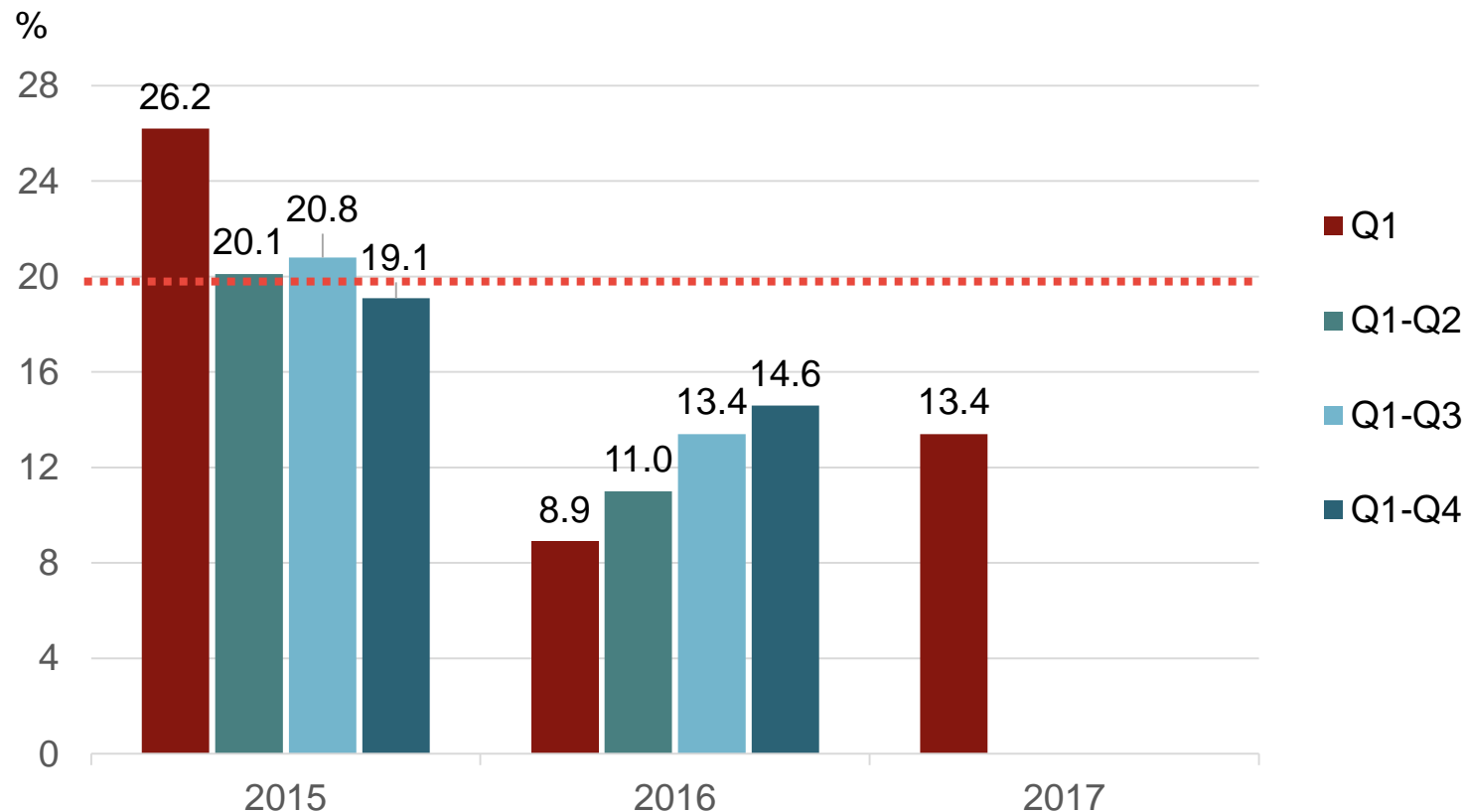
Operating profit rate increased to 3.7% (3.4).

The target level is 7% with the current structure by 2020.

The target level is indicated by the dashed line.

Long-term financial targets

Return on equity, (ROE)



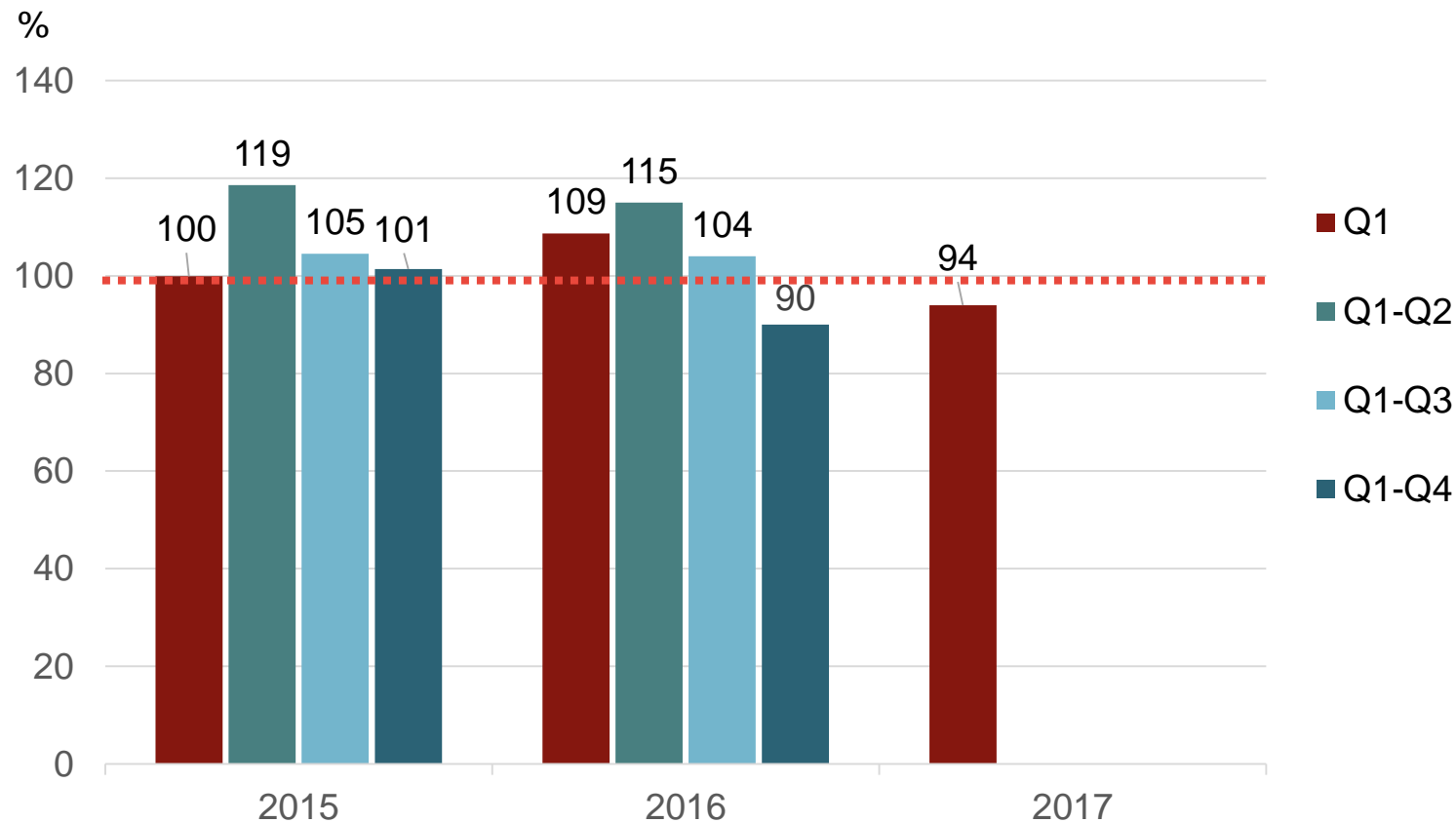
ROE improved significantly from the comparative period and was 13.4% (8.9).

In Q1 2015 a sales gain from the sale of shares increased ROE.

The target level is on average over 20% by 2020.

Long-term financial targets

Gearing



Q1 May 9, 2017

6

Gearing decreased to the target level, 94% (109).

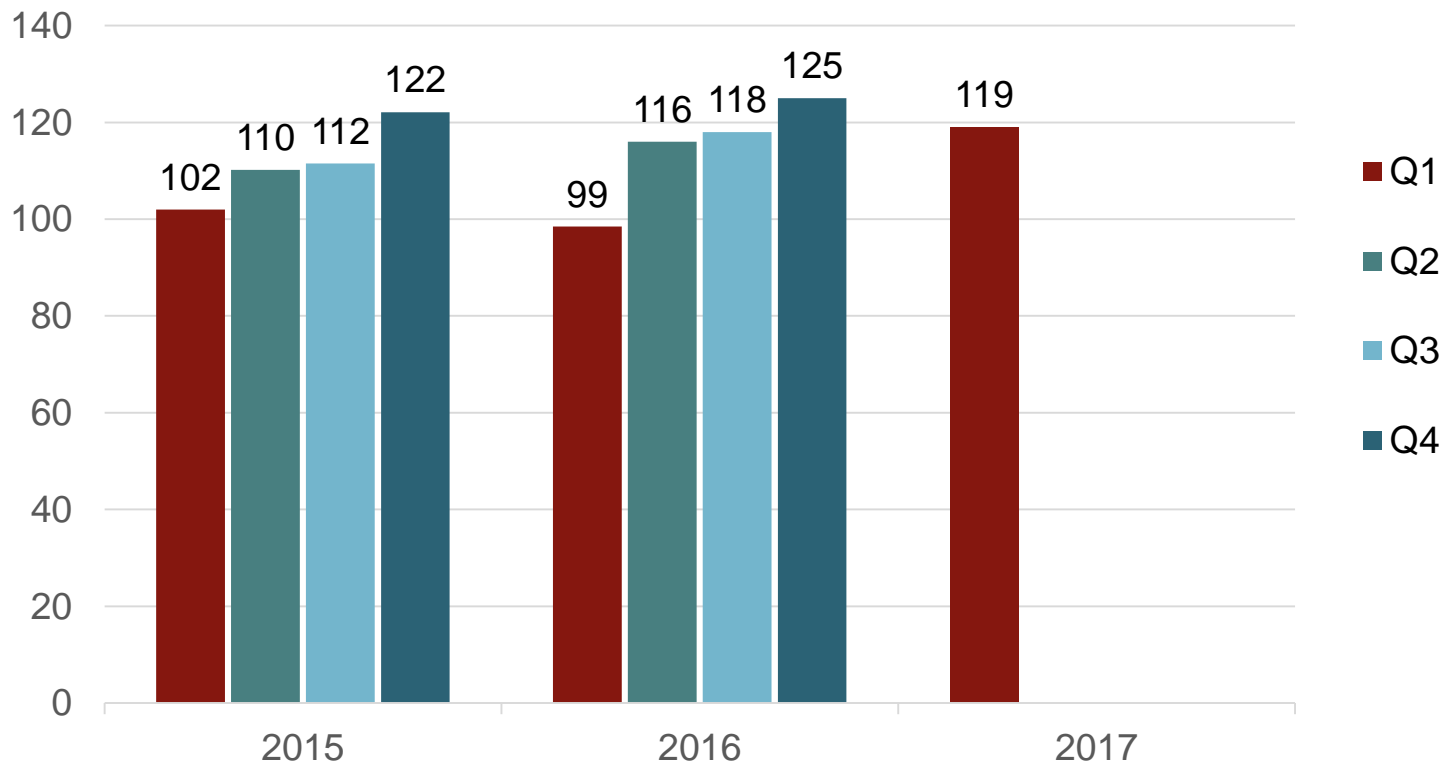
The target level is up to 100% by 2020.

The target level is indicated by the dashed line.

