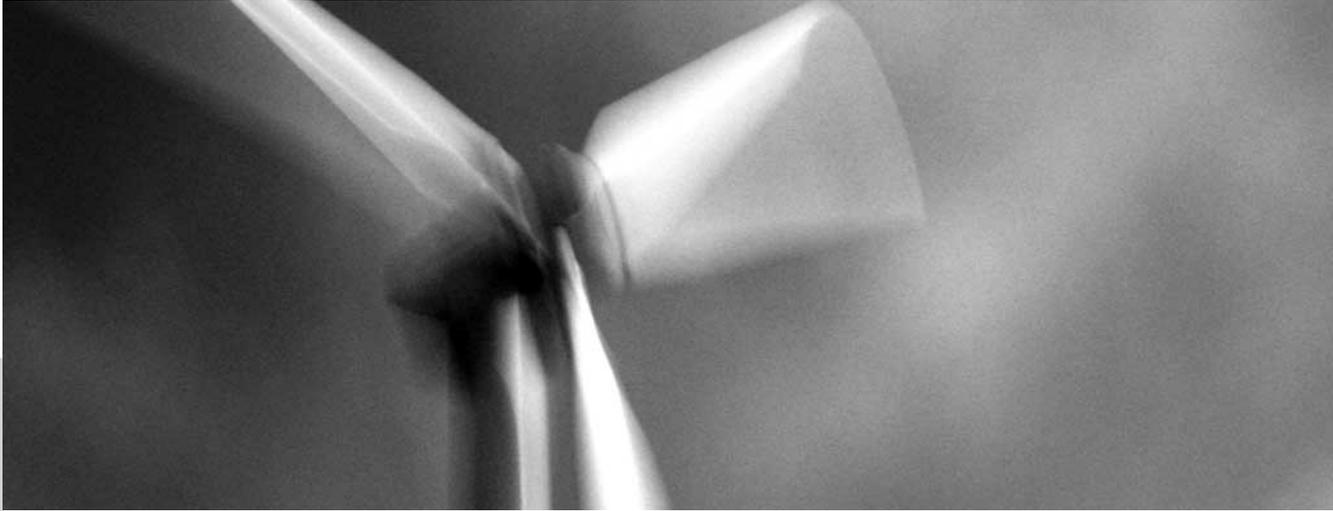


COMPONENTA



Casting Future Solutions

- ✓ Net sales during the first quarter were EUR 46.3 million (net sales of EUR 47.1 million in the same period in the previous year, a decline of nearly 2%).
- ✓ Operating profit of EUR 1.6 (1.1) million and loss after financial items of EUR 0.5 million (loss of EUR 1.0 million).
- ✓ Earnings per share were EUR -0.04 (-0.06).
- ✓ The improvements in the Group's operating profit and result after financial items from the previous year were mainly due to the savings programme carried out, despite higher prices for scrap steel and lower net sales.
- ✓ The Group's equity ratio, including the preferred capital note in equity, was 29.3% (31.4% on 31 December 2002).
- ✓ The Iraq war cast a shadow over the global economy and increased the uncertainty about demand.

Markets and development by customer sector

The Iraq war has played a major role when considering prospects for the global economy. The war has caused further delays in any recovery in economic growth and investments by industry. Economic problems in the euro area are also slowing the economic growth.

Demand for and production of heavy trucks remained at a satisfactory level in Europe. Volumes supplied by Componenta to heavy truck manufacturers in the first quarter were almost at the same level as in the same period last year, and showed a slight increase from the final quarter of 2002.

Demand in the power and transmission industries fell 8 per cent in the first quarter from the level achieved in the corresponding period of the previous year, but rose some five per cent from the final quarter of that year. The poor performance was mainly due to low demand for wind turbine generator components. The general uncertainty about economic development has brought decision making on capital expenditure on wind turbine generator projects to a standstill in Europe and the USA.

Output by Nordic machinery and equipment manufacturers has continued at a low level in 2003 as a result of poor demand for investments. Companies in the sector have seen their order books decline. Componenta's sales to the machine building industry in the first quarter of 2003 were some 16 per cent below the corresponding period in the previous year. However, sales rose slightly compared to the final quarter of the previous year.

Componenta's deliveries to off-road manufacturers increased by 10 per cent from the corresponding period in the previous year. Sales rose 13% on the final quarter in that year.

