

**Componenta Corporation
Financial Statements**

1 January - 31 December 2003

Income statement

MEUR	2003 1 - 12	2002 1 - 12
Net sales	177.8	180.8
<i>Change in net sales %</i>	-2	-7
Share of the associated companies' result	1.3	0.2
Operating expenses and other income	-159.0	-165.9
Depreciation, amortization and write-down	-12.0	-12.3
Operating profit	8.1	2.8
Financial income and expenses	-7.6	-9.1
Result after financial items (excluding one-time items)	0.5	-6.3
One-time items	-8.0	4.2
Result after financial items	-7.5	-2.1
Net result	-4.5	1.0

Operating profit by business group

MEUR Excluding one-time items	2003 1 - 12	2002 1 - 12
Cast and Other Components	8.2	5.8
Other business	-0.1	-3.0
Total	8.1	2.8

COMPONENTA

Key ratios

	31.12.2003	31.12.2002
Earnings per share (EPS), EUR	-0.47	0.11
Equity ratio, % (preferred capital note in equity)	31,1	31,4
Return on equity, %	-11.8	2.5
Equity per share, EUR	3.31	3.92
Invested capital, MEUR	161.8	187.8
Return on investment, %	0.8	4.4
Net interest bearing debt, MEUR (preferred capital note in equity)	99.4	116.5
Net gearing, % (preferred capital note in equity)	168	171
Order book, MEUR	25.1	24.9
Investments in production facilities, MEUR	1.6	7.9
Average number of personnel	1,595	1,705

COMPONENTA

Cash Flow

MEUR	1.1.-31.12.2003	1.1.-31.12.2002
Cash flow from operations		
Profit/loss before extraordinary items	-7.5	-2.1
Depreciation, amortization and write-down	16.0	9.4
Net financial income and expenses	7.7	9.1
Other income and expenses, adjustments to cash flow	2.9	-3.5
Change in net working capital	9.9	1.6
Cash flow from operations before financing and income taxes	29.0	14.4
Net financial income and expenses	-7.0	-7.9
Cash flow from operations	22.0	6.5
Cash flow from investing activities		
Capital expenditure in tangible and intangible assets	-1.6	-7.0
Proceeds from tangible and intangible assets	1.2	3.6
Other investments and loans granted	-0.7	-2.4
Proceeds from other investments and repayments of loan receivables	0.8	0.0
Cash flow from investing activities	-0.3	-5.7
Cash flow from financing activities		
Dividends paid	-1.0	-1.4
Draw-down (+)/ repayment (-) of preferred capital note	-3.2	-2.6
Draw-down (+)/ repayment (-) of current loans	8.2	9.5
Draw-down (+)/ repayment (-) of non-current loans	-28.1	-5.0
Cash flow from financing activities	-24.1	0.4
Increase (+)/ decrease(-) in cash and bank accounts	-2.4	1.2

Review period in brief

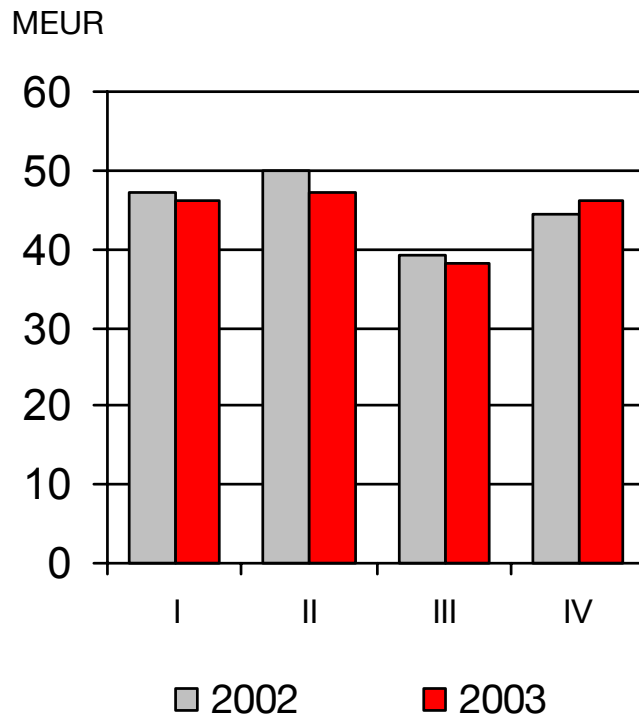
- The consolidated result after financial items, excluding one-time items, improved MEUR 6.8 in consequence of the programme of remedial action carried out, the improved results of the associated companies, and lower financial expenses.
- Cash flow from operations was MEUR 22.0 (MEUR 6.5) and cash flow from investing activities MEUR -0.3 (MEUR -5.7).
- The merger of the operations of Alvesta and Karkkila foundries; annual improvement of EUR 5 million in result as from 2005
- The remedial programme of Wirsbo forge will improve the operating profit as from 2004.
- The number of personnel in Främmestad has reduced by 38 to 133.
- One-time items of MEUR -8.0 are mainly related to the merger of Alvesta and Karkkila foundries and the remedial programme of Wirsbo forges.

