



Aspo's Year 2010

Aki Ojanen, CEO

ASPO



Telko

Industrial
raw materials
& service



Leipurin

Raw materials
& machinery for
food industry



ESL Shipping

Sea transport
& services



Kaukomarkkinat

Energy
efficiency
& machinery

Aspo's strategy

- Aspo is a conglomerate that owns and continuously develops its business operations and structure without predefined schedules.
- Business operations focusing on B-to-B customers.
- Business operations in northern Europe and growth markets.
- Company brands: ESL Shipping, Leipurin, Telko and Kaukomarkkinat.
- The structure generates Aspo's goodwill – Aspo aims to increase the prosperity of its shareholders.

Aspo's management system

- The Chairman discusses regularly with the members of the Board of Directors.
- The Chairman of the Board and the CEO participate in a daily dialogue on development trends.
- The CEO participates in a daily dialogue on development trends with presidents of business operations.
- Objectives and decisions related to various operations are coordinated by the extended executive committee.
- Strategic development trends and decisions of business operations are prepared and confirmed by the boards of business operations.
- The business operations are responsible for their own business, brand, customer care model, basic administration.
- The efficient, compact Group administration supports operations.

Extended executive committee

- Aspo: Aki Ojanen
- ESL Shipping: Markus Karjalainen
- Leipurin: Matti Väänänen
- Telko: Kalle Kettunen
- Kaukomarkkinat: Jari-Pekka Lehmuskoski
- Finance: Arto Meitsalo
- Treasury: Harri Seppälä
- Business Development: Pekka Piironen
- Communications: Jamima Löfström
- ICT: Rami Valonen
- Legal matters: Toni Santalahti

Boards of business operations

- External Board members (excluding the Chairman)
- The members are selected in accordance with the development stage and strategic objectives of the companies.

