

Casting Future **SOLUTIONS**



COMPONENTA



COMPONENTA'S EXTRAORDINARY GENERAL MEETING ON 7 DECEMBER 2016



INTERIM FINANCIAL STATEMENTS AND REPORT OF THE BOARD OF DIRECTORS

Income Statement, continued operations

Me	Q1-Q3, 2016	Q1-Q3, 2015	Change
Order book	67.3	73.5	-8%
Net sales	284.5	326.7	-12%
EBITDA*)	13.0	32.0	-59%
Operating profit*)	-0.1	19.7	n/m
Net financial items*)	-15.7	-17.2	-8%
Result after financial items*)	-15.8	2.5	n/m
Items affecting comparability	22.0	-2.3	n/m
Taxes	-2.8	-2.0	40%
Net profit	3.4	-1.8	n/m
Earnings per share, EUR	0.03	-0.03	n/m

*) Excluding items affecting comparability

Income Statement, Componenta Corporation, FAS

Me	1-9, 2016	2015
Net sales	15.8	28.7
EBITDA	-11.2	3.7
Operating profit	-13.7	-7.9
Net financial items	-116.7	-138.1
Result after financial items	-130.5	-146.0
Taxes	0.0	-0.3
Net profit	-130.5	-146.0

Balance Sheet

MEUR	Group		Corporation	
	30.9.2016	31.12.2015	30.9.2016	31.12.2015
ASSETS				
Non-current assets	242.4	294.1	102.6	229.2
Inventories	47.1	68.9	0.0	0.9
Receivables	47.5	33.1	23.1	57.3
Cash & cash equivalents	7.3	6.1	0.4	0.5
TOTAL ASSETS	344.4	402.2	126.0	288.0
SHAREHOLDERS' EQUITY & LIABILITIES				
Shareholders' equity	28.3	18.6	-7.0	95.1
Non-current interest bearing liabilities	14.6	87.3	85.0	78.6
Non-current other liabilities and provisions	20.6	21.5	0.0	0.0
Current interest bearing liabilities	156.6	155.7	36.0	100.1
Current other liabilities and provisions	124.3	119.0	12.0	14.2
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	344.4	402.2	126.0	288.0

Cash Flow

MEUR	Q1-Q3, 2016	Q1-Q3, 2015
Operating cash flow before change in working capital, financing & income taxes, continued operations	4.2	25.6
Change in working capital, continued operations	15.5	4.9
Operating cash flow before financing & income taxes, continued operations	19.8	30.5
Operating net cash flow, continued operations	7.3	15.6
Operating net cash flow, discontinued operations	-4.8	-4.6
Operating net cash flow, Group	2.5	11.0
Net cash flow from investing activities, Group	-0.4	-17.3
Net cash flow from financing activities, Group	-0.9	-2.0
Change in liquid assets, Group	1.2	-8.3

Key Ratios

MEUR	30.9.2016	30.9.2015	31.12.2015
Equity ratio, %	8.4	21.1	4.6
Adjusted return on equity, %	-83.6	-10.2	-20.4
Return on equity, %	-92.3	-11.3	-92.6
Adjusted return on investment, %	-1.5	5.3	2.3
Return on investment, %	-23,3	4,4	-7,2
Net interest bearing debt, MEUR	164	226	237
Net gearing, %	580	226	1,273
Investments in non-current assets, MEUR	17.3	18.7	31.5
Number of personnel at period end, incl. leased personnel	3,456	4,286	4,269

Investments and R&D

- Investments in production facilities totalled EUR 17.3 (18.7) million
 - financial lease investments accounted for EUR 5.2 (3.8) million of these
 - EUR 13.0 million of the investments in the period were in the aluminium business operations in Manisa, Turkey, mainly to increase capacity
- The net cash flow from investments was EUR -0.4 (-17.3) million
 - the net cash flow from investments includes income from sales and divestments during the review period totalling EUR 12.2 million received from the sale of the Suomivalimo business, the divestment of the old Manisa foundry building property and the sale of Pistons, the piston manufacturing business
- Componenta's research and development expenses in 1.1.-30.9.2016 and 2015 totalled EUR 1.5 (2.2) million, the equivalent of 0.5% (0.5%) of the Group's total net sales in continued operations.



MEASURES FOR REHABILITATING THE COMPANY'S FINANCIAL POSITION

Measures for rehabilitating the company's financial position

- Componenta Corporation has in accordance with the Finnish Restructuring Act filed on 1 September 2016 a restructuring application to the District Court of Helsinki, petitioning the commencement of restructuring proceedings. The company has amended the restructuring application on 7 September 2016. The District Court of Helsinki has on 30 September 2016 made a decision on the commencement of the restructuring proceedings.
 - The company considers that there is reason to believe that the equity will increase to positive as a result of the debt cuts to be implemented in the restructuring proceedings
 - Also, the ongoing planned divestments can increase the equity to positive, if realized



PROPOSAL BY THE BOARD OF DIRECTORS TO EGM

Proposal by the Board of Directors to EGM

- The Board of Directors proposes to the General Meeting that the company shall carry on with the measures already taken to remedy the company's equity and to ensure sufficient financing and liquidity.