Development of customer industry

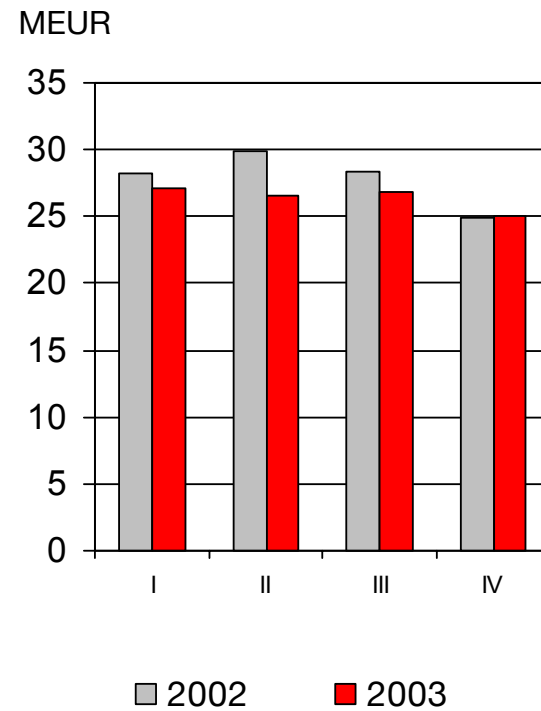
- Componenta's sales in 2003 fell -2% compared to 2002. Q4 sales rose 4%.
- Production of heavy trucks in Europe rose 1% in 2003, but Componenta's deliveries fell -3 % from the previous year due to a sharp fall in brake component deliveries.
- Deliveries to the power and transmission industries were 4% above the previous year. Q4 sales grew 27%.
- Sales to the machine building industry were 1% up on 2002, whereas deliveries to off-road manufacturers were 5% down on the previous year.