ESL SHIPPING

Aki Ojanen,
Chairman
Leo Kokkonen
Lasse Rikala
Max Söderberg

LEIPURIN

Aki Ojanen,
Chairman
Matti Lappalainen
Harri Sivula
Paul Taimitarha

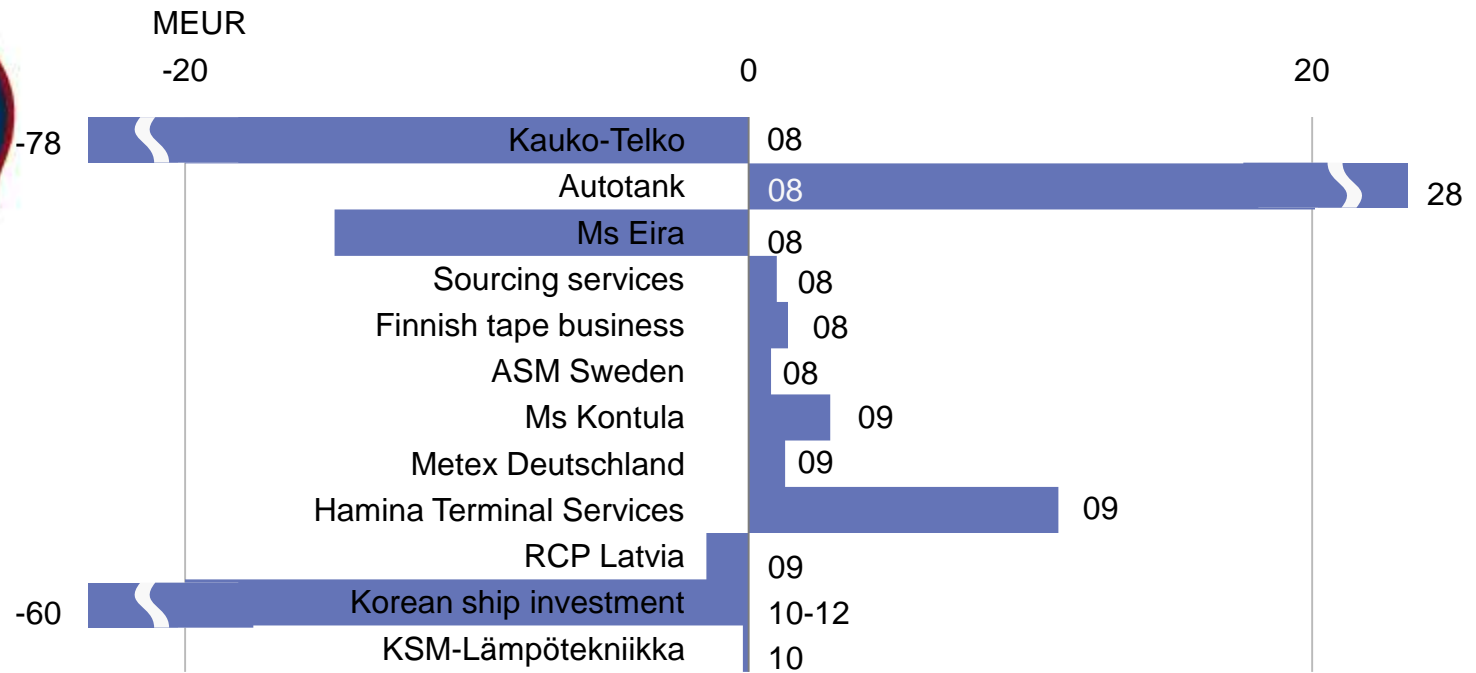
TELKO

Aki Ojanen,
Chairman
Kari Blomberg
Timo Petäjä
Johan von Knorring

KAUKO- MARKKINAT

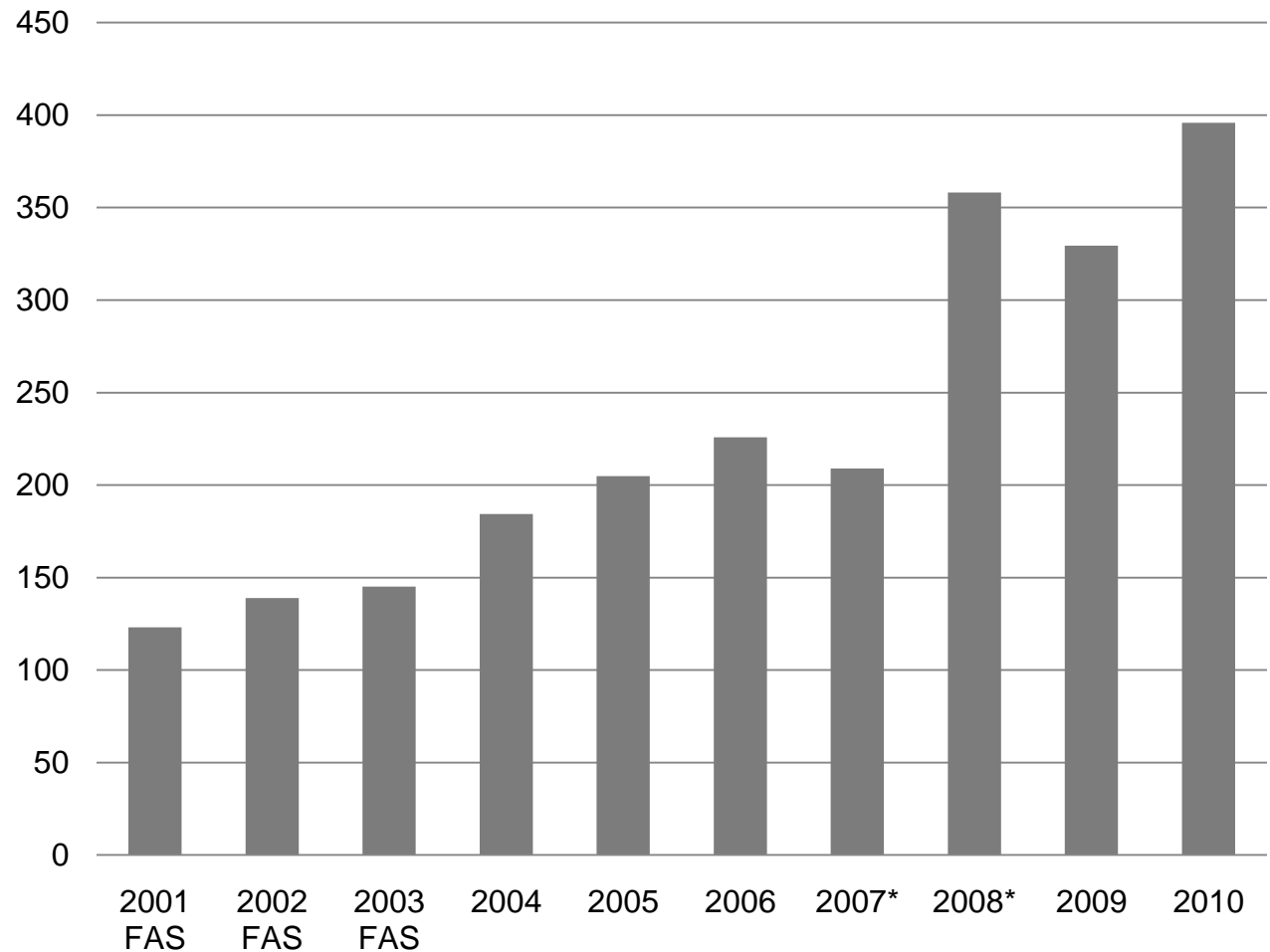
Aki Ojanen,
Chairman
Arto Meitsalo
Pekka Piironen