Net sales

Net sales by quarter

MEUR

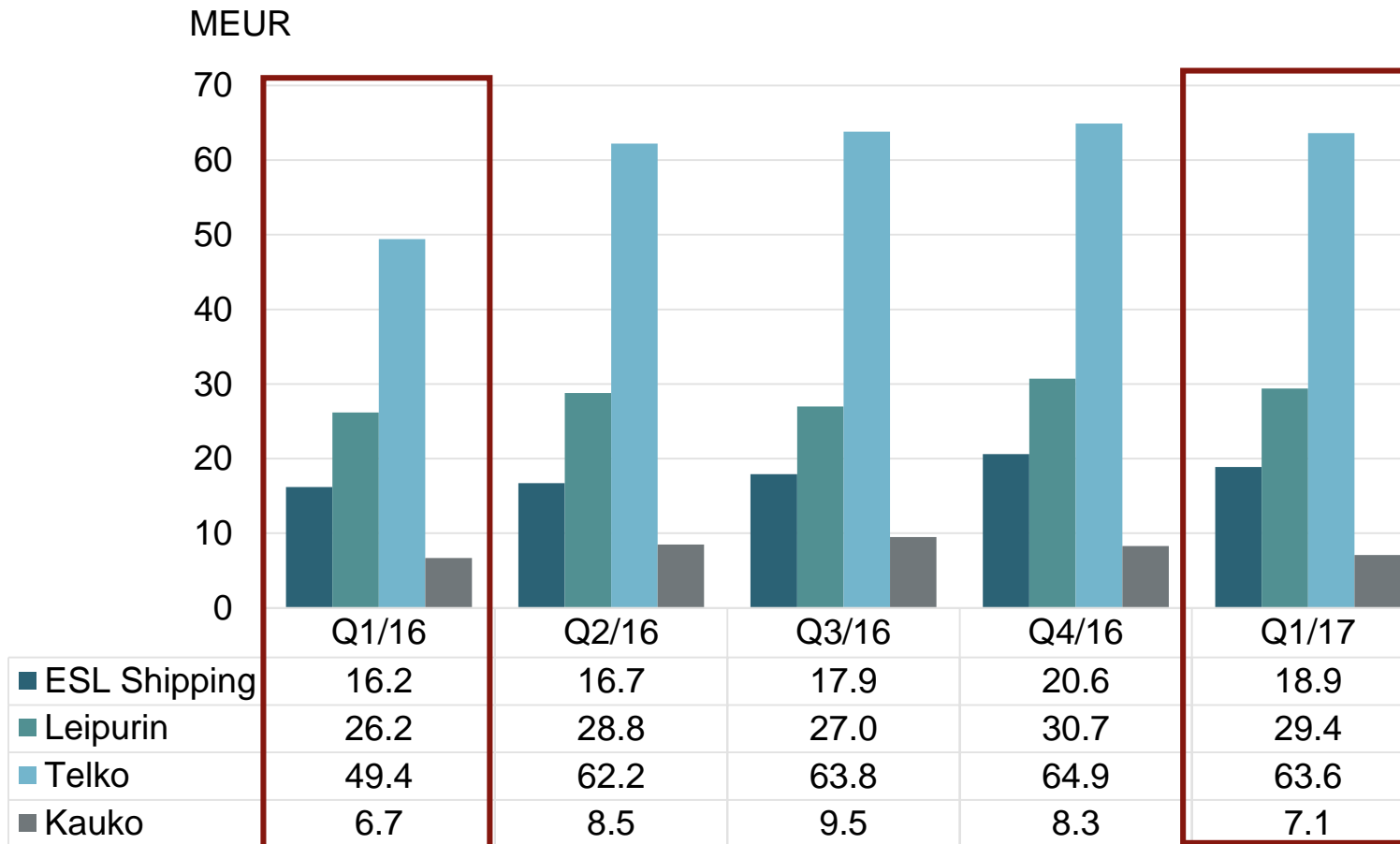


Net sales increased by 21%.

All businesses increased their net sales.

**Almost all market areas increased their net sales.
Strongest growth in eastern markets.**

Net sales by segment

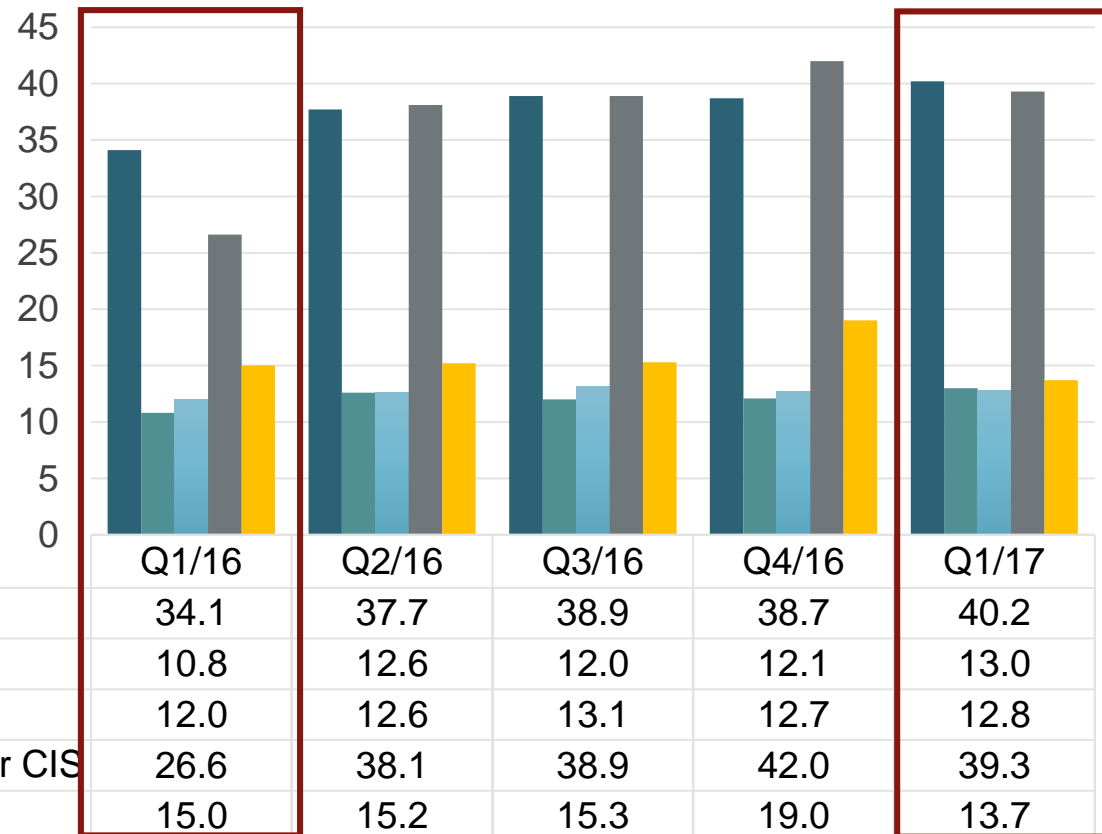


Distribution of net sales, Q1/2017

ESL Shipping	16%
Leipurin	25%
Telko	53%
Kauko	6%

Net sales by market area

MEUR



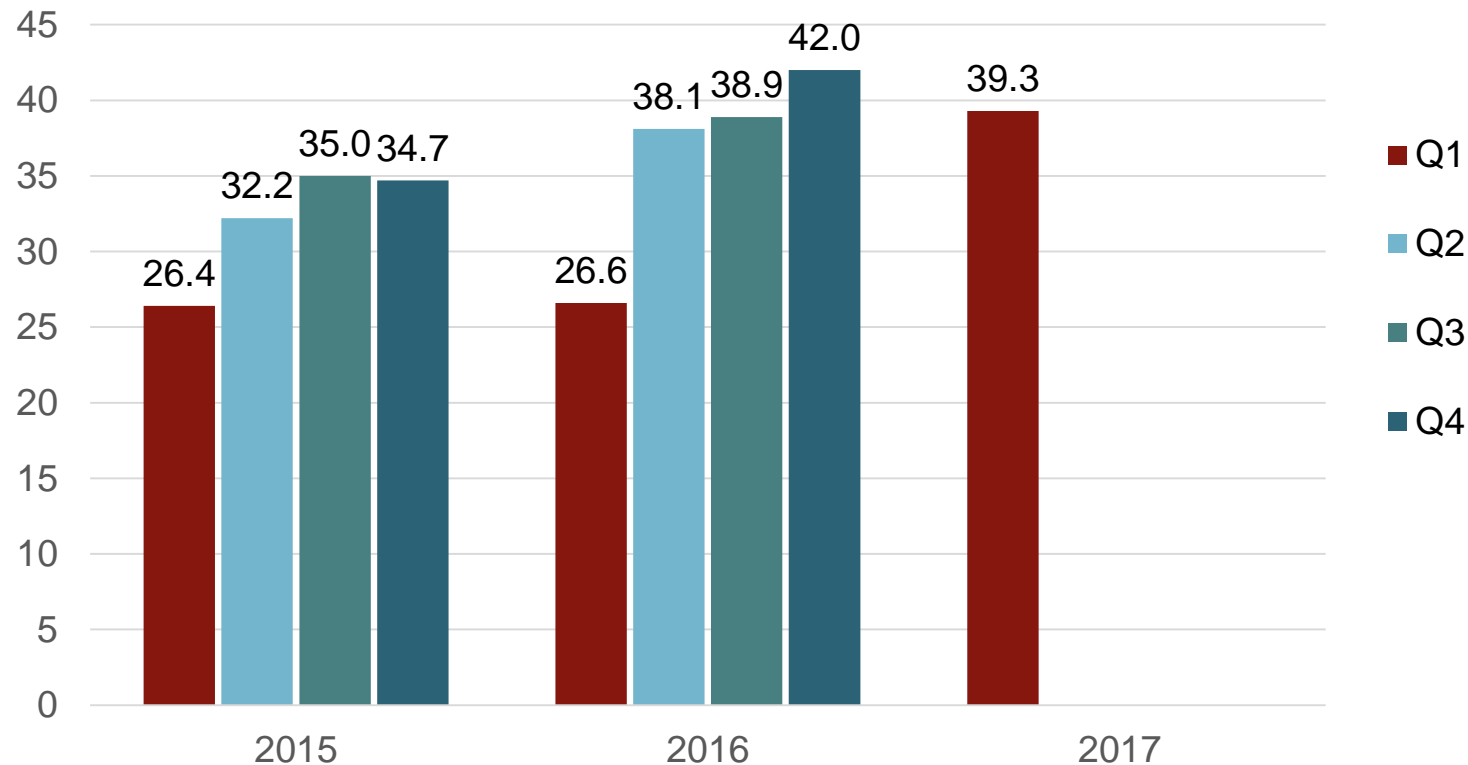
Distribution of net sales, Q1/2017

Finland	34%
Scandinavia	11%
Baltic countries	11%
Russia, Ukraine and other CIS countries	33%
Other countries	11%

Russia, Ukraine and other CIS countries

Net sales

MEUR



Net sales in eastern markets increased by 48% from the comparative period. The increase is partly caused by the strengthening of the ruble.

Net sales growth in eastern markets:
Leipurin 36%
Telko 49%



ESL Shipping

Leading marine logistics provider for bulk cargo

ESL Shipping

Q1

International freight rates increased in Q1.

Profitability is based on special expertise and unique services.

Net sales increased by 17% to EUR 18.9 (16.2) million.

Net sales grew especially as a result of Supramax vessels and increase in ship fuel prices.

Operating profit increased by 36% to EUR 3.0 (2.2) million.