Net sales and order book

Net sales

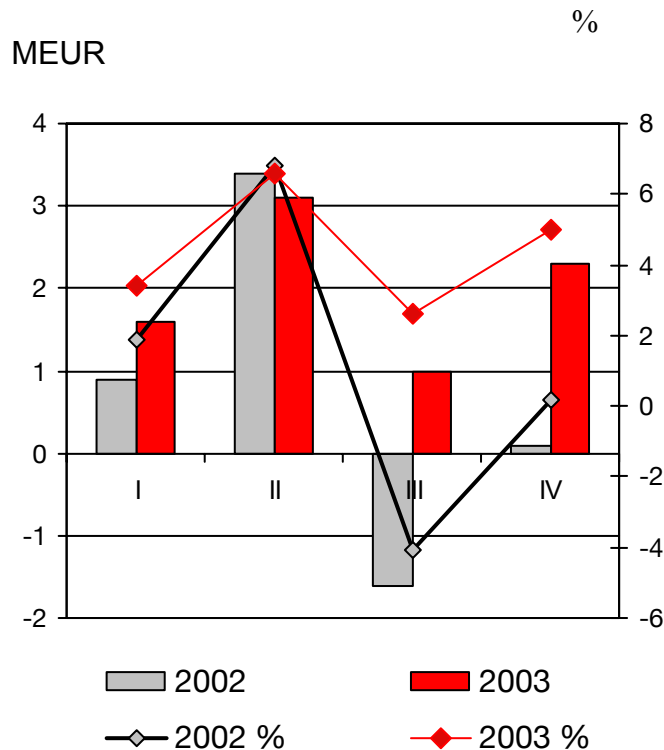


Order book

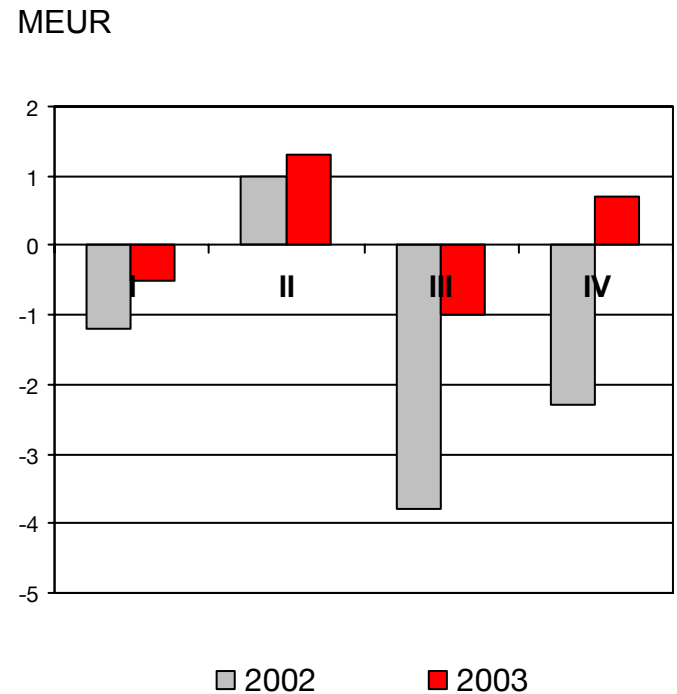


Operating profit and result after financial items (excluding one-time items)