Net sales and order book

The Group had net sales in the review period of January - March of EUR 46.3 (47.1) million. Net sales declined nearly 2% from the previous year. The Group's order book improved from the start of the year and stood at the end of the review period at EUR 27.1 (28.2) million (EUR 24.9 million on 31 December 2002).

Exports and foreign operations accounted for 74% (75%) of net sales. Componenta's net sales by market area were as follows: Finland 26% (25%), other Nordic countries 55% (54%), Central Europe 17% (19%) and other countries 2% (2%).

Net sales by customer sector were as follows: the heavy truck industry accounted for 57% (55%) of net sales, power and transmission for 13% (14%), machine building for 13% (15%), off-road for 14% (12%) and others for 3% (4%).

Result

Componenta Group made an operating profit of EUR 1.6 (1.1) million during the first quarter of the year, and the result after financial items was a loss of EUR -0.5 (-1.0) million. The result does not include net profits from the sale of non-current assets or any other non-recurring items.

The Group's operating profit and result after financial items improved from the previous year mainly because of the programme of remedial action, and in spite of higher prices for scrap steel and lower net sales.

Because of the continuing economic uncertainty, the Group is taking steps to further raise efficiency and to maintain the positive cash flow, in addition to the programme of remedial action already started. Implementation of this programme has progressed as planned.

The Group's net financial costs amounted to EUR 2.1 (2.1) million and the net result was EUR -0.4 (-0.6) million.

Income taxes in the review period were EUR 0.1 million positive, due to the reduction in deferred tax liability recorded through the reversal of accelerated depreciation. Earnings per share were EUR -0.04 (-0.06).

The return on investment was 4.0% (3.0%) and the return on equity was -4.1% (-5.7%).

Financing

The Group's equity ratio was 17.6% (17.3%). Including the preferred capital note in shareholders' equity, the equity ratio was 29.3% (30.1%, 31.4% on 31 December 2002).

In March the company carried out an EUR 49 million financing arrangement lasting until 2006. As part of its action to make more effective use of capital, the Group started a programme to sell its trade receivables in March. On the basis of this arrangement, some of the trade receivables can be sold without any right of recourse. The target for this programme is to reduce by half the amount of capital tied up in trade receivables. At 31 March 2003 the amount of sold trade receivables totalled EUR 1.7 million.

In March the Group repaid 10% of the original principal of the preferred capital note, EUR 3.1 million, in accordance with the terms for the note. On 31 March 2003 Componenta Corporation's preferred capital note amounted to EUR 25.5 million.

The Group had committed credit facilities of EUR 21 million at the end of March. The Group has a EUR 40 million commercial paper programme. The Group's interest-bearing net liabilities, excluding the EUR 25.5 million preferred capital note, totalled EUR 120.0 (120.2) million (EUR 116.5 million on 31 December 2002). Net gearing, including the preferred capital note in shareholders' equity, was 188.3% (179.1%).

The cash flow from operations was EUR 0.2 (-0.5) million, of which the change in net working capital was EUR -2.5 (-3.8) million. The cash flow from investments was EUR -0.2 (-1.7) million. The change in cash and bank accounts during the review period was EUR -0.6 (-0.3) million.

Performance of Business Groups

The Cast and Other Components business group, which forms the Group's core business, supplies ready to install cast and machined components to the heavy truck industry, the

power and transmission industry, the machine building industry and the off-road industry.

Cast and Other Components had net sales in the first quarter of EUR 37.4 (38.8) million and an operating profit of EUR 2.1 (1.4) million. The order book stood at EUR 21.7 (22.9) million on 31 March 2003 (EUR 19.6 million on 31 December 2002).

At the beginning of 2003, three major customers of Componenta Främmestad simultaneously made significant changes to their production strategies. The changes mean an annual reduction of some SEK 75 million in production at Främmestad. Deliveries of the products affected by these reductions will cease at the end of 2003, in accordance with the contracts for them, and not as announced previously. The reasons for the reductions affecting Främmestad are the uncertain state of the world economy and increasing global competition. Because of these, some customers have decided to make components in their own production plants instead of outsourcing the production, and others are purchasing more components from low cost countries, such as Brazil. To cut personnel costs and to improve competitiveness, notice of possible redundancy was given to 50 persons at Componenta Främmestad. Decisions on the actual number of redundancies and the timing for them will be made at a later date.

Componenta's Other Business consists of operations that are not part of the company's core operations, such as the Wirsbo forges, associated companies, the Group's support functions and service units, as well as divested business.