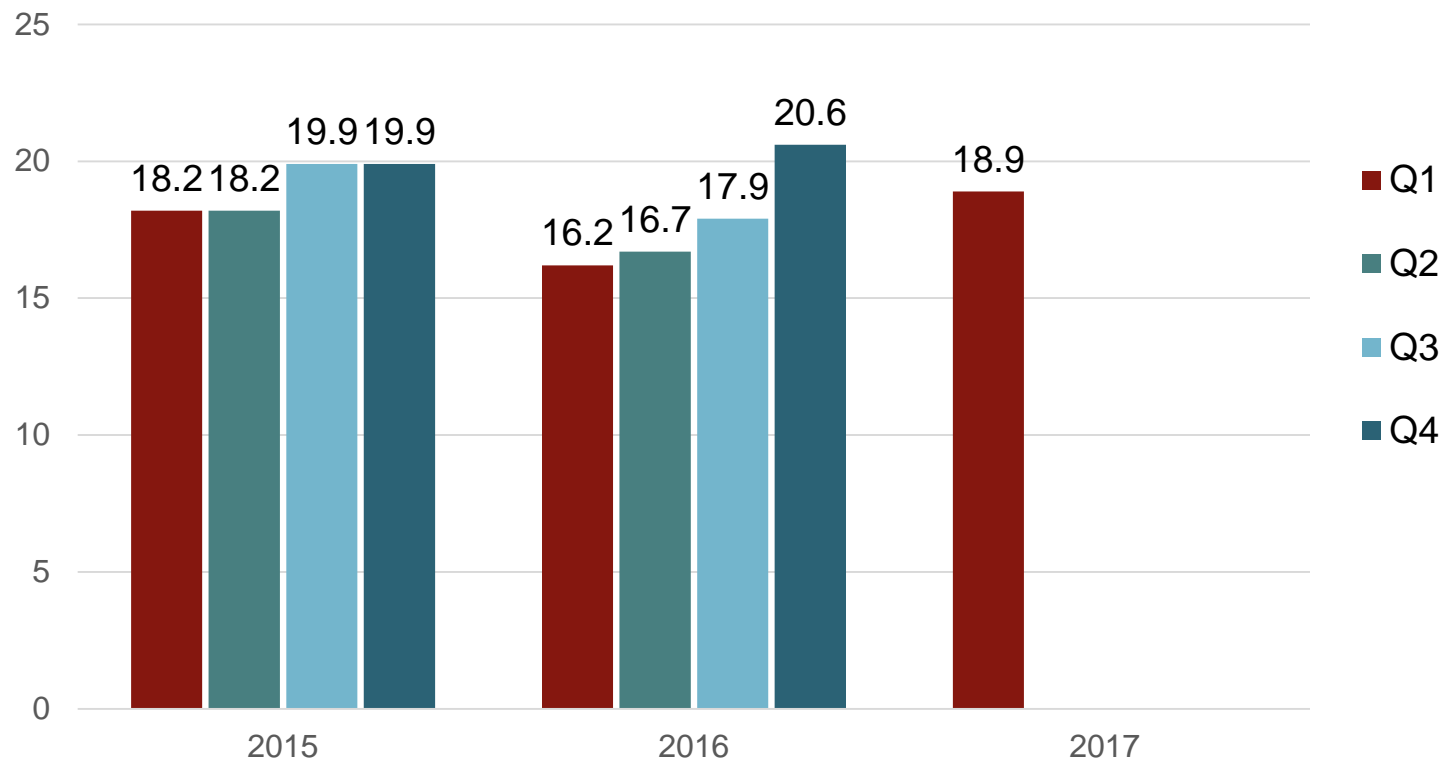
Supramax vessels' result turned profitable from the comparative period.

Transportation volume of renewable bioenergy continued to grow. Due to the low nominal weight of the raw material, this has no notable effect on the transportation volumes.

ESL Shipping, key figures

Net sales

MEUR



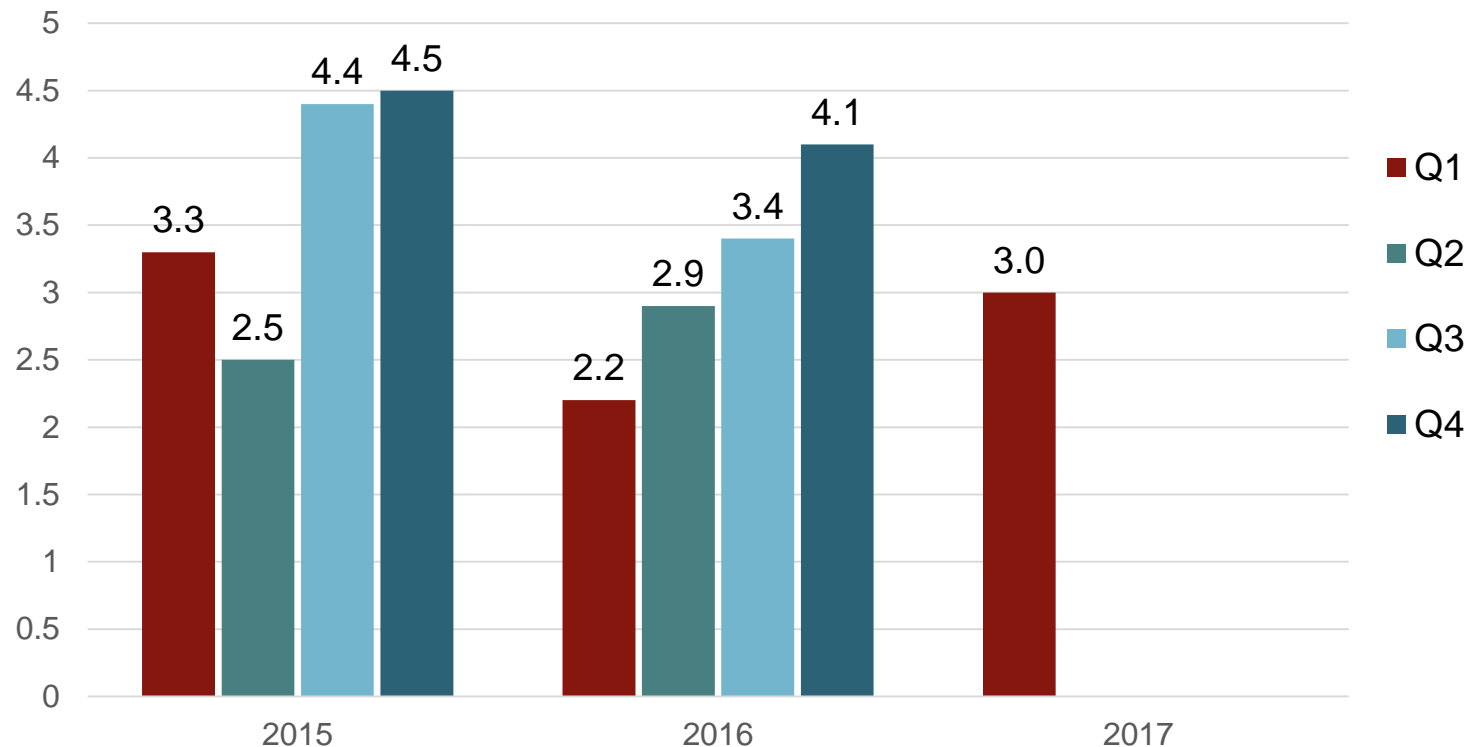
Net sales increased exceptionally strongly. Transportation volumes increased from the comparative period.

More effective use of the capacity and growth in ship fuel prices increased net sales.

ESL Shipping, key figures

Operating profit

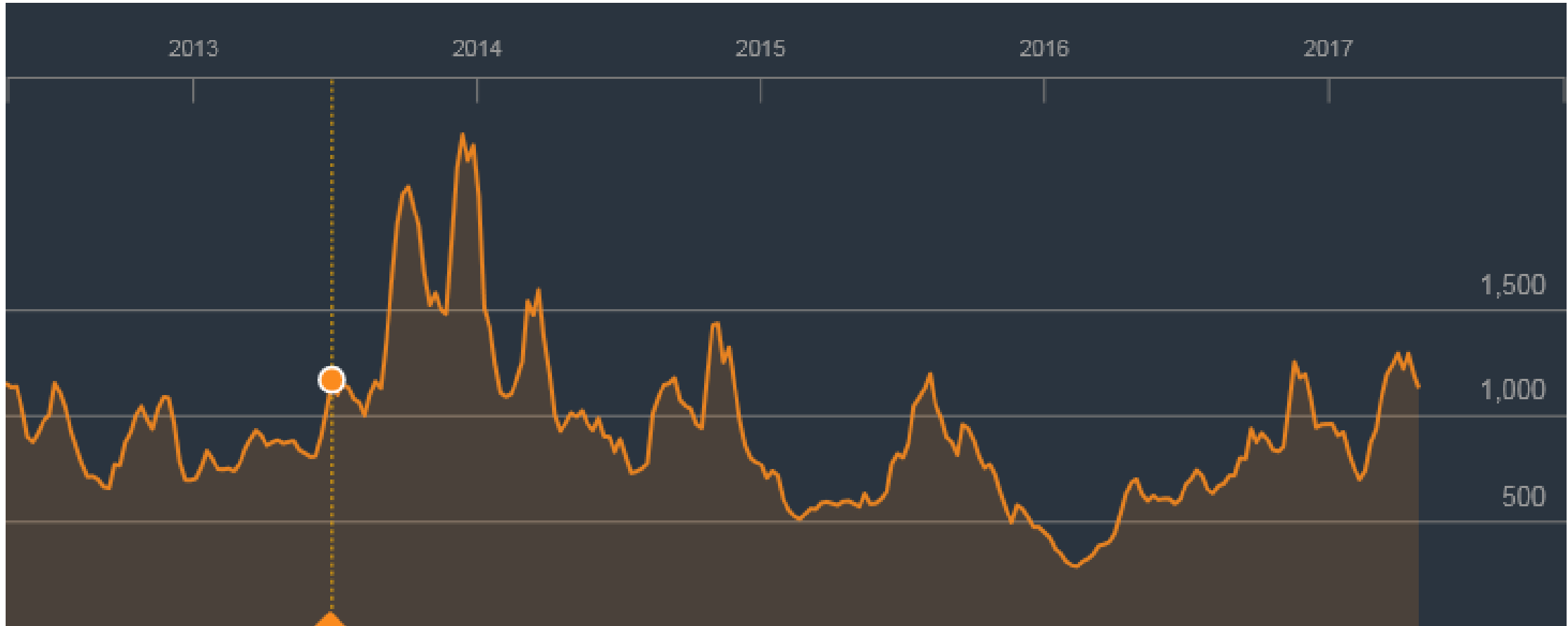
MEUR



Q1 operating profit EUR 3.0 (2.2) million was good for the winter period.

**Supramax vessels started to produce profits.
Difficult weather conditions affected to the loading and unloading operations.**

Baltic Dry Index 2013–2017



Source: Bloomberg

Q1 May 9, 2017



Leipurin

From breads and recipes to a comprehensive selection

Leipurin

Q1

The prices of key raw materials increased from the comparative period.

The market of industrial packed bread decreased. The market of in-store bakeries and baking units continued to increase.

Operating profit decreased to EUR 0.4 (0.5) million.

Net sales increased by 12% and amounted to EUR 29.4 (26.2) million.

Net sales increased especially in eastern markets and in machine operations.

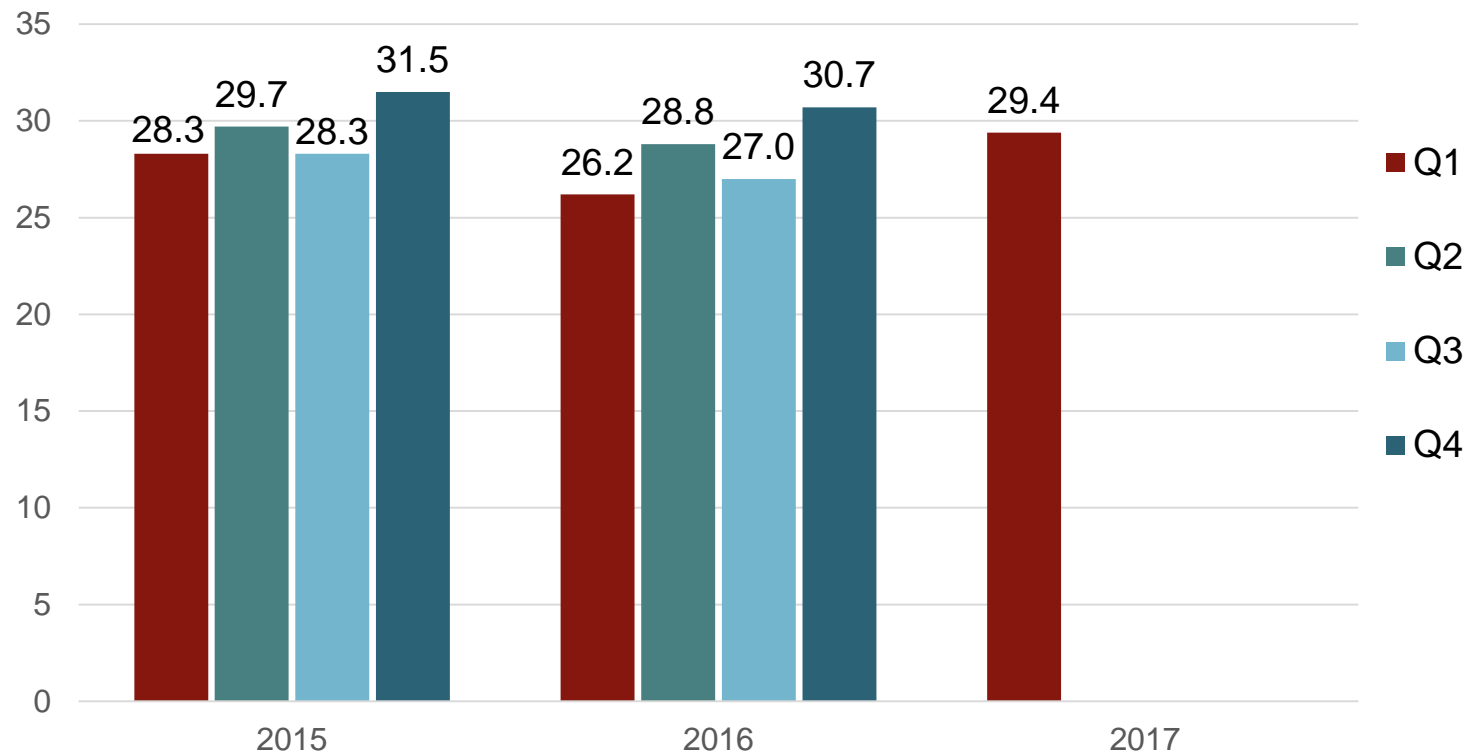
The capacity utilization of own machine production increased.