Aspo mergers & acquisitions 2008 – 2010



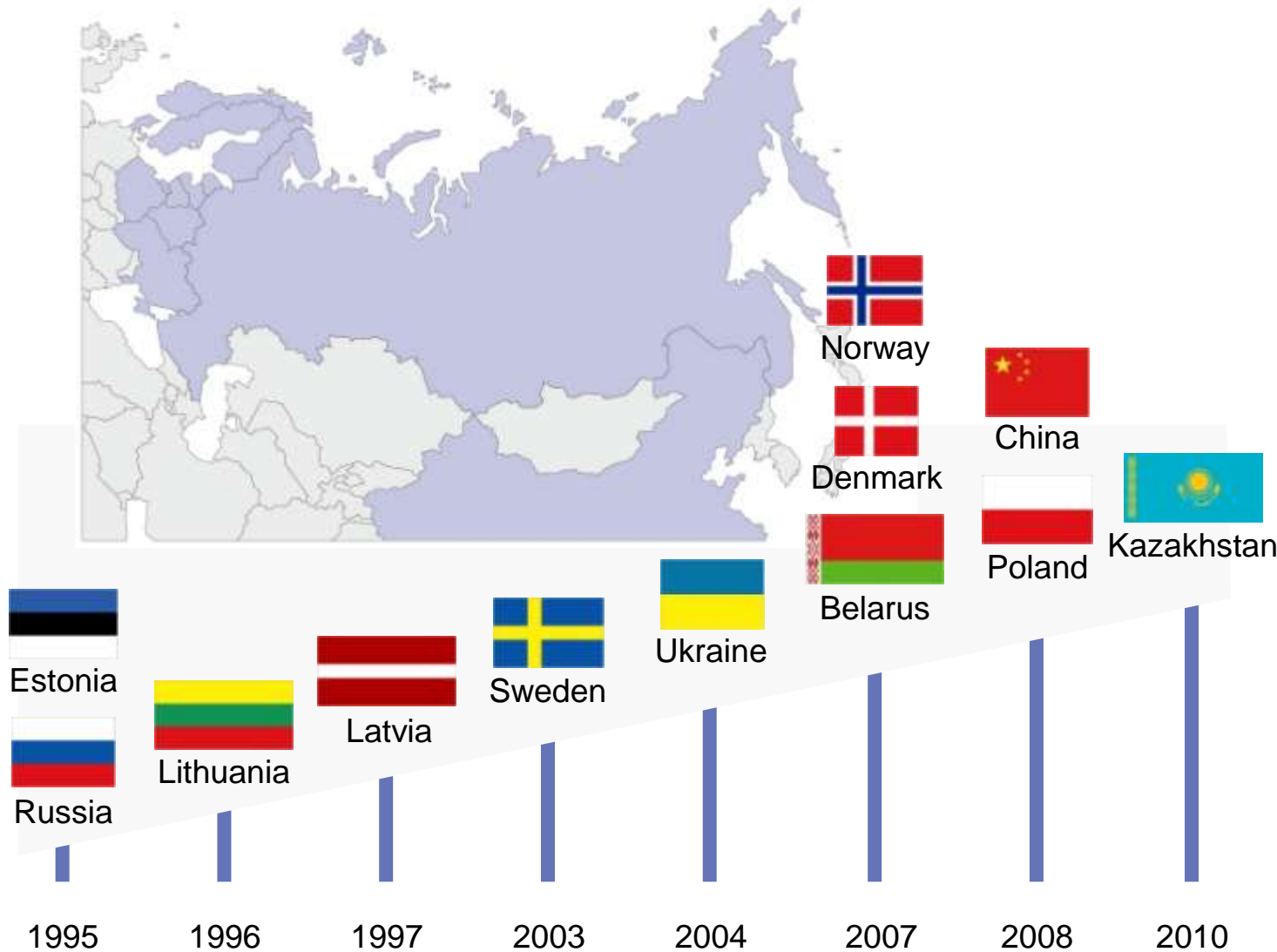
Net sales 2001 – 2010

MEUR



*Continuing operations

Business establishment in new countries

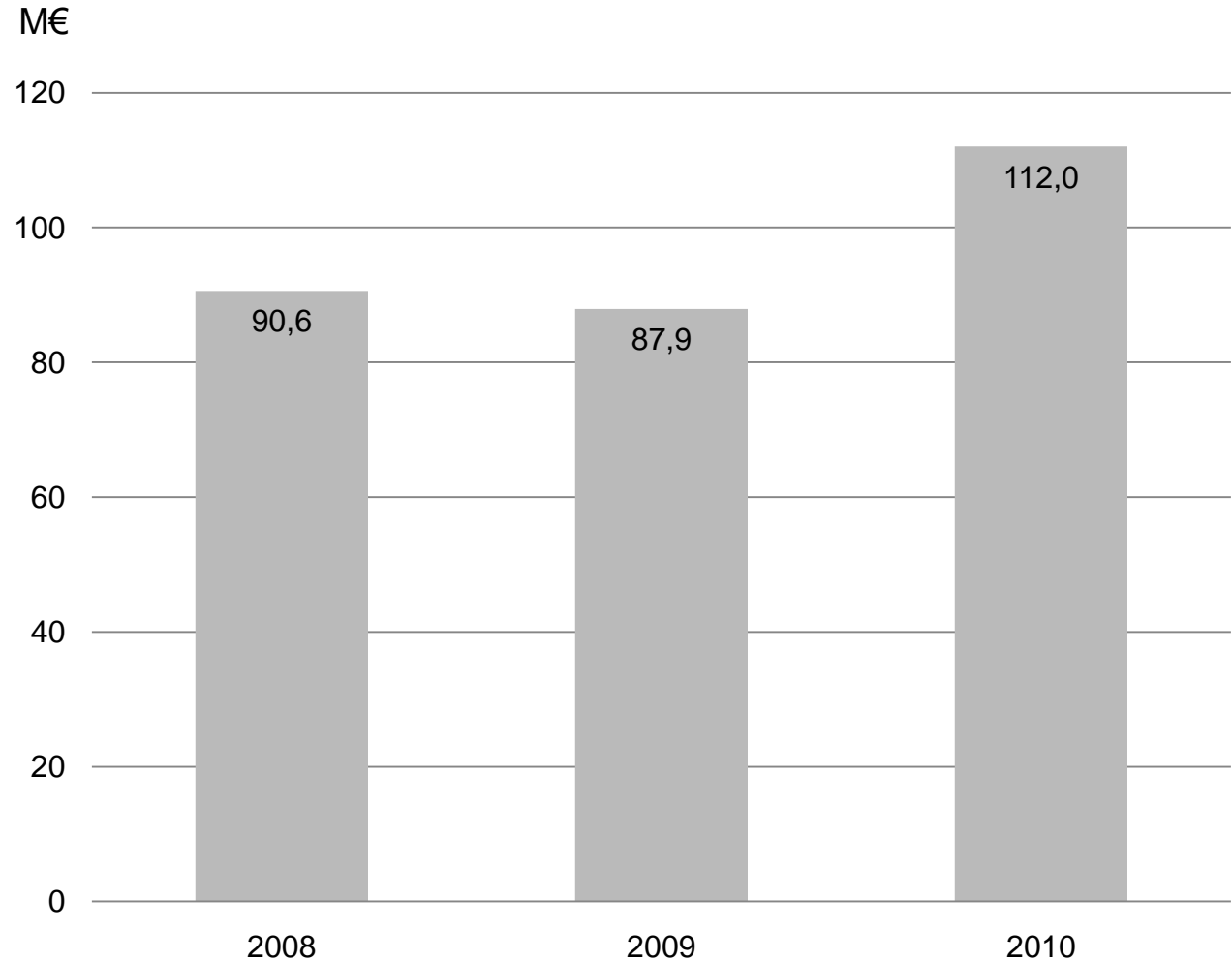


Aspo's offices in 2010

GDP growth 2014	
Belarus	6,9
China	9,5
Denmark	2,3
Estonia	4,0
Finland	2,8
Latvia	4,0
Lithuania	4,0
Norway	2,1
Poland	4,0
Russia	5,0
Sweden	3,9
Ukraine	5,8



Strategic focus on Russia, Ukraine, CIS countries



Including ESL Shipping's exports from Russia



General market situation in 2010

- Finland began to withdraw from the recession during the first quarter of the year.
- Prices of Aspo's raw materials for sale developed favorably throughout the year (petrochemical products, food supplies).
- The international sea freight price level was low. Aspo's shipping company is a special company that has long-term freight contracts.
- New directives aimed at improving energy savings entered into force. They increased the sale of equipment in Finland.
- The demand for the paper industry's investment products in China and the demand for the bakery machines in Finland were still weak.

Main events in 2010

- Brisk growth in net sales and operating profit from second quarter onwards.
- ESL Shipping ordered two supramax vessels. The vessels will go into service in the first half of 2012.
- Growth in Russia, the other CIS countries, and the Ukraine rapidly increased the Group's net sales and improved profitability.
- Decrease in Group administration costs as predicted.
- Operating profit was positive in all business units.
- The EU commission still continues handling the tonnage tax.

ESL Shipping

Integral part of Finnish security of supply



ESL Shipping

Fleet

Seven ships 10 000 – 21 400 DWT



Tali



Credo



Eira



Hesperia



Nassauborg



Pasila



Beatrix

NEW
20000 DWT
2011

NEW
55000 DWT
2012

NEW
55000 DWT
2012

Two pushers and six barges 6 000 – 14 000 DWT



Rautaruukki



Steel



Botnia



Board



Kalla



Tasku



Espe



Para-Duo



Supramax

Annual Shareholders' Meeting April 5, 2011

ESL Shipping in 2010

- The year 2010 was exceptional with its two icy winters (spring, fall).
- Comparable operating profit was at almost the same level as in 2009.
- Cargo volumes in the steel industry normalized and grew significantly, as compared with 2009 volumes.
- Coal transports decreased from the previous year.
- Long-term transport contracts and capacity in full use.
- The transport capacity has decreased as a result of the sale of m/s Arkadia and m/s Kontula. The capacity will increase by 50% when the ordered vessels have been completed.
- After the review period: a new long-term contract signed with Rautaruukki on raw material transports on the Baltic Sea.



ESL Shipping: key figures

	2010	2009
• Net sales, MEUR	79.5	63.8
• Operating profit, MEUR	11.5	14.7
• Personnel	183	194

Change to tonnage tax legislation, situation per Febr. 14, 2011 (and April 5, 2011)

- The legislation change is handled at the EU commission at the competition Directorate General, decision expected on Febr. 24, 2011. (No decision but additional questions received so far).
- When the decision is made by the EU, it will be possible to get the legislative change adopted quickly in Finland, possibly even before the current parliament is dissolved. (Decision to be postponed until the election is over).
- Based on transitional provisions, the law would come into force retroactively from the beginning of 2010. (Postponement until 2011 is likely).
- The effects on Aspo Group would be positive: the amount of tax would be lower and the result after tax would improve.