Net sales for Other Business totalled EUR 8.9 (8.3) million in the first quarter and the operating loss was EUR -0.5 (-0.3) million. The order book stood at EUR 5.4 (5.3) million on 31 March 2003 (EUR 5.3 million on 31 December 2002).

Componenta Wirsbo's sales grew on the corresponding period of the previous year. The unit's result improved when compared to the final quarter of the previous year in consequence of the programme of remedial action.

Componenta Group's share of the result of the associated companies was EUR -0.2 (-0.4) million. The result was improved by Keycast's improved result and exchange rate gains at Ulefos.

Share capital and shares

The shares of Componenta Corporation are quoted on the main list of the Helsinki Exchanges. At the end of the review period the Company's share capital stood at EUR 19.2 million. The shares have a nominal value of 2 euros. At the end of the review period on 31 March 2003 the quoted price of Componenta Corporation shares stood at EUR 1.80. The average price during the review period was EUR 1.60, the lowest quoted price was EUR 1.39 and the highest EUR 1.95. The share capital had a market value of EUR 17.3 million at the end of the review period (EUR 17.4 million on 31 December 2002) and the volume of shares traded during the review period was equivalent to 7.5% of the share stock.

The Annual Meeting of Shareholders decided on 12 February 2003 to pay a dividend of EUR 0.10 per share, in accordance with the proposal of the Board of Directors. The dividend was paid on 24 February 2003.

Authorization for share issues and purchasing own shares

The company's Board of Directors has no authorization for share issues or for purchasing the company's own shares.

Investments

Investments in production facilities during the review period totalled EUR 0.3 (1.0) million. The Group's gross investments totalled EUR 0.3 (2.1) million.

Board of Directors, Group Management and Auditors

Componenta's Annual Shareholders' Meeting on 12 February 2003 elected Heikki Bergholm, Juhani Mäkinen, Matti Tikkakoski and Heikki Lehtonen to the Board of Directors. The Board elected Heikki Bergholm as its Chairman and Juhani Mäkinen as Vice Chairman.

Kari Miettinen, CPA, was elected as principal auditor and the authorised public accounting firm PricewaterhouseCoopers Oy as deputy auditor.

Sirpa Koskinen, Componenta's CFO and a member of the corporate executive team, leaves to work for another company at the beginning of May.

Personnel

The Group's average number of employees during the review period was 1,597 (1,729). On 31 March 2003 the Group had 1,626 (1,748) employees. 53.0% (51.7%) of the Group's personnel were in Finland, 46.4% (47.8%) in Sweden and 0.6% (0.5%) in other countries.

Prospects for the near future

Componenta's prospects for the near future are based on general financial indicators, order forecasts given by customers and on Componenta's order intake and order book.

The duration of the crisis in Iraq and how it will be resolved have a major impact on any recovery in the economic growth. Uncertainty keeps growth slow in the global economy and postpones industrial investment decisions.

Demand for heavy truck components is expected to remain at a satisfactory level. The uncertainty about general economic trends may, however, also have an impact on demand for heavy truck components in 2003.

Deliveries of wind turbine generator components will increase in the second quarter from the first. Demand in the Nordic machine building industry will remain poor and the start of any recovery is expected to be postponed again, even though demand is believed to have stopped falling.

The Group's deliveries to off-road manufacturers rose in the first quarter of the year and this positive trend is expected to continue during 2003.

During the current quarter the Group is expecting a solution to the issue concerning the price of SEW-Componenta shares, which is an object of a dispute. The result may differ from the level expected and recorded by the Company.

Thanks to the remedial programme started last year, the Group's cost structure is lighter than in the previous year. Componenta Group's net sales in the second quarter of 2003 are forecast to be lower than in the corresponding period last year. As a result of the remedial programme, the result after financial items is expected to be slightly positive in the second quarter.