Machine operations will turn to produce profit in upcoming quarters due to the timing of project revenue and customer deliveries.

Leipurin, key figures

Net sales

MEUR



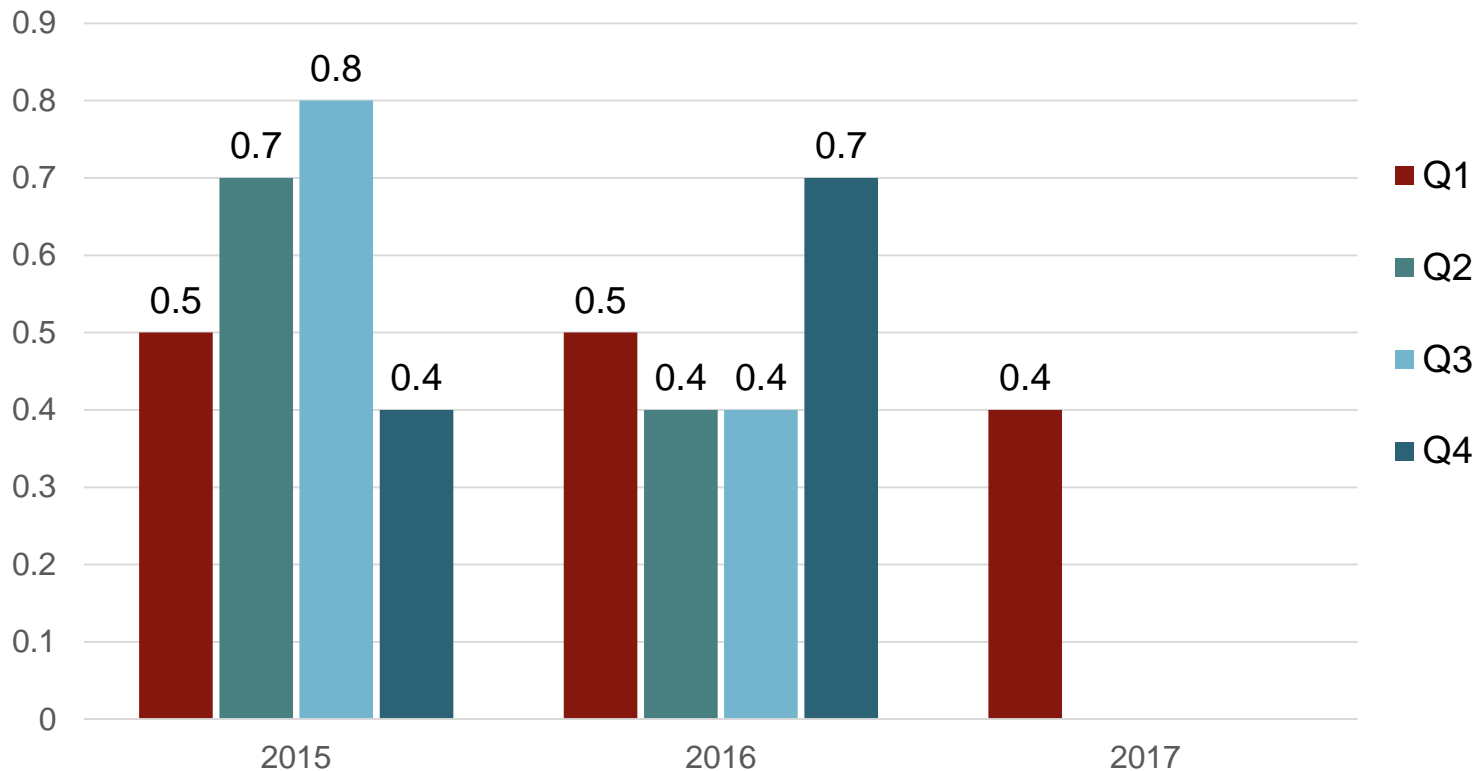
Net sales increased.
Net sales of machine operations increased by 45% and raw materials in eastern markets by 33%.

Significant investments to the increase of the market share in the OOH market.

Leipurin, key figures

Operating profit

MEUR

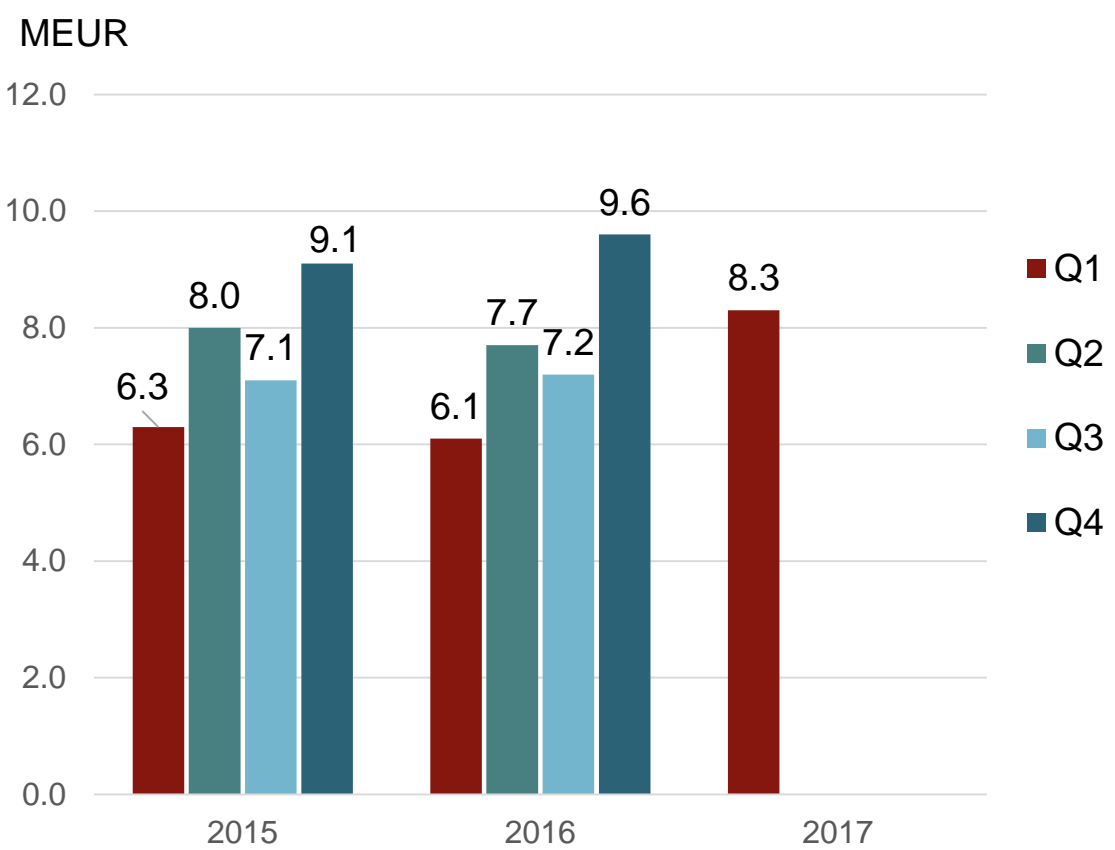


Operating profit amounted to EUR 0.4 million (0.5) which is clearly behind the target level.

Profitability is expected to increase in 2017.

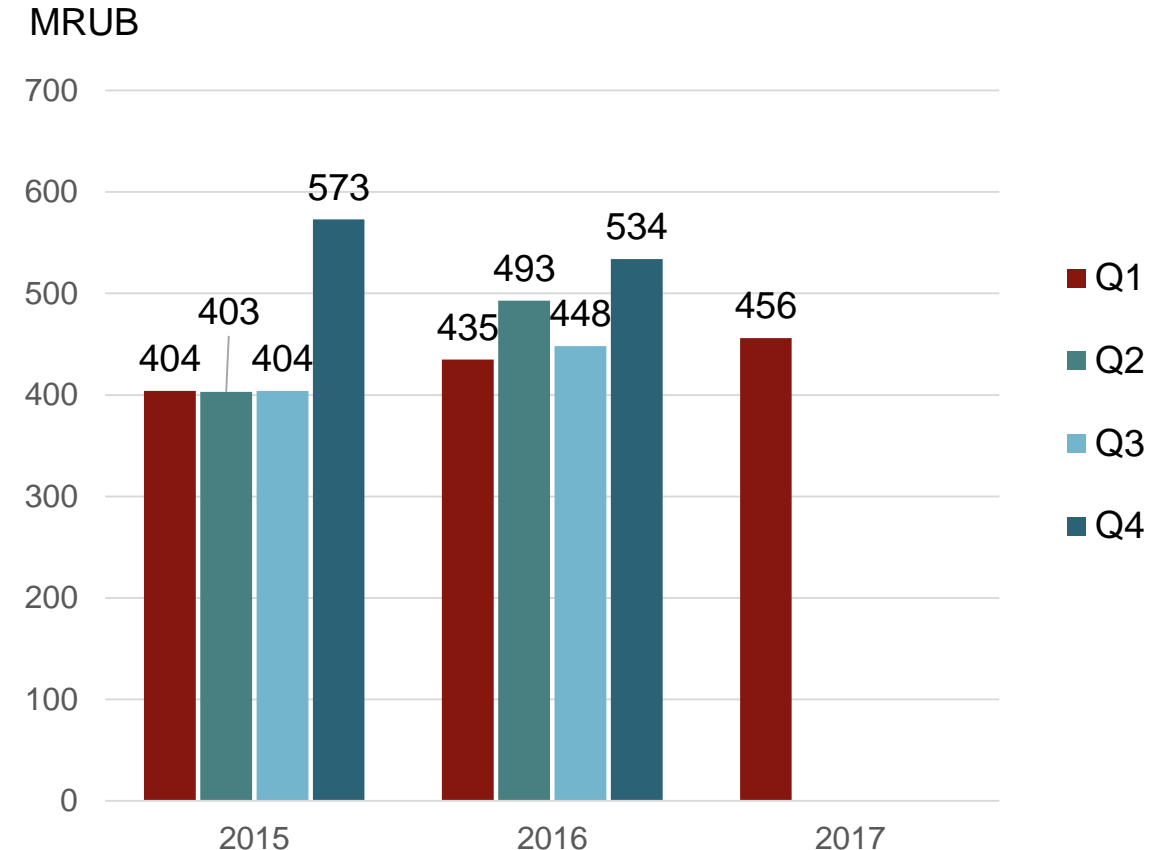
Net sales in Russia, Ukraine and other CIS countries

Net sales in the market area



Q1 May 9, 2017

Net sales of the Russian company





Telko

Raw material solutions for the industry

Net sales increased significantly.

The growth was affected by an increase in volumes as well as prices of chemicals and plastic raw materials.

Net sales increased by 29% and amounted to EUR 63.6 (49.4) million.

Net sales increased in eastern and western markets.

Operating profit stood at the comparative period's level, EUR 2.3 (2.3) million.