Leipurin

Expert in flavors and structures



Consulting and recipe preparation services

- Consultants at Leipurin plan and test recipes for customers and train customers at their own test bakeries.



Demand for western bread on the rise in the Russian, CIS and Ukrainian markets

- Consumption of bread is significantly higher in these countries than in western countries.
- The western bread accounts for only 10% of total consumption.
- Growth in the use of western bread is driven by supermarkets: a wide selection, packaged bread
- The potential offered by changing taste preferences and wholesomeness requirements is great – rye, oat, barley.
- Great growth potential for machine business.
- Production technology, automation and processes
 - Piece bread technology
 - Mediterranean bread, gluten-free bread, Danish pastries etc.



Leipurin in 2010

- Prices of basic raw materials in the food industry have risen.
- Net sales and profitability in bakery raw materials are clearly above the level visible in the previous year's corresponding period.
- In spring, the order book for bakery machines was low – the result was markedly below the 2009 level.
- The order book for bakery machines was better at the turn of the year than in the corresponding period in 2009.
- Raw material sales for other food industries grew slightly in Finland. New offices were launched in the Baltic region, Kazakhstan and Belarus.
- The acquired company RCP in Latvia was integrated to be part of the Leipurin business. Market leadership has now been gained in the Baltics, Finland and West Russia.



Leipurin: key figures

	2010	2009
• Net sales, MEUR	108.7	99.3
• Operating profit, MEUR	3.6	3.2
• Personnel	226	218

Telko

Leading expert in chemicals and plastic raw materials



Telko – an expert in industrial raw materials

- The company is focused on selling plastic raw materials and industrial chemicals to B-to-B customers.
- Plastic raw materials account for 52% of Telko's sales.
- Industrial chemicals account for 48% of Telko's sales.



Telko – an expert in industrial raw materials (2)

- Added value offered by Telko:

Expertise

- Customer projects, product knowledge, consulting

Logistics

- Efficient global sourcing
- Comprehensive delivery chain management
- Local warehouses – speed, availability, customer-specific product mixes and packages

Products

- A wide selection of quality products



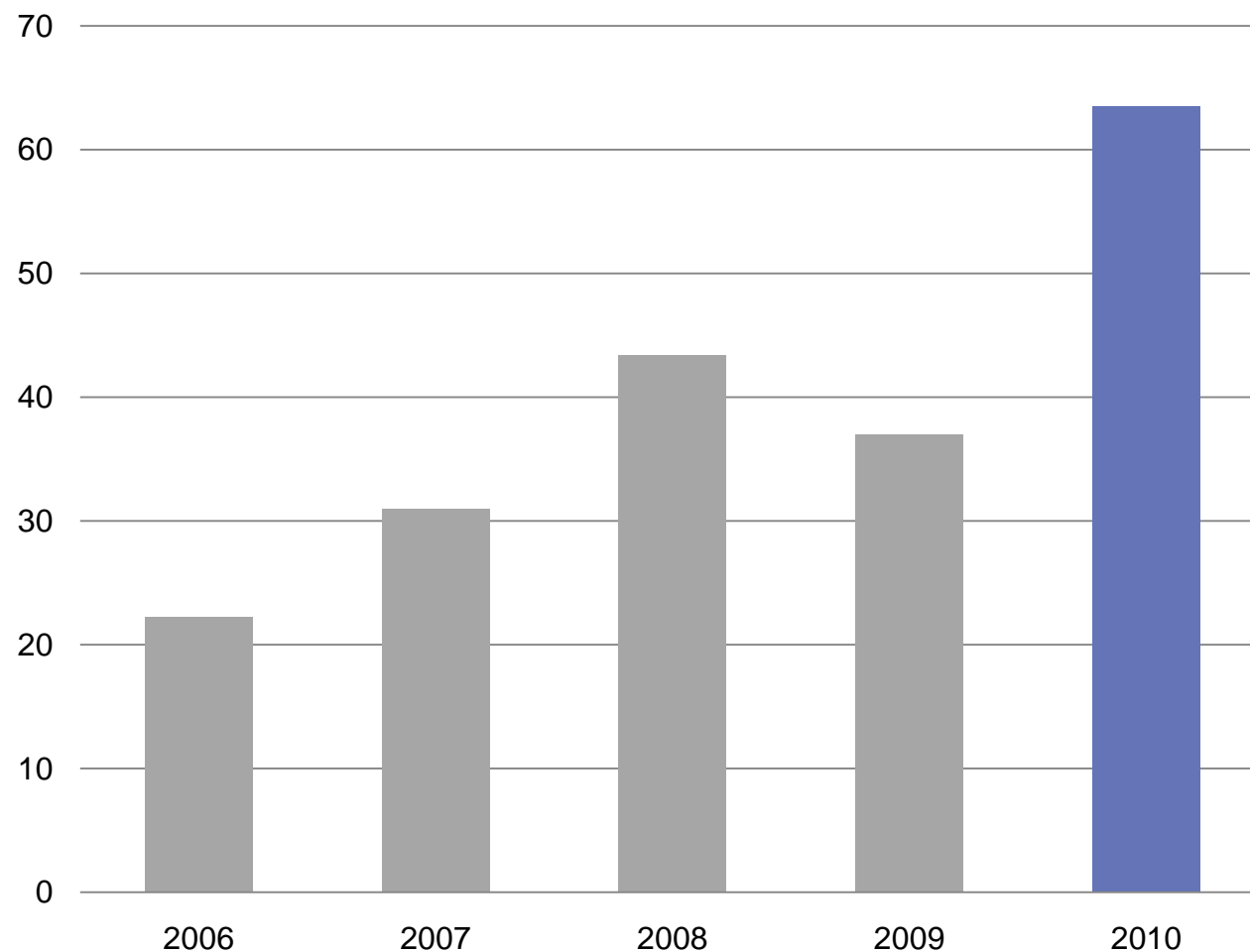
Telko in 2010

- Prices of raw materials for sale increased in 2010. However, the price level of raw materials for sale is still below the 2008 level.
- All market areas improved their result on the previous year.
- Share of plastics in Telko's overall sales has increased. Heaviest growth on emerging eastern markets.
- Fixed costs have decreased by some EUR 2 million annually due to efficiency measures.
- New offices launched in China, Kazakhstan, Belarus and Russian metropolises.
- The growth in the East has been faster than expected. Telko plans to build a western service terminal for liquid chemicals in West Russia to support its growth strategy.