Helsinki, 14 April 2003

COMPONENTA CORPORATION

Board of Directors

Income statement, MEUR	1.1.-31.3.2003	1.1.-31.3.2002	1.1.-31.12.2002
Net sales	46.3	47.1	180.8
Other operating income	0.1	0.1	3.1
Share of the associated companies' result	-0.2	-0.4	0.2
Operating expenses	41.6	42.9	167.7
Depreciation, amortization and write-down	3.0	3.1	12.3
Negative goodwill recognized as income	-	-0.2	-2.9
Operating profit	1.6	1.1	7.0
<i>% of net sales</i>	3.4	2.2	3.9
Financial income and expenses	-2.1	-2.1	-9.1
Result after financial items	-0.5	-1.0	-2.1
<i>% of net sales</i>	-1.1	-2.2	-1.2
Income taxes	0.1	0.5	3.1
Minority interest and conversion difference	0.0	0.0	0.0
Net profit	-0.4	-0.6	1.0

Balance sheet, MEUR	31.3.2003	31.3.2002	31.12.2002
Assets			
Non-current assets	145.6	151.1	149.2
Current assets			
Inventories	19.8	20.1	20.2
Receivables	49.5	50.5	45.6
Cash and bank accounts	2.3	1.5	2.9
Total current assets	71.7	72.0	68.8
Total assets	217.2	223.1	218.0

Liabilities and shareholders' equity

Shareholders' equity			
Share capital	19.2	19.2	19.2
Other equity	16.9	17.2	18.5
Preferred capital note	25.5	28.6	28.6
Total shareholders' equity	61.7	65.0	66.3
Minority interest	2.1	2.1	2.1
Negative goodwill	-	0.6	-
Provisions	-	0.9	-
Liabilities			
Non-current liabilities			
Interest bearing	63.0	75.4	75.8
Interest free	0.0	0.0	0.0
Current liabilities			
Interest bearing	59.4	46.3	43.7
Interest free	31.2	32.8	30.1
Total liabilities	153.5	154.5	149.6
Total liabilities and shareholders' equity	217.2	223.1	218.0

Consolidated cash flow statement, MEUR	1.1.-31.3.2003	1.1.-31.3.2002	1.1.-31.12.2002
Cash flow from operations			
Profit/loss before extraordinary items	-0.5	-1.0	-2.1
Depreciation, amortization and write-down	3.0	2.9	9.4
Net financial income and expenses	2.1	1.5	9.1
Other income and expenses, adjustments to cash flow	1.7	2.0	-3.5
Change in net working capital	-2.5	-3.8	1.6
Cash flow from operations before financing and income taxes	3.8	1.6	14.4
Net financial income and expenses	-3.6	-2.1	-7.9
Income taxes	0.0	0.0	0.0
Cash flow from operations	0.2	-0.5	6.5
Cash flow from investing activities			
Capital expenditure in tangible and intangible assets	-0.3	-1.0	-7.0
Proceeds from tangible and intangible assets	0.0	0.6	3.6
Other investments and loans granted	0.0	-1.2	-2.4
Proceeds from other investments and repayments of loan receivables	0.1	0.0	0.0
Cash flow from investing activities	-0.2	-1.7	-5.7
Cash flow from financing activities			
Dividends paid	-1.0	-1.4	-1.4
Share issue	-	-	-
Draw-down (+)/ repayment (-) of preferred capital note	-3.1	-2.6	-2.6
Draw-down (+)/ repayment (-) of current loans	15.7	12.0	9.5
Draw-down (+)/ repayment (-) of non-current loans	-12.3	-6.0	-5.0
Cash flow from financing activities	-0.6	1.9	0.4
Increase (+)/ decrease(-) in cash and bank accounts	-0.6	-0.3	1.2

Key Ratios	31.3.2003	31.3.2002	31.12.2002
Equity ratio, %	17.6	17.3	18.2
Equity ratio, %, preferred capital note in equity	29.3	30.1	31.4
Earnings per share (EPS), EUR	-0.04	-0.06	0.11
Equity per share, EUR	3.76	3.79	3.92
Invested capital	186.1	190.3	187.8
Return on investment, %	4.03	3.03	4.38
Return on equity, %	-4.10	-5.70	2.50
Net interest bearing debt, MEUR	120.0	120.2	116.5
Net interest bearing debt, MEUR, preferred capital note in debt	145.5	148.8	145.1
Net gearing, %, preferred capital note in equity	188.3	179.1	170.5
Net gearing, %, preferred capital note in debt	380.4	386.1	365.0
Order book, MEUR	27.1	28.2	24.9
Investments in non-current assets, MEUR	0.3	2.1	9.8
Investments in non-current assets, % of net sales	0.7	4.5	5.4
Average number of personnel during the period	1,597	1,729	1,705
Number of personnel at period end	1,626	1,748	1,616
Share of export and foreign activities in net sales, %	74.0	75.0	72.0
Contingent liabilities, MEUR	59.7	55.9	59.7

Derivative instruments, MEUR	31.3.2003		31.3.2002		31.12.2002	
	Nominal value	Current value	Nominal value	Current value	Nominal value	Current value
Currency derivatives						
Forward exchange agreements	26.0	0.1	39.6	-0.6	37.6	0.0
Currency swaps	14.0	0.1	-	-	3.0	0.0
Interest derivatives						
Interest rate swaps	16.0	-0.6	18.0	0.1	21.0	-0.5

Derivative instruments are used to hedge the Group's foreign exchange and interest rate risks.