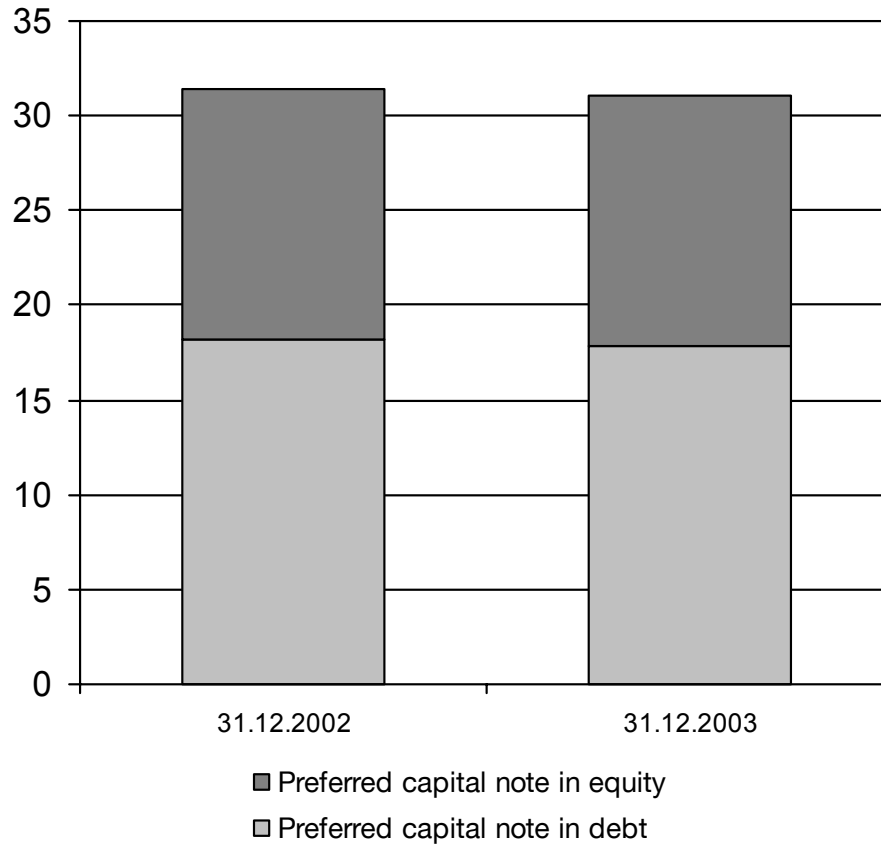
Operating profit/loss



Profit/loss after financial items

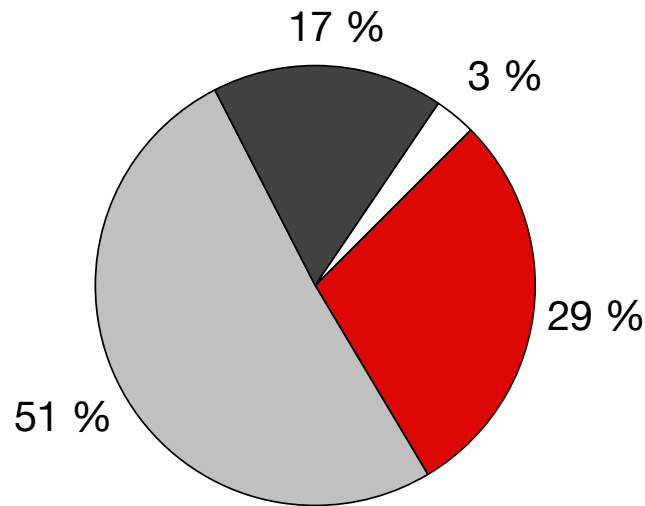


Equity ratio, %



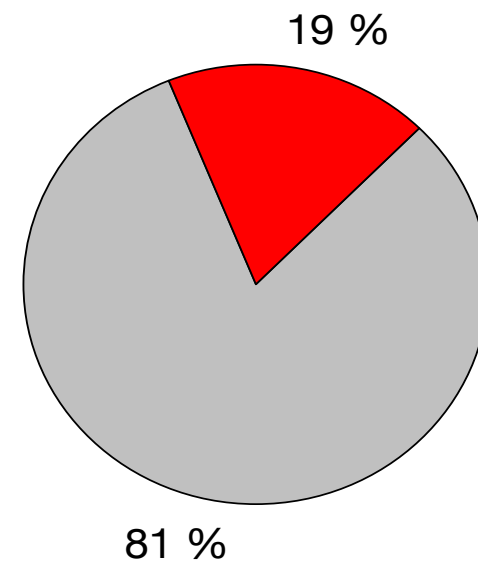
Division of sales

Sales by market area



- Finland
- Other Scandinavia
- Central Europe
- Other countries

Sales by business group



- Cast and Other Components
- Other operations

Sales to customer industries



Heavy trucks

Power and transmission

Machine building

Off-road

Others

55% (55%)

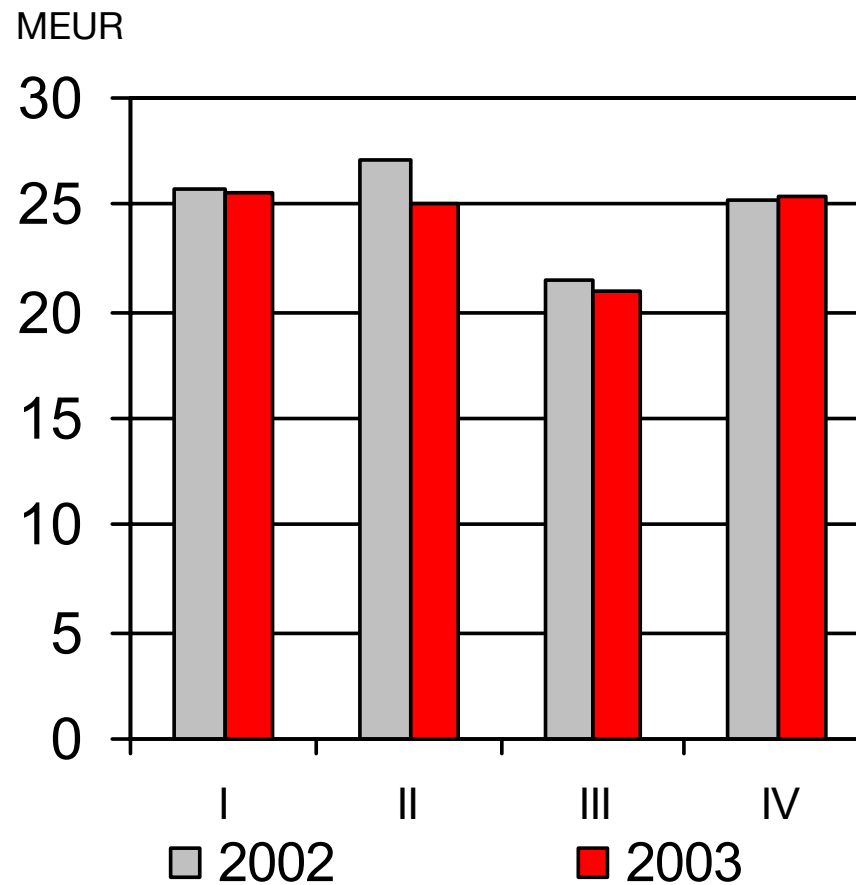
15% (14%)