Operating profit rate decreased to 3.6% (4.7).

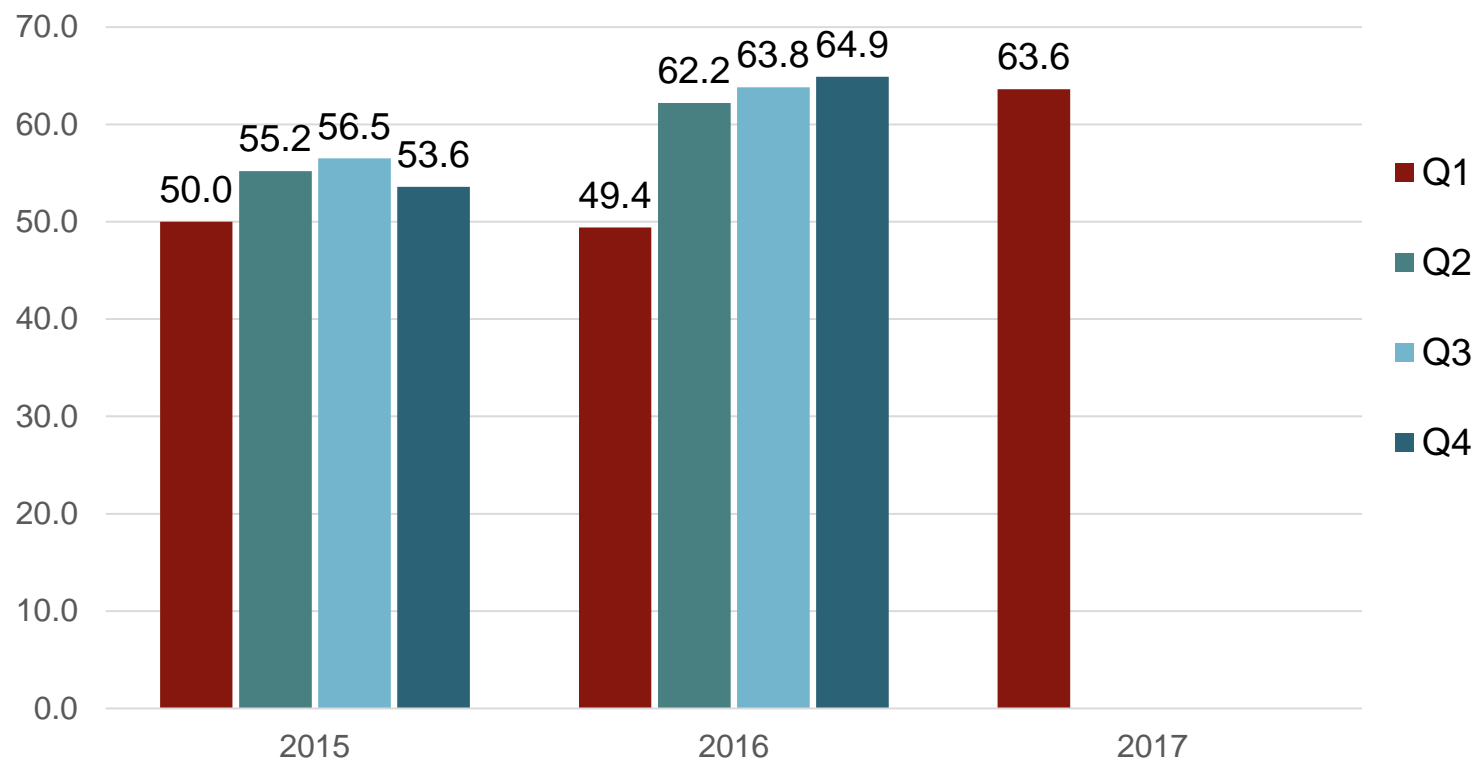
Strong net sales growth in Russia, Ukraine and other CIS countries, 49%.

Operating profit rate was clearly below the level of 5%.

Telko, key figures

Net sales

MEUR



Q1 net sales increased significantly.

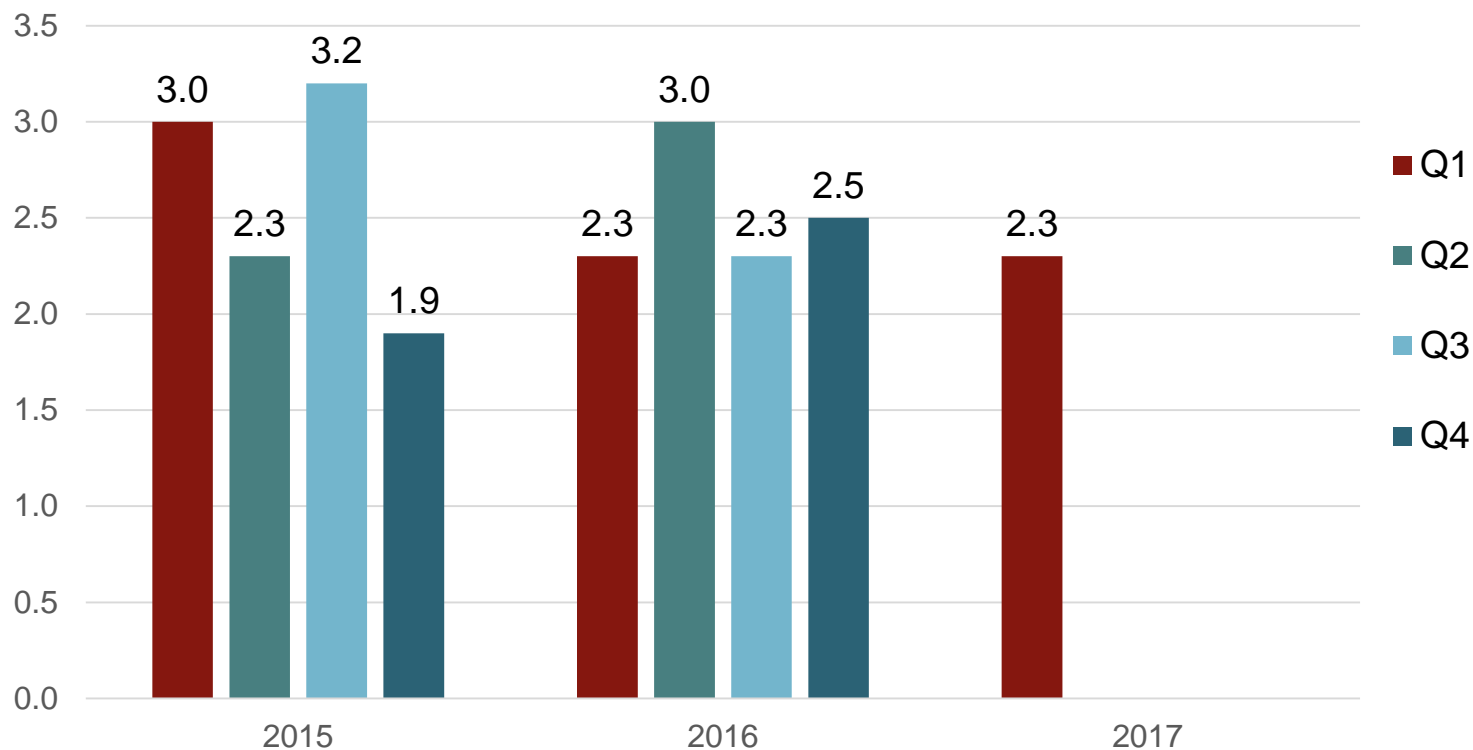
Q1 net sales is usually the lowest of the year.

Net sales increased in all market areas.

Telko, key figures

Operating profit

MEUR

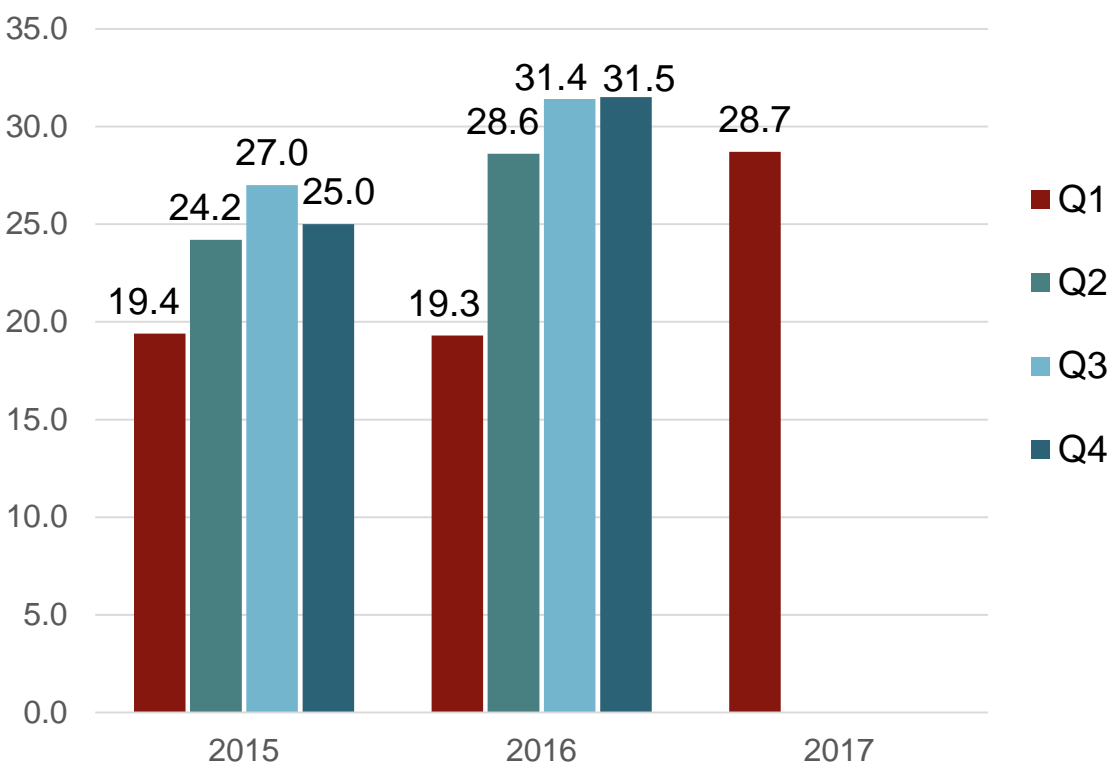


Operating profit amounted to EUR 2.3 (2.3) million.

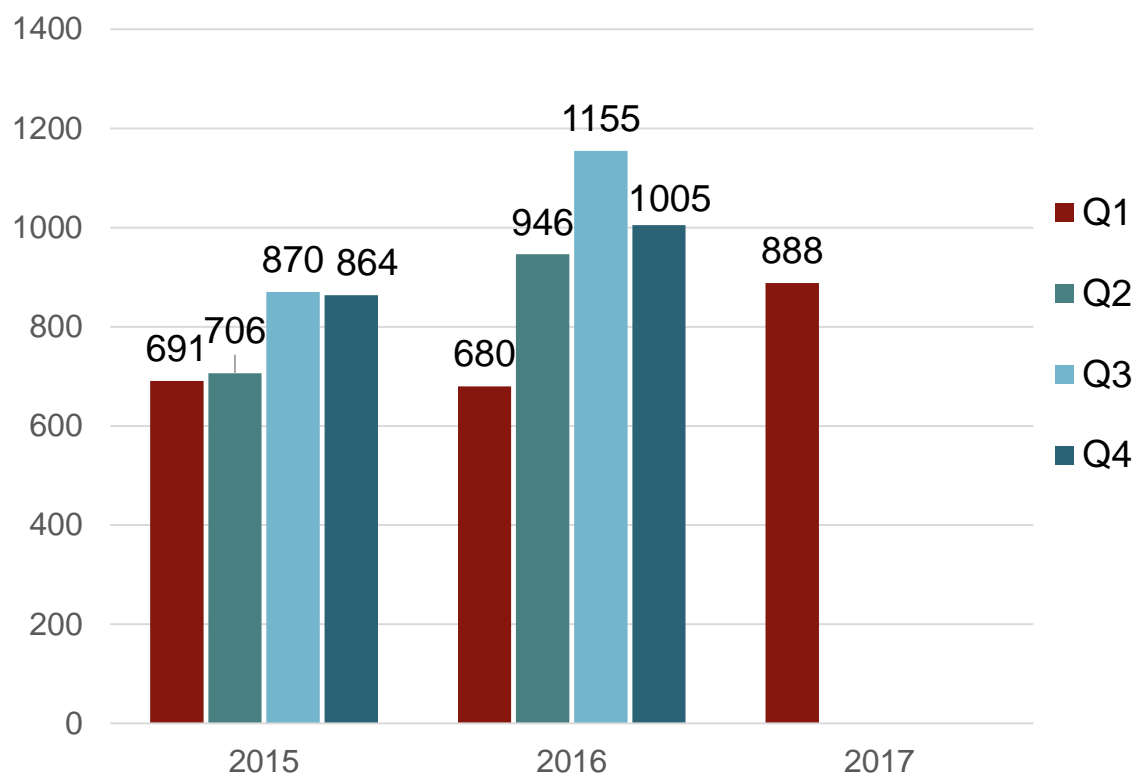
Investments in growth and costs related to strengthened Russian ruble reduced the profitability in eastern markets.