Largest registered shareholders on 31 March 2003

Shareholder	Shares	Share of total voting rights %
1 Lehtonen Heikki	3,681,731	38.29
Lehtonen Heikki	3,336,731	
Helsingin Santapaperi Oy	340,000	
Oy Högfors-Trading Ab	5,000	
2 Etra-Invest Oy Ab	1,209,600	12.58
3 Ilmarinen Mutual Pension Insurance Company	457,600	4.76
4 Sampo Group	437,800	4.55
Sampo Life Insurance Company Ltd	237,800	
If Insurance Company Ltd	200,000	
5 Inkinen Simo-Pekka	419,044	4.36
6 Lehtonen Anna-Maria	178,823	1.86
7 Local Government Pension Institution Finland	150,000	1.56
8 Lehtonen Yrjö M.	131,040	1.36
9 Federation of Finnish Metal Engineering and Electrotechnical Industries MET	122,600	1.28
10 Investment Fund Alfred Berg Finland	95,100	0.99
11 Bergholm Heikki	90,000	0.94
12 Finnish National Fund for Research and Development (Sitra)	87,000	0.90
13 Lehtonen Antti	83,000	0.86
14 Investment Fund Alfred Berg Optimal	77,000	0.80
15 The Finnish Cultural Foundation	75,000	0.78
16 Other shareholders	2,319,971	24.13
Total	9,615,309	100.00

The members of the Board of Directors own 39.3% of the shares. All shares have equal voting rights.

The members of the Board of Directors hold 8.2% of the outstanding warrants. If all the warrants were converted to shares, the holding of shares by the members of the Board of Directors would decrease to 37.5%.

Development by business group

Net sales, MEUR	1.1.-31.3.2003	1.1.-31.3.2002	1.1.-31.12.2002
Cast and Other Components	37.4	38.8	148.7
Other Business	8.9	8.3	32.1
Componenta Group total	46.3	47.1	180.8

Operating profit, MEUR	1.1.-31.3.2003	1.1.-31.3.2002	1.1.-31.12.2002
Cast and Other Components	2.1	1.4	5.8
Other Business	-0.5	-0.3	1.2
Componenta Group total	1.6	1.1	7.0

Order book, MEUR	31.3.2003	31.3.2002	31.12.2002
Cast and Other Components	21.7	22.9	19.6
Other Business	5.4	5.3	5.3
Componenta Group total	27.1	28.2	24.9

Development by quarter

MEUR	1-3/03	10-12/02	7-9/02	4-6/02	1-3/02
Net sales	46.3	44.5	39.1	50.1	47.1
Operating profit	1.6	2.5	0.3	3.1	1.1
Net financial items	-2.1	-2.4	-2.2	-2.4	-2.1
Profit/loss after financial items	-0.5	0.1	-1.9	0.7	-1.0

Quarterly development by business group

Net sales, MEUR	1-3/03	10-12/02	7-9/02	4-6/02	1-3/02
Cast and Other Components	37.4	36.4	32.4	41.1	38.8
Other Business	8.9	8.1	6.7	9.0	8.3
Componenta Group total	46.3	44.5	39.1	50.1	47.1

Operating profit, MEUR	1-3/03	10-12/02	7-9/02	4-6/02	1-3/02
Cast and Other Components	2.1	1.5	-0.4	3.3	1.4
Other Business	-0.5	1.0	0.7	-0.2	-0.3
Componenta Group total	1.6	2.5	0.3	3.1	1.1

Order book at period end, MEUR	1-3/03	10-12/02	7-9/02	4-6/02	1-3/02
Cast and Other Components	21.7	19.6	22.5	23.8	22.9
Other Business	5.4	5.3	5.9	6.1	5.3
Componenta Group total	27.1	24.9	28.4	29.9	28.2

COMPONENTA

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