Growing net sales in Russia + other CIS countries

MEUR



Telko: key figures

	2010	2009
• Net sales, MEUR	175.2	128.8
• Operating profit, MEUR	6.8	3.1
• Personnel	199	193



Kaukomarkkinat

Expert in energy efficiency



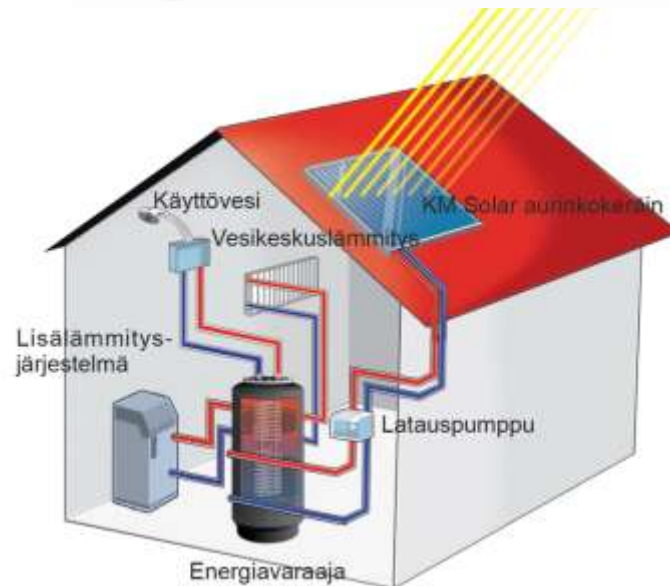
EU-wide and Finnish legislation support energy savings

- Three business areas:
 1. local energy
 2. efficiency in the process industry
 3. security and communications

Operations are based on the personnel's strong expertise.

- Products and services enhance energy and process efficiency of buildings, power plants, and industrial plants.
- Strong, long-term relationships with suppliers.
- The role of sales agents is significant in China.

Diverse product range





Kaukomarkkinat in 2010

- The result for the first half of the year was weak; no income for projects sales recognized. The winter with plenty of snow slowed down the sale of local energy products.
- The expanded product selection as a result of an acquisition in the fall and order book growth from summer improved net sales and operating profit in local energy solutions.
- Finnish data and AV departments improved their results.
- A large project was capitalized in Far East project sales.
- Project order book for 2011 is at a good level.
- Kaukomarkkinat implemented a new ERP system on January 1, 2011.
- Jukka Nieminen will be the next managing Director of Kaukomarkkinat from August 15, 2011. His track record in the management of solar and local energy solutions is excellent.



Kaukomarkkinat: key figures

	2010	2009
• Net sales, MEUR	32.5	36.4
• Operating profit, MEUR	0.6	0.5
• Personnel	91	90



**Annual accounts,
balance sheet**

Net sales and operating profit

2009/2010	Q1	Q2	Q3	Q4	Cum.
Net sales	83.4	99.2	104.2	109.1	395.9
MEUR	78.4	80.9	80.0	90.1	329.4
Operating profit	2.1	4.3	6.0	5.5	17.9
MEUR	3.8	1.9	5.6	4.0	15.3

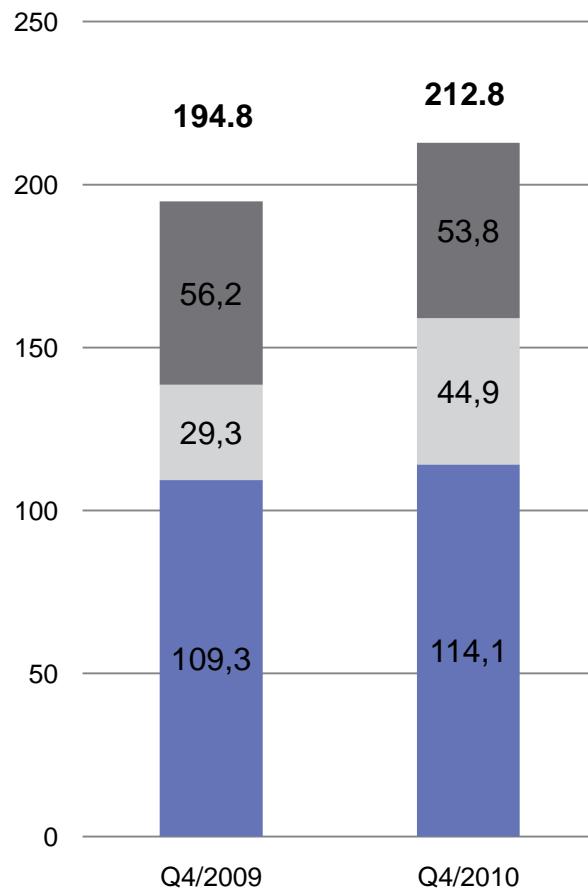
Income statement and key figures

MEUR	2010	2009
Net sales	395.9	329.4
Depreciations	-8.1	-8.9
Operating profit	17.9	15.3
Net financial expenses	-3.8	-3.6
Profit before taxes	14.1	11.7
Profit for the period	10.4	8.6
	2010	2009
Earnings/share, EUR	0.40	0.33
Equity ratio, %	33.2	34.6
Equity/share, EUR	2.63	2.59