14% (14%)

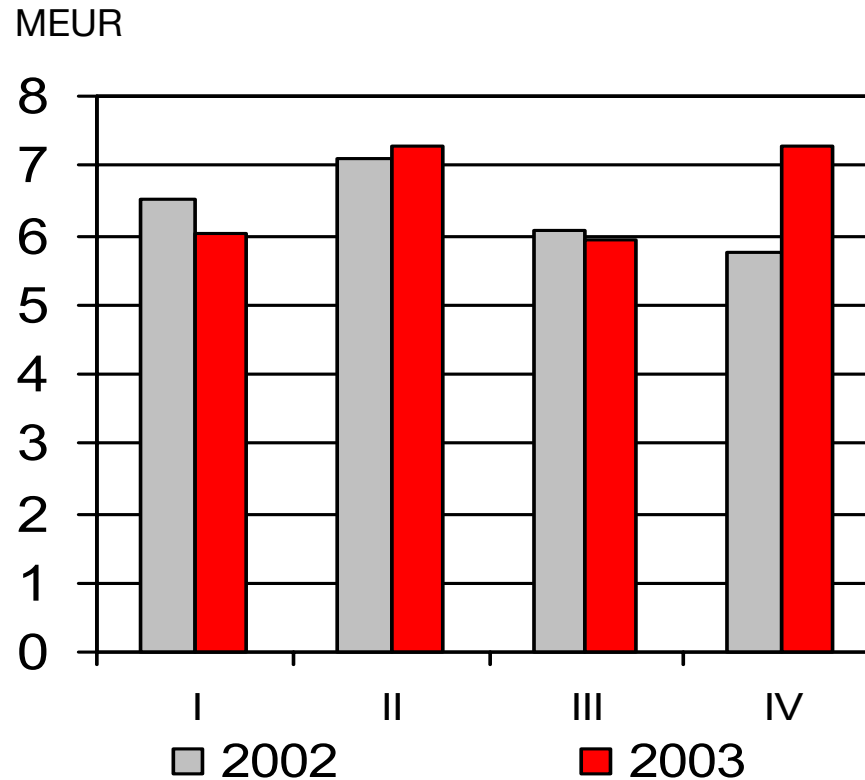
12% (12%)

4% (5%)