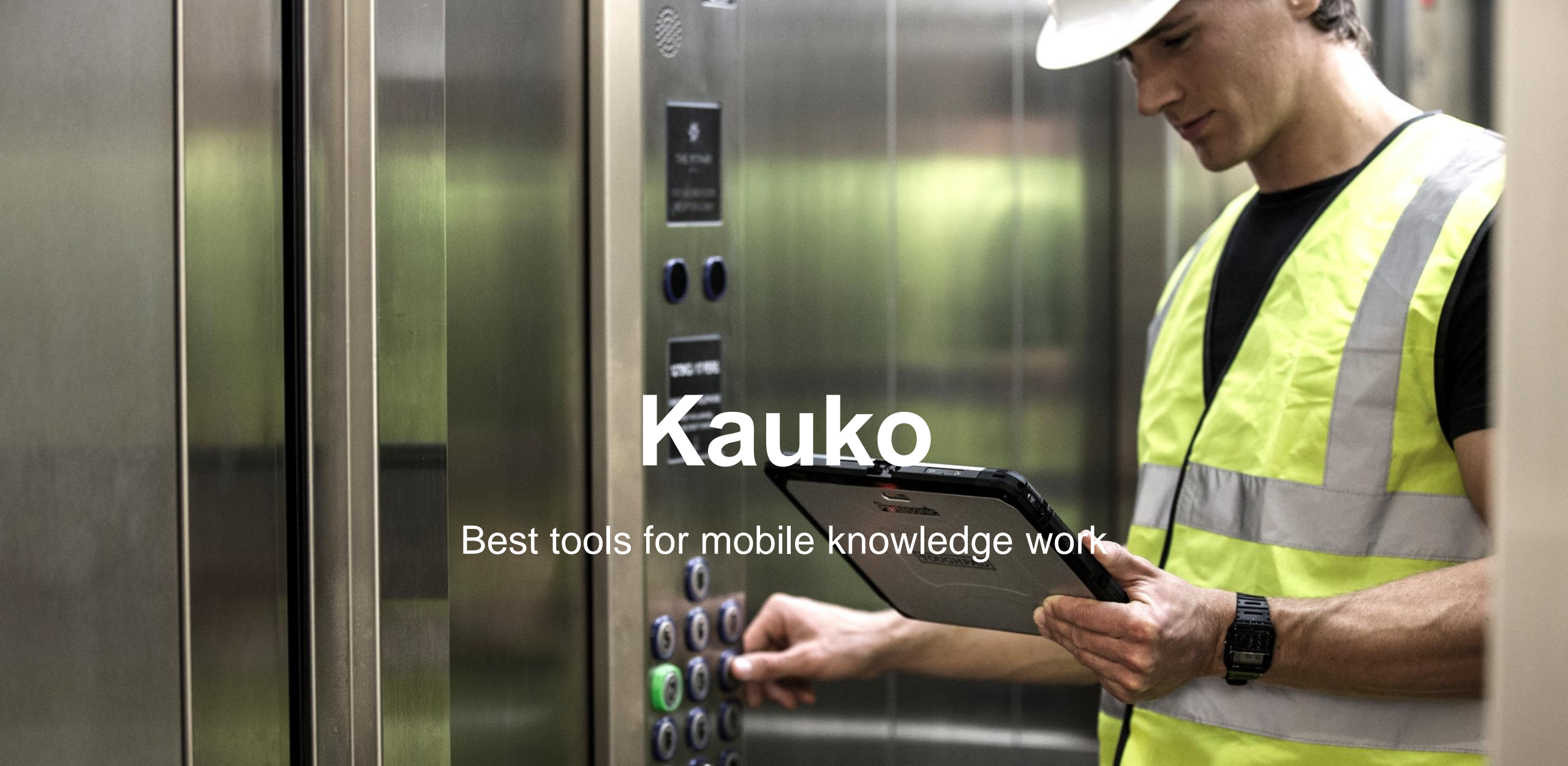
Net sales in Russia, Ukraine and other CIS countries

Net sales in the market area
MEUR



Net sales of the Russian company
MRUB





Kauko

Best tools for mobile knowledge work

Kauko

Q1

Net sales increased to EUR 7.1 (6.7) million.

Operating profit amounted to EUR -0.5 (-0.3) million.
Operating profit includes a EUR 0.3 million impairment loss of receivables related to the divested Industrial business.

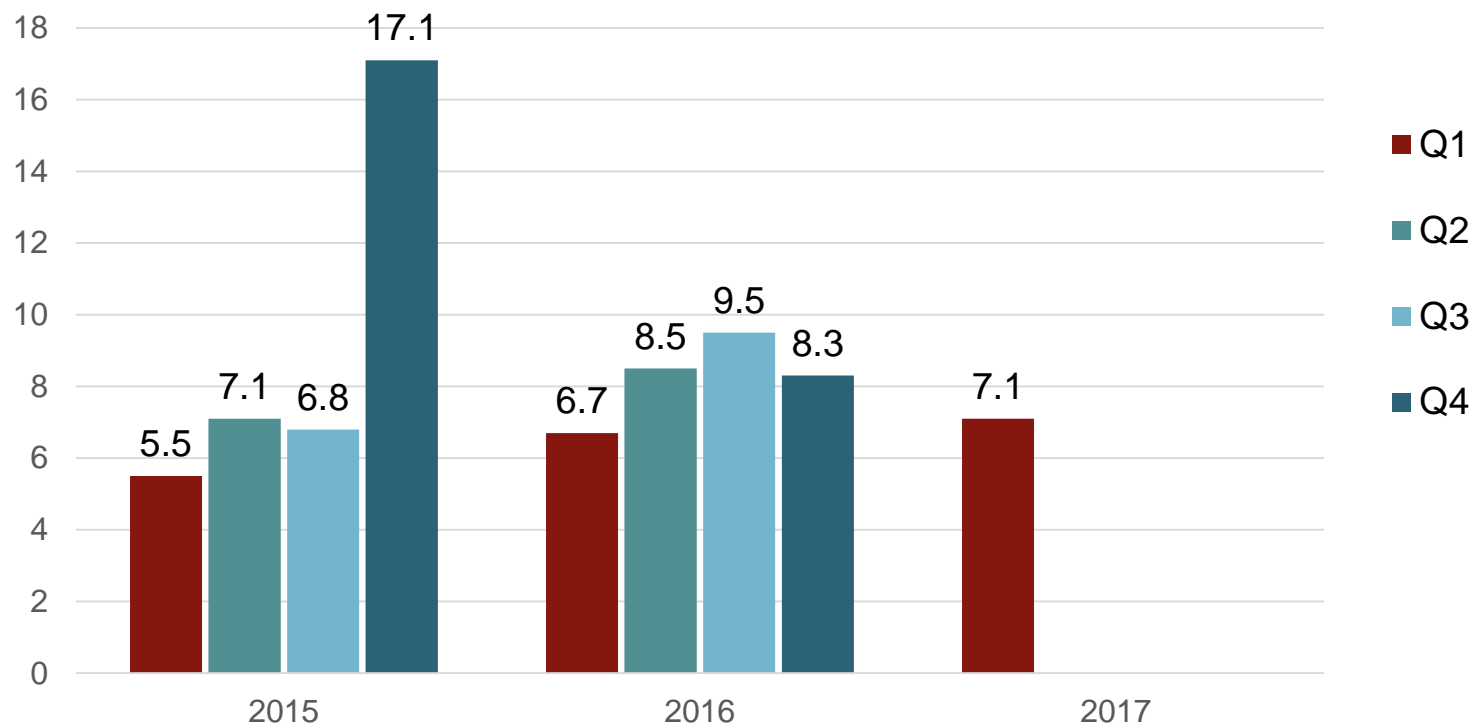
First quarter result is usually the lowest of the year.

Application operations and the functions of German subsidiary produced a loss at their start-up stage.

Kauko, key figures

Net sales

MEUR



Q1 May 9, 2017

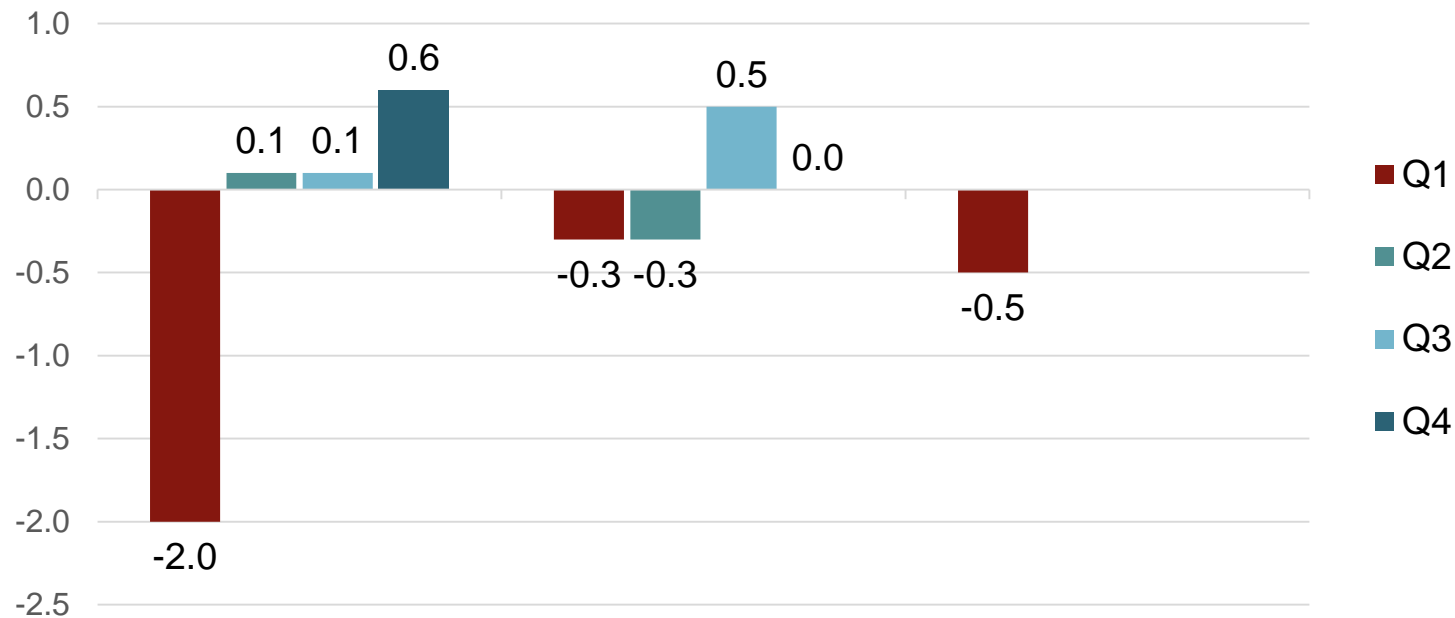
Q1 net sales increased to EUR 7.1 (6.7) million.

Net sales of mobile knowledge work and energy-efficiency equipment increased.

Kauko, key figures

Operating profit

MEUR



Operating profit amounted to EUR -0.5 (-0.3) million including a EUR 0.3 million impairment loss of receivable.

Mobile knowledge work is expected to increase its profitability. Q1 is typically the poorest seasonal period for energy equipment business.