Balance sheet

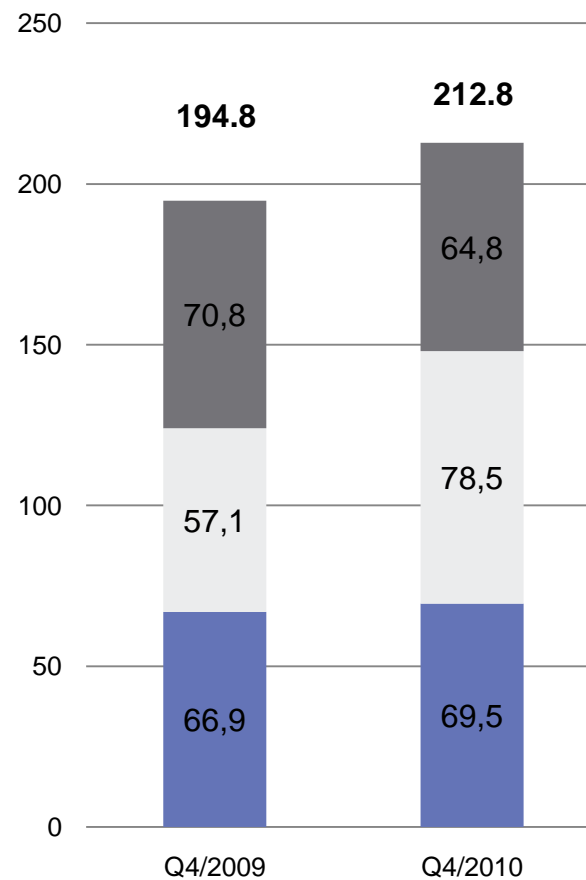
MEUR

Assets



- Non-current assets
- Inventories
- Cash and cash equivalents

Shareholders' equity & liabilities



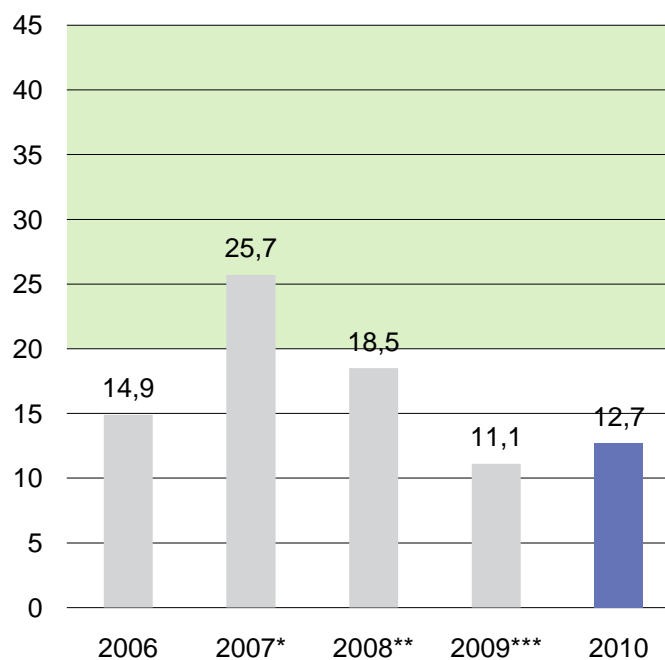
- Shareholders' equity
- Long-term liabilities
- Short-term liabilities

Financial targets

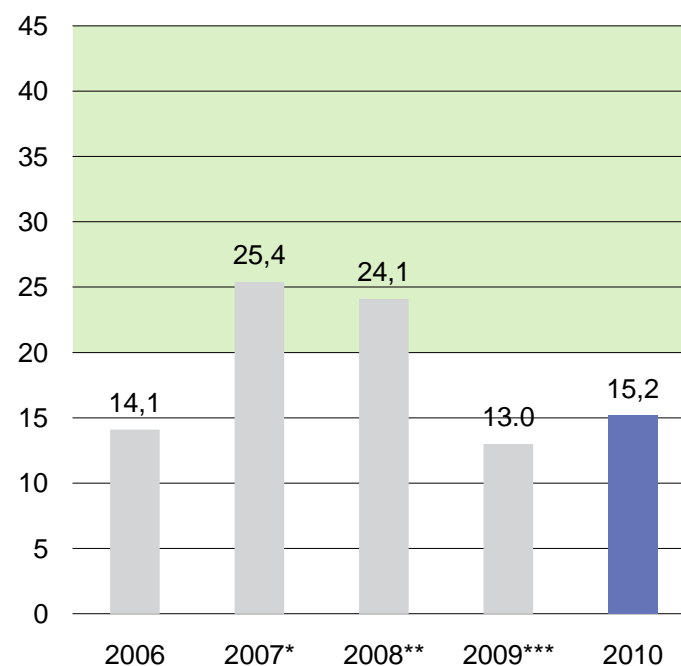
Return on investment, return on equity

Group on the whole

ROI, %



ROE, %



Target

* Including a total EUR10.2 million of non-recurring sales gain

** Including a total EUR 8,2 million of non-recurring sales gain

*** Including a total EUR 5.5 million of non-recurring sales gains and losses

Annual Shareholders' Meeting April 5, 2011



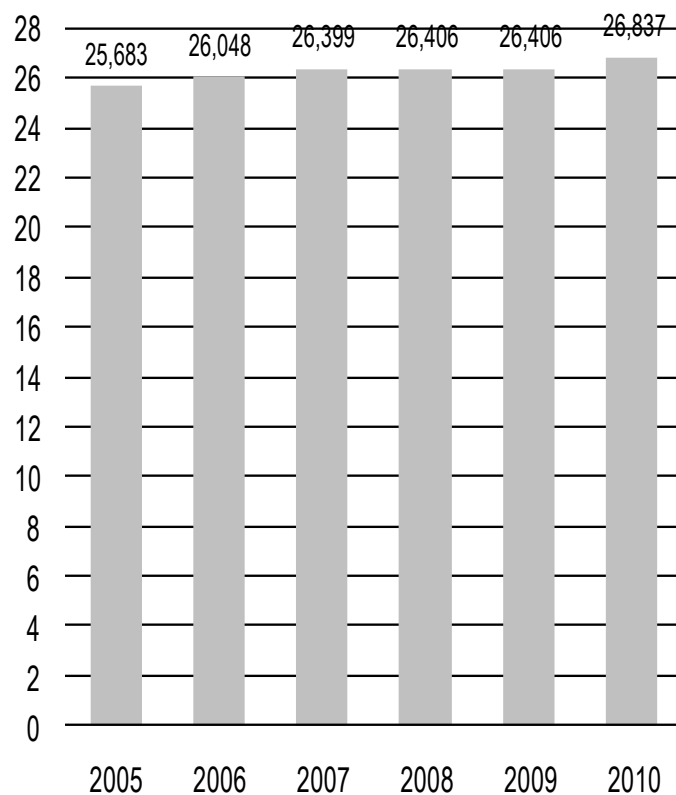
Aspo Board of Directors' dividend proposal

Dividend proposal 2010

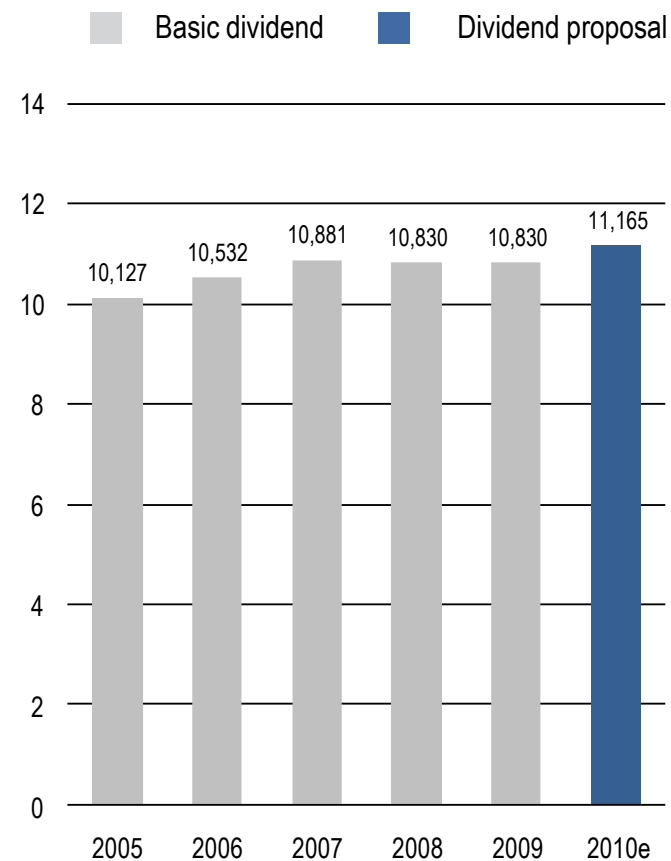
- On average, Aspo will pay approximately at least half of its earnings as dividends."
- "The aim is to increase shareholder value."
- Two components used as decision criteria
 - result
 - cash flow
- The Board of Directors proposes a dividend of EUR 0.42 per share to the Annual Shareholders' Meeting.