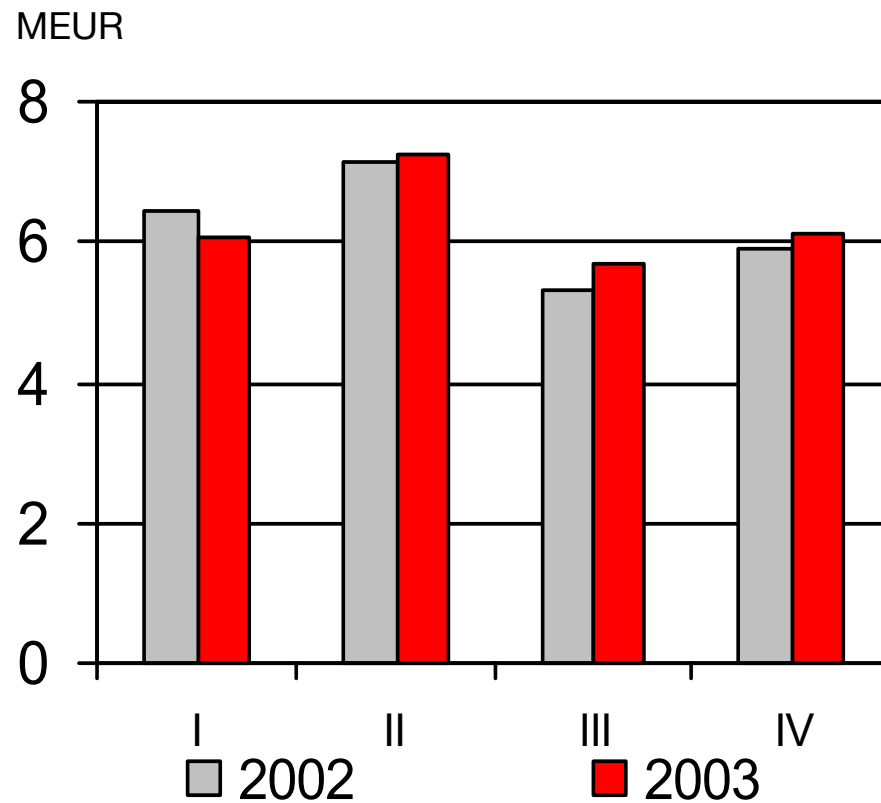
Sales to heavy truck industry



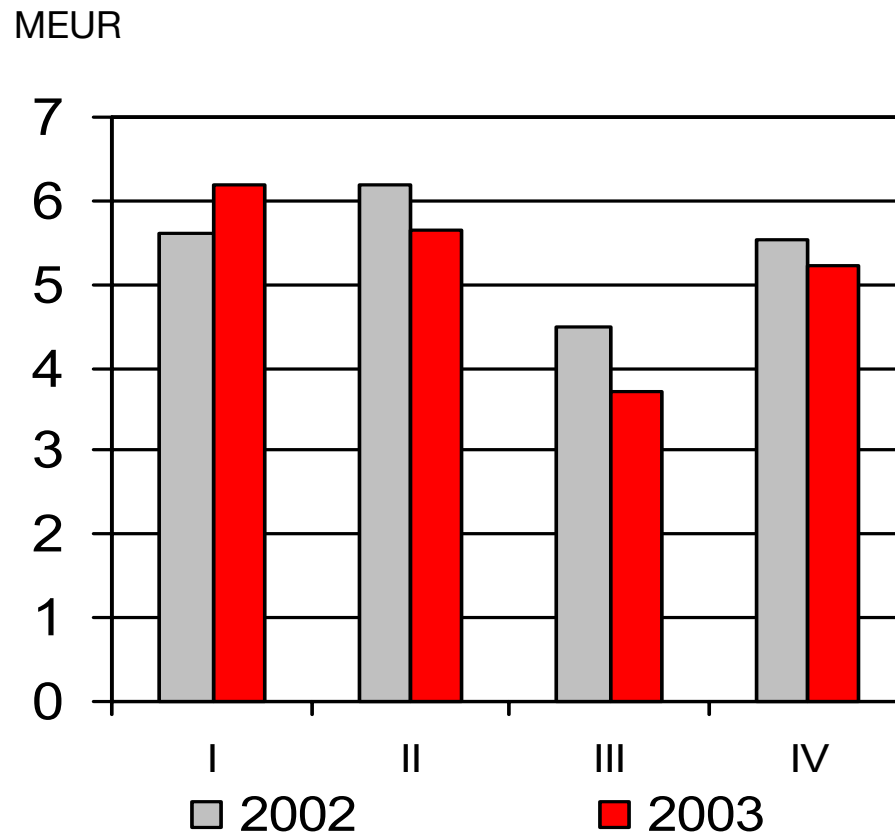
Sales to power and transmission industry