Financials and financing

Arto Meitsalo

Q1 May 9, 2017

30

Income statement

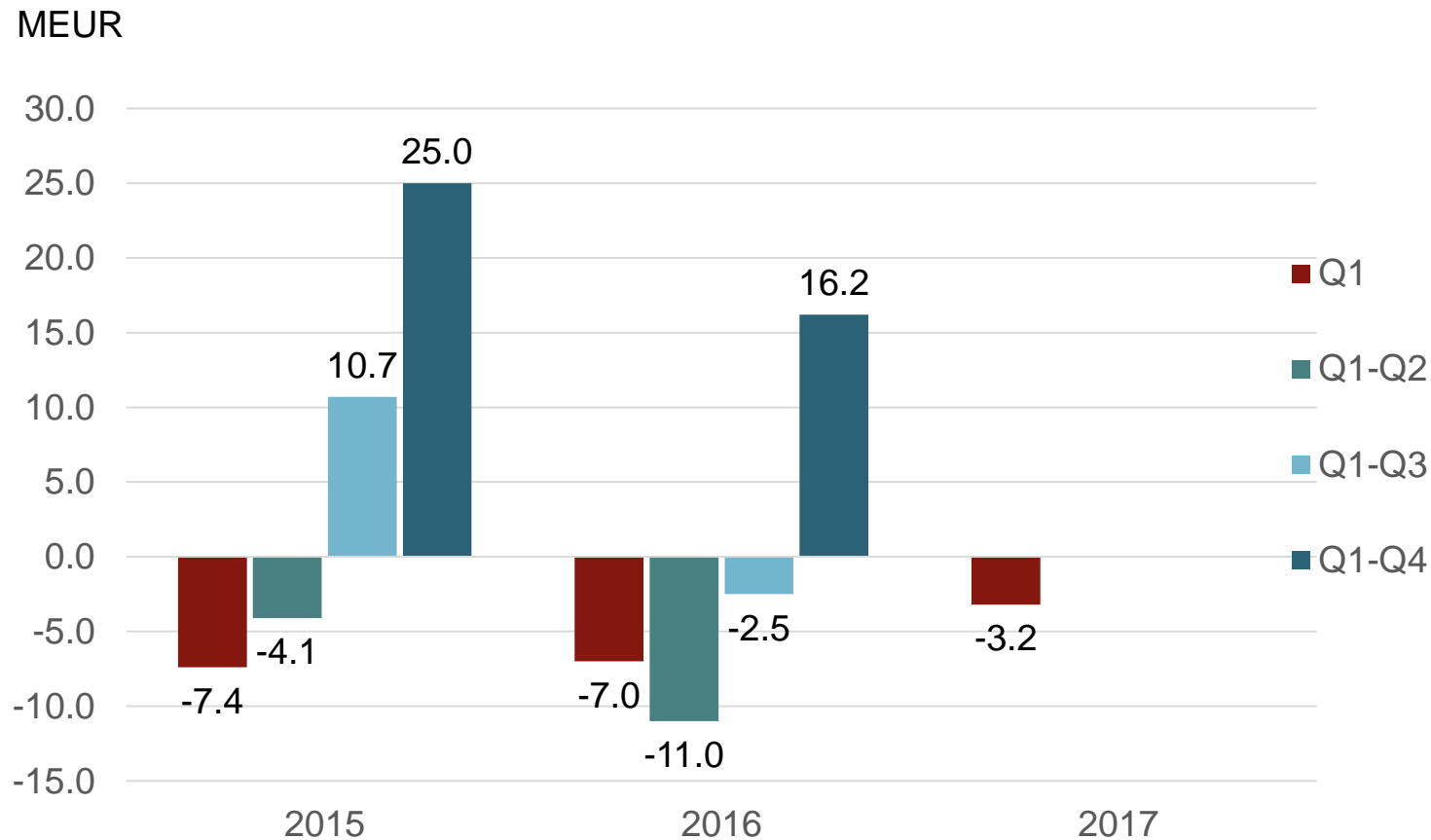
MEUR	Q1/2017	Q1/2016
Net sales	119.0	98.5
Ebitda	7.4	6.1
Depreciation, amortization and impairment losses	-3.0	-2.8
Operating profit	4.4	3.3
Financial income and expenses	-0.2	-0.7
Profit before taxes	4.2	2.6
Income taxes	-0.3	-0.3
Profit for the period	3.9	2.3
Earnings per share, EUR	0.13	0.07

Ebitda rate was 6.2% (6.2).

Operating profit rate increased to 3.7% (3.4).

Earnings per share increased significantly to EUR 0.13 (0.07).

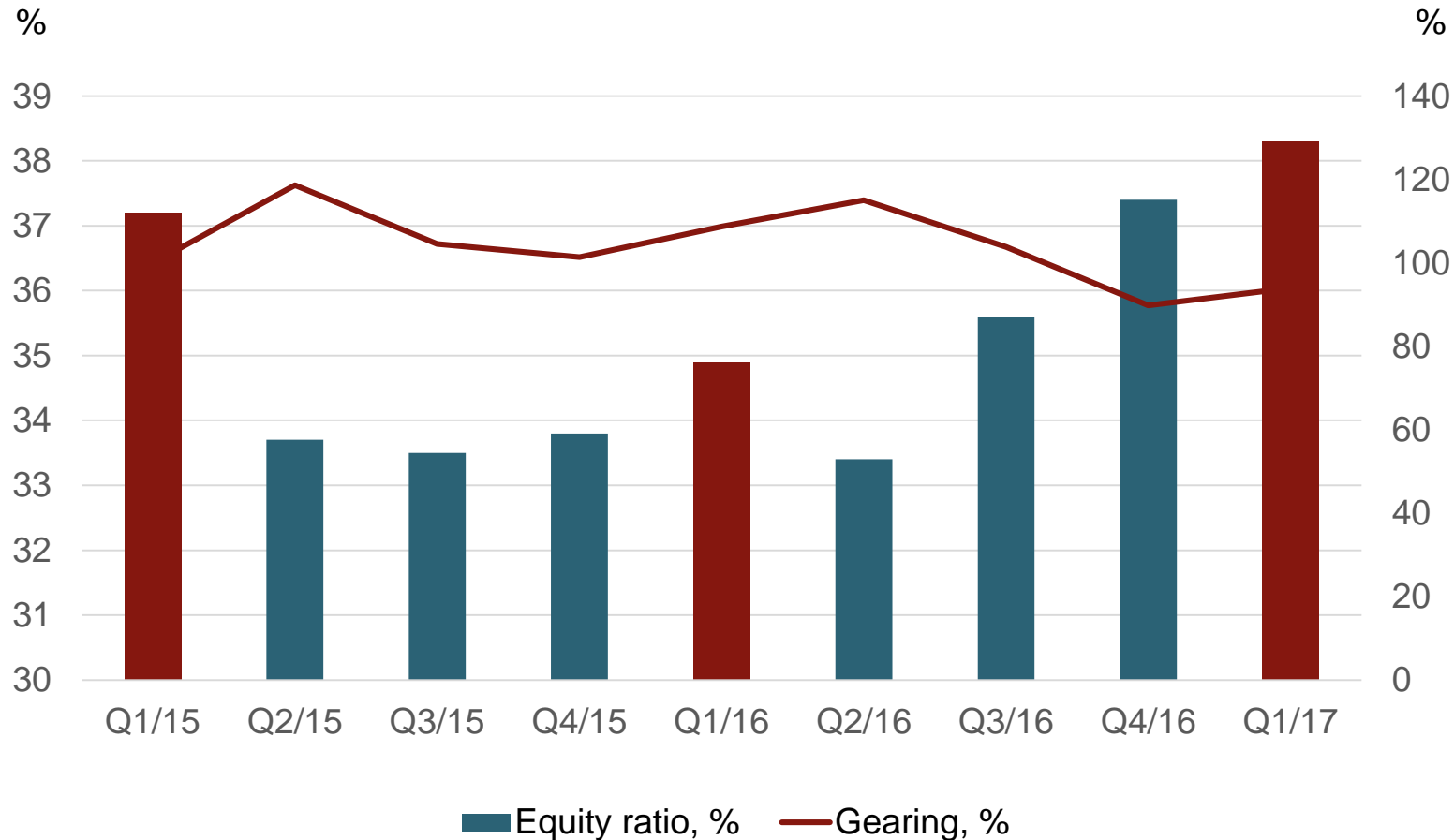
Net cash from operating activities



Net cash from operating activities improved from the comparative period but was negative EUR -3.2 (-7.0) million. Change in working capital was EUR -8.4 (-12.1) million.

Net cash from operating activities is usually poor in Q1.

Equity ratio and gearing

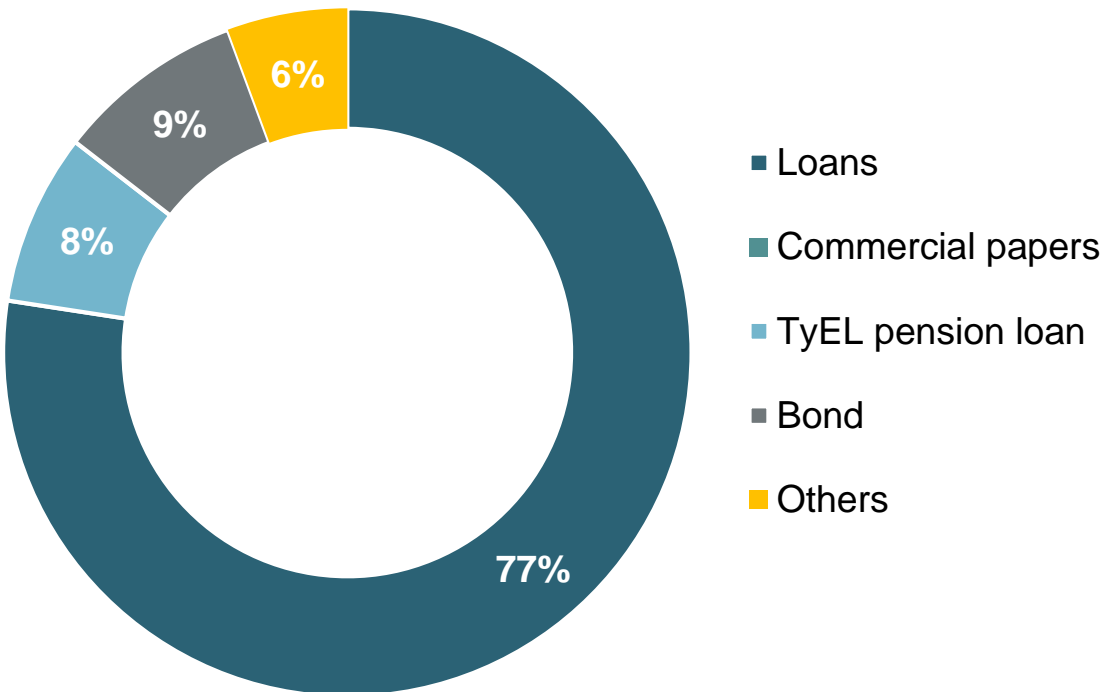


Capital structure developed positively compared to Q1 2016.