Dividends

Number of shares, million

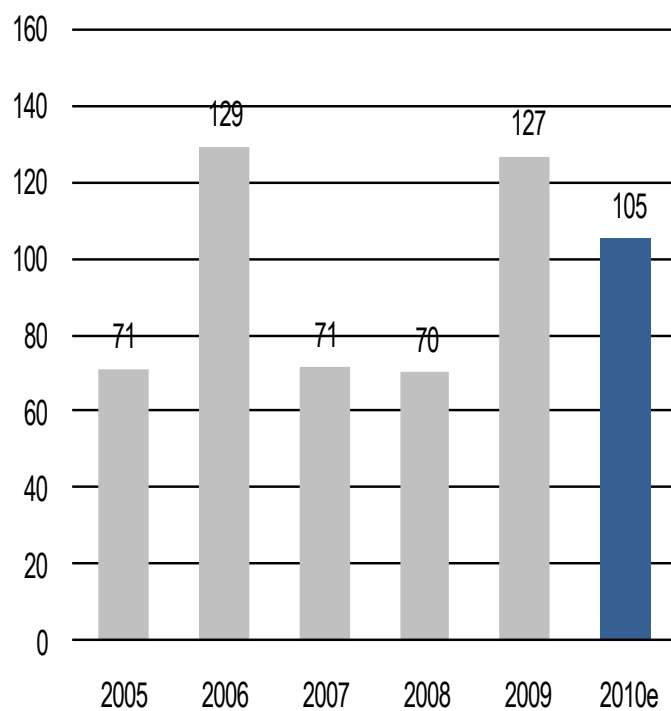


Total dividend, EUR million

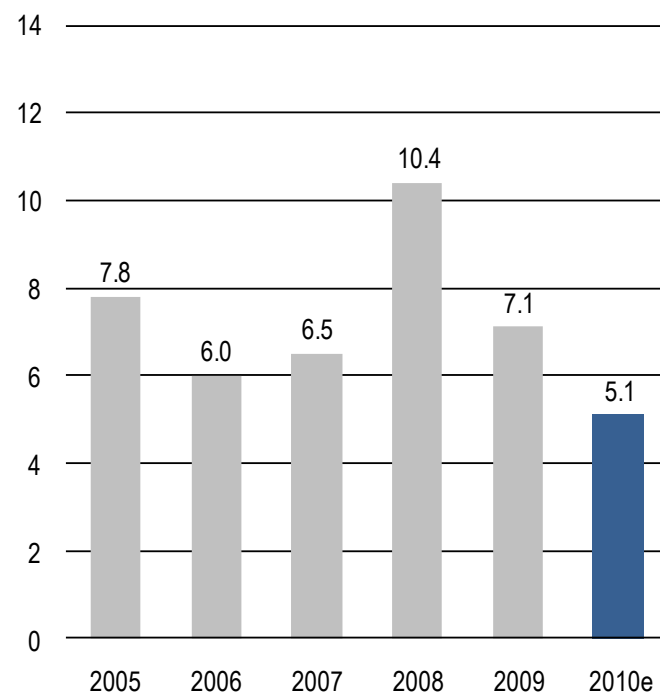


Dividends

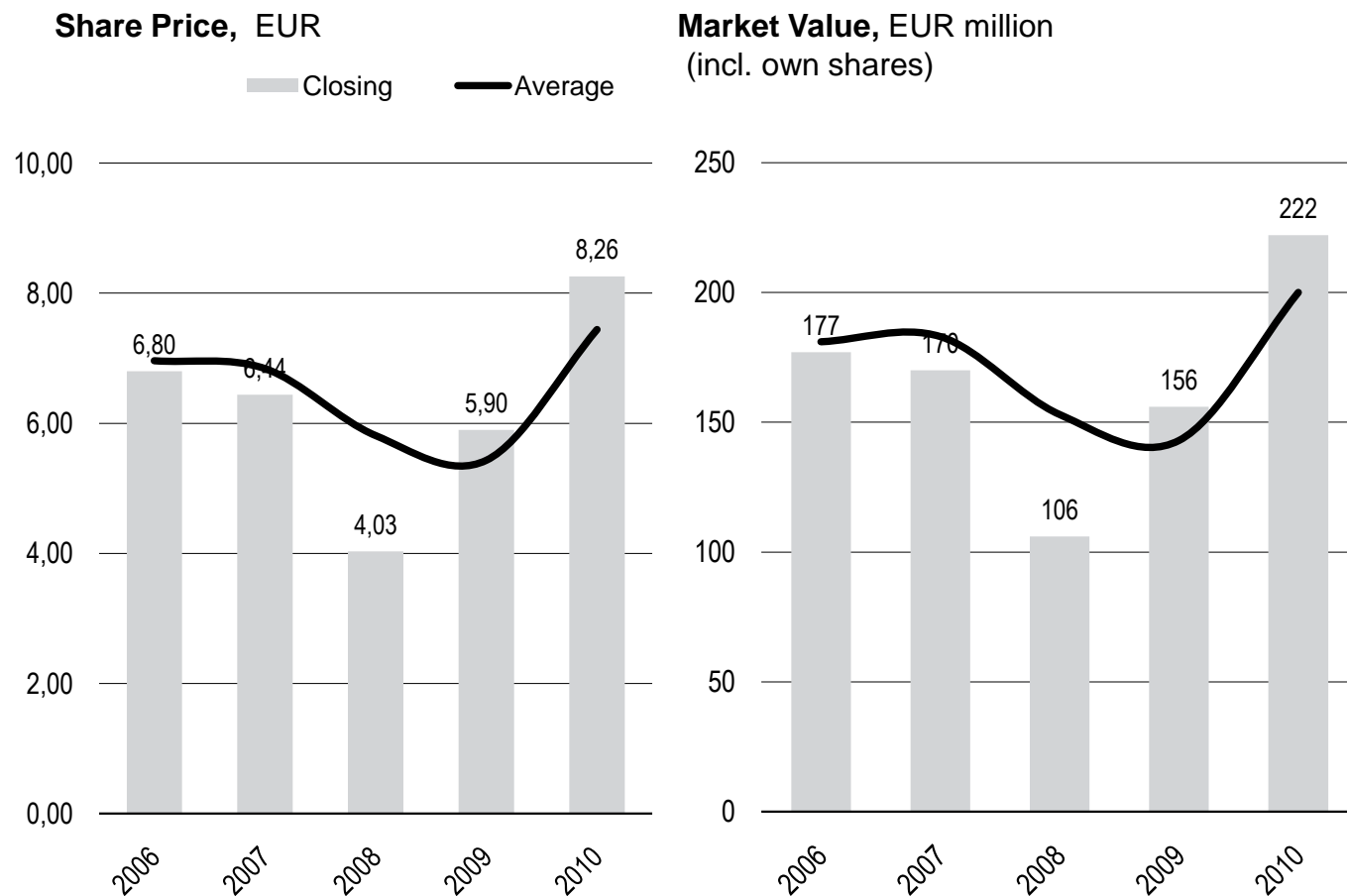
Dividend / Earnings, %



Effective Dividend Yield, %



Market value

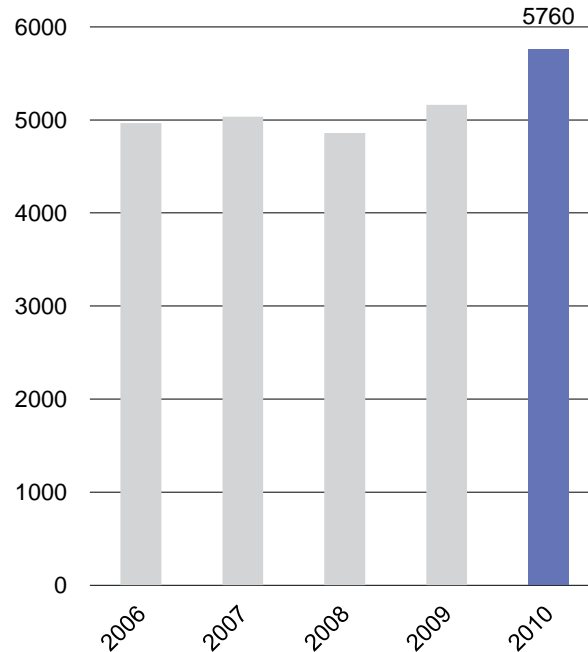


Joint objectives

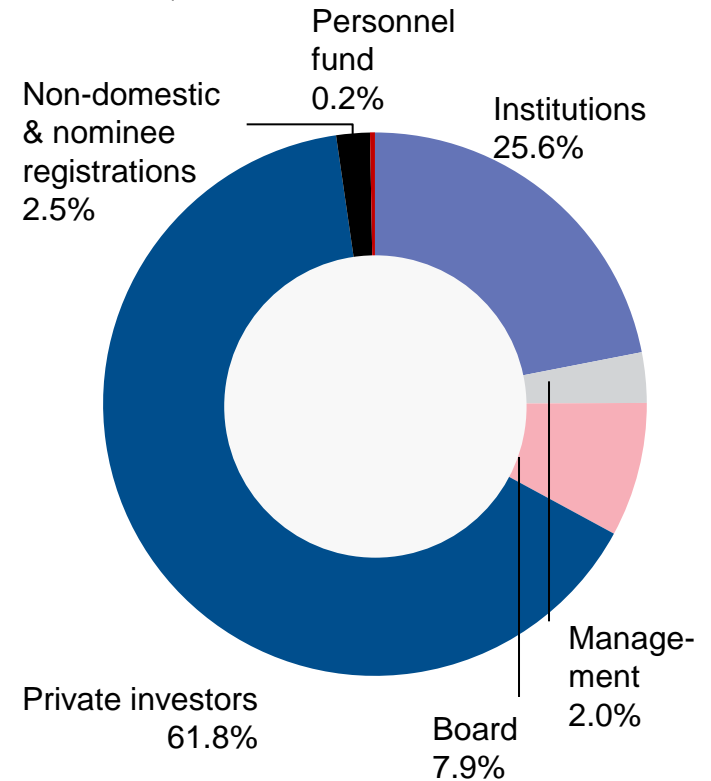
- The shareholders and personnel have joint objectives.
- The personnel in Finland are shareholders through a personnel fund. The fund owns 58,928 Aspo shares.
- Key persons (30) were included in a shareholding scheme that enables them to buy Aspo shares at market price. The result is based on cumulative earnings per share during 2009-2011. The bonus is paid in Aspo shares.
- As part of the management incentive scheme, six directors set up a holding company that purchased Aspo shares at market price. Each shareholder invested a sum total of EUR 100,000 to 200,000 in the company. In addition, Aspo lent money to the company at market price (at 3% interest) for the acquisition of shares. The investor risk is a normal risk taken by the investor.

Shareholders / Allocation

Number of shareholders



Share Q4/2010



Aspo in capital markets

- The 2004 Shareholders' Meeting at Aspo decided to issue a EUR 20 million convertible capital loan targeted to the public. The loan period was five years and its annual interest 5%.
- In 2009, Aspo's Board of Directors decided to issue a EUR 15 million convertible capital loan by virtue of authorization by the Extraordinary Shareholders' Meeting. The loan was targeted to a limited investor group. The loan period was five years and its annual interest 7%.