Sales to machine building industry



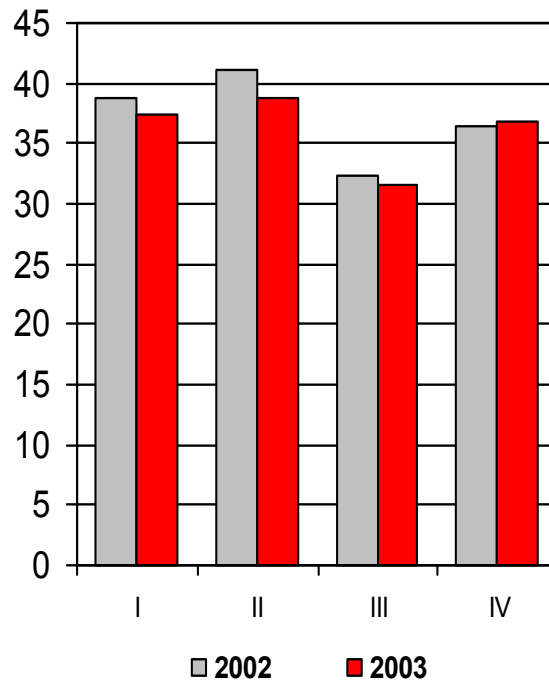
Sales to off-road industry



Cast and Other Components

Net sales

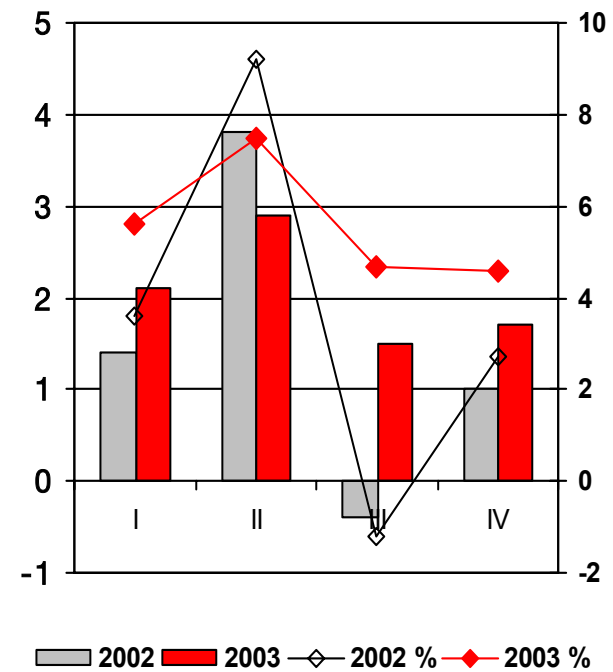
MEUR



Operating profit

MEUR

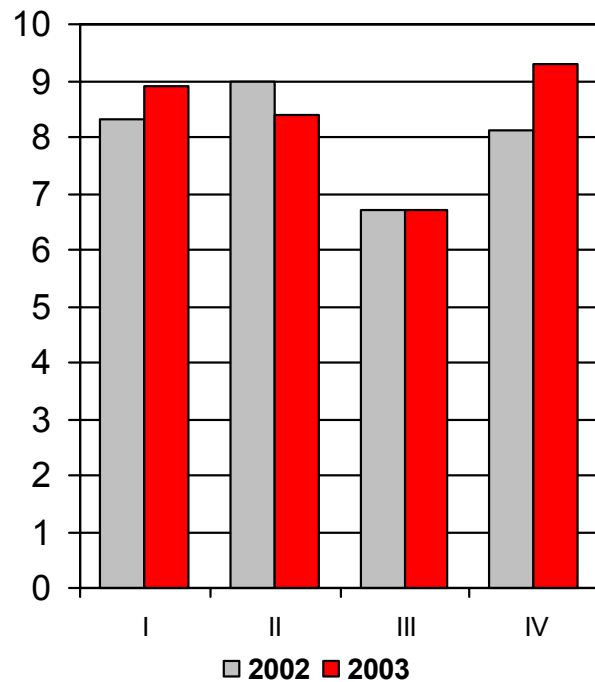
%



Other operations