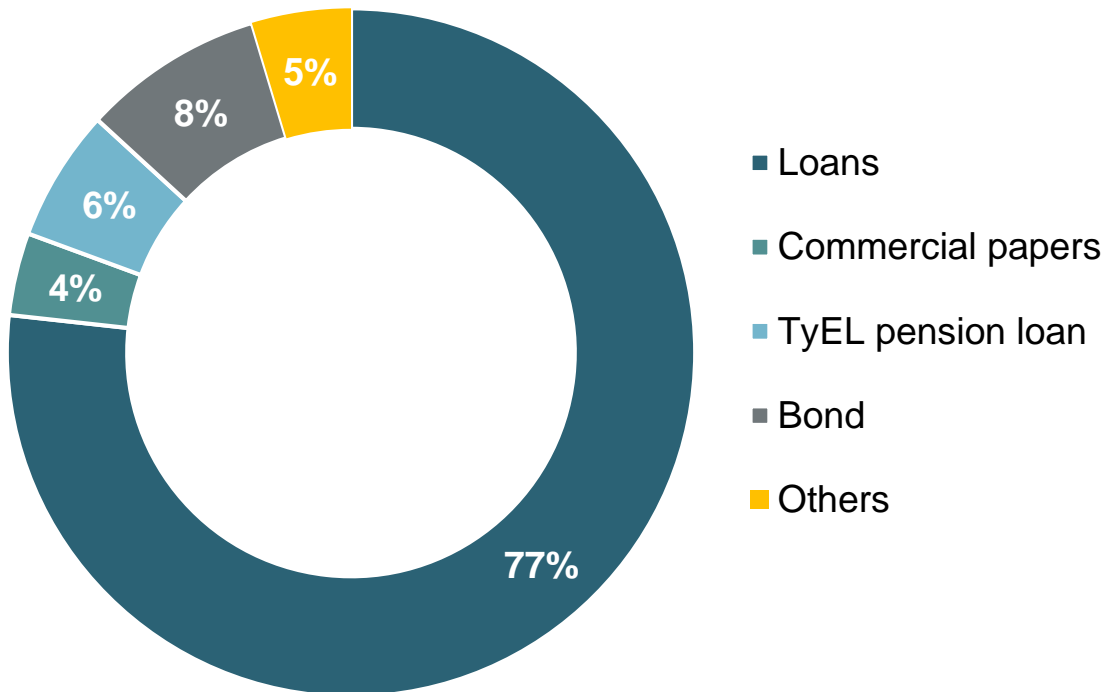
Gearing was 94% and equity ratio 38%.

Structure of liabilities

Interest bearing liabilities on
March 31, 2016, EUR 124 million

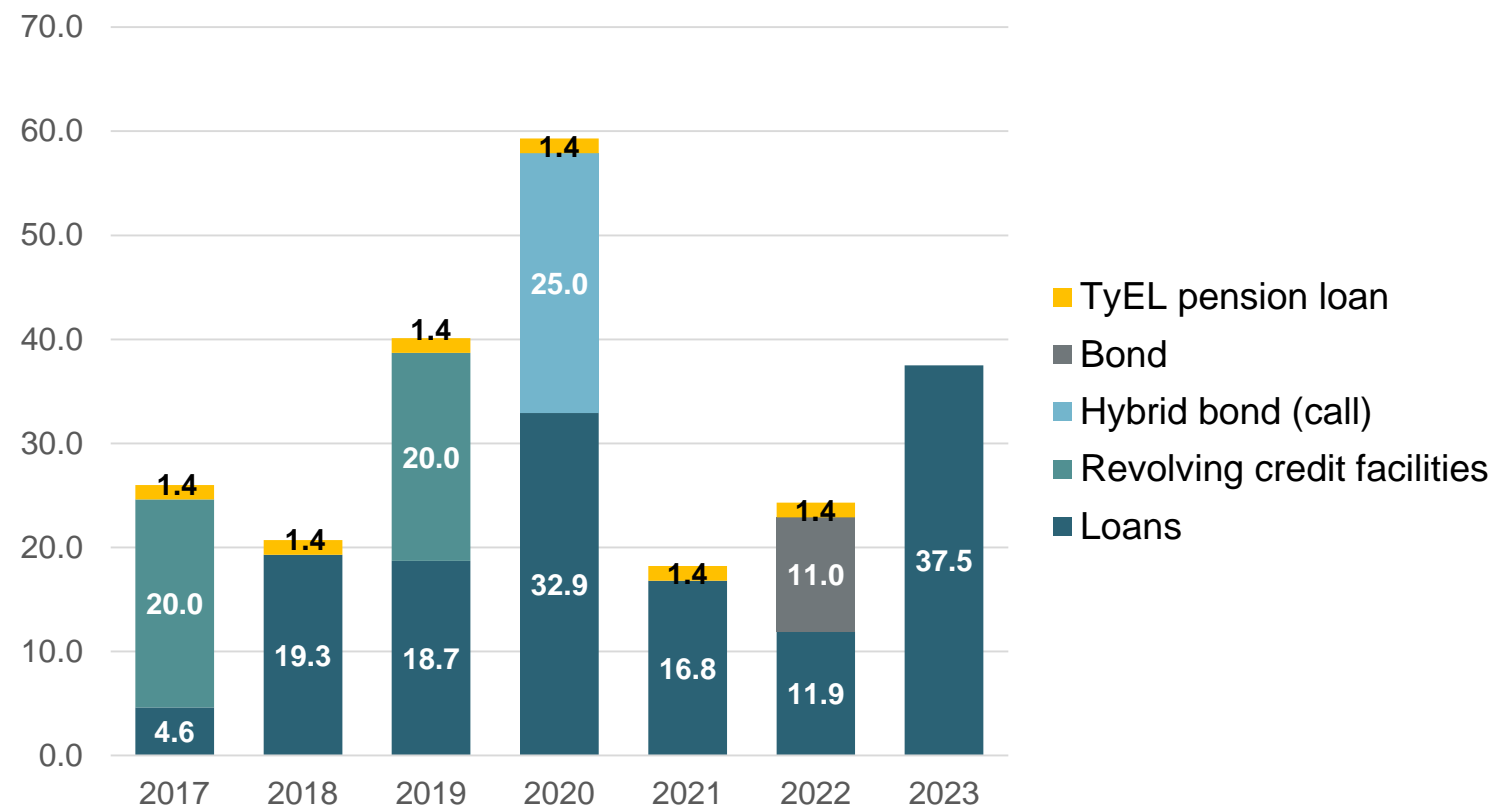


Interest bearing liabilities on
March 31, 2017, EUR 129 million



Maturity of significant loan agreements

MEUR

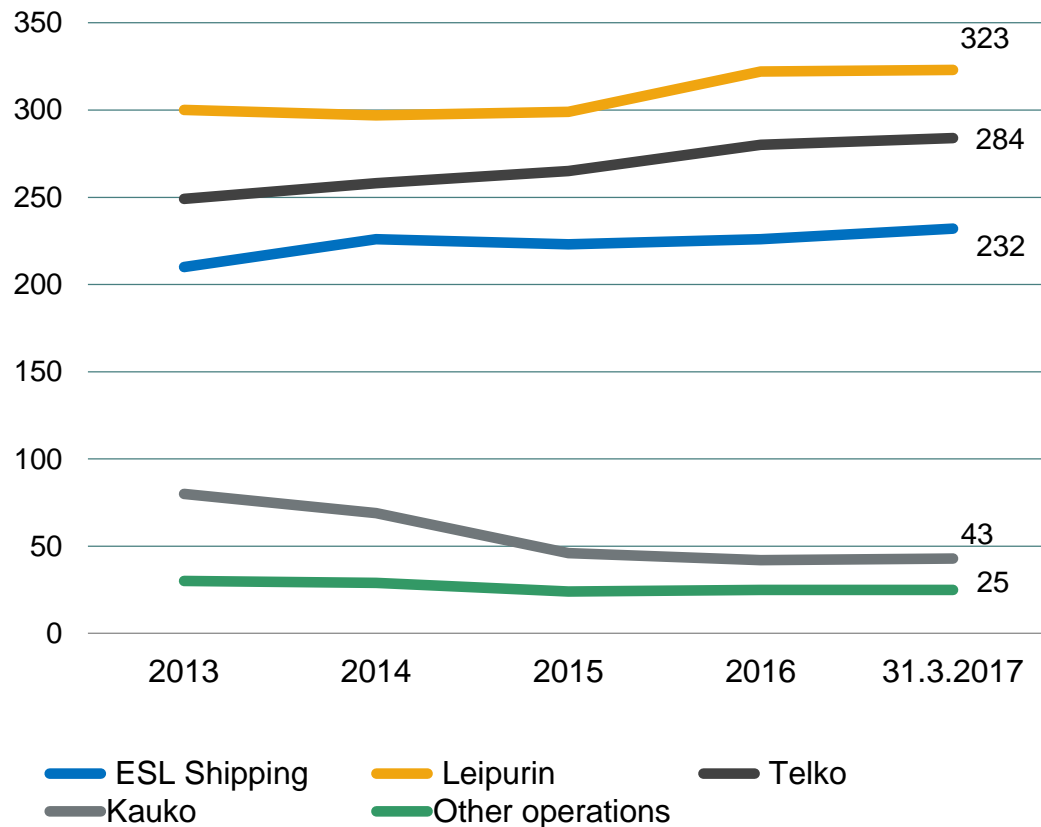


Q1 the average interest rate of interest bearing liabilities was 1.7% (12/2016: 1.8).

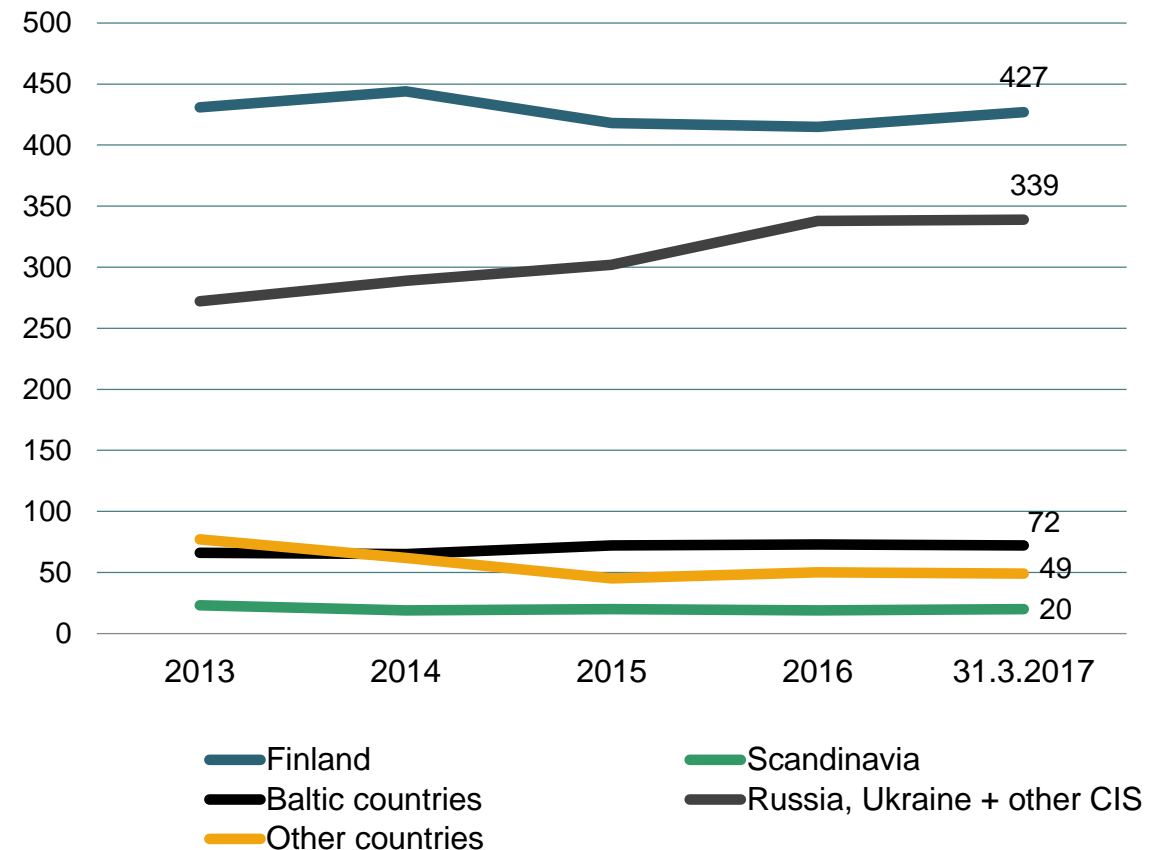
A revolving credit facility of EUR 20 million will mature in 2017.

Personnel, March 31: 907

Personnel by segment



Personnel by geographical area



General market outlook for 2017

- General uncertainty in the markets has decreased.
- Industrial production is expected to increase in the main market areas of Aspo.
- Raw material prices will remain low.
- Political risks may reduce free trade.
- Poor economic situation in important eastern growth markets has turned into growth.
- Aspo will continue its expansion in the eastern markets.
- Dry cargo prices have strengthened. The capacity utilization has mainly been secured through long-term agreements. The operations of Supramax vessels have mainly been secured for 2017.

The market situation has improved significantly.

Uncertainties are difficult to predict.

The profitability of Supramax vessels and Leipurin operations are expected to improve.

Guidance remains unchanged:

Aspo's operating profit will be EUR 22-27 (20,4) million in 2017.