- The remaining EUR 14 million loan capital withdrawn in 2004 was repaid in 2009.
- Aspo is a listed company that can acquire equity-based funding through the stock exchange.



Board's proposal for a rights issue:

The subscription rights issue of EUR 20 million at most

Description

- The subscription rights issue totals EUR 20 million. Current shareholders have a subscription privilege.
- The issue is conditional on the authorization by the Shareholders' Meeting to be held on April 5, 2011.
- The Board decides on the conditions of the issue.
- The issue is meant to be implemented without delay, no later than by the end of June 2011, considering prevailing market conditions.

Use of funds

- Funds collected through the issue are meant to support the company's growth strategy, reinforce the balance sheet, and develop operations.

Subscription commitments

- Subscription commitments obtained from major shareholders and Board members represent about 37% of Aspo shares.

Expected in Aspo Group in 2011

- Net sales and profitability growing.
- The share of emerging markets in Aspo's operating profit will continue growing.
- The Group's relative cost efficiency will improve both in Group and business areas administration costs.
- ESL Shipping's m/s Alppila from India will be completed by summer and the vessel has leasing financing.
- ESL Shipping's ice strengthened supramax vessels will go into service in the first half of 2012.
- Still waiting for the new tonnage tax legislation to be completed. If the new legislation were adopted it would have a considerable positive effect on operating profit and result after tax in 2011.



Outlook for 2011

- Aspo has the preconditions to increase its net sales and improve its earnings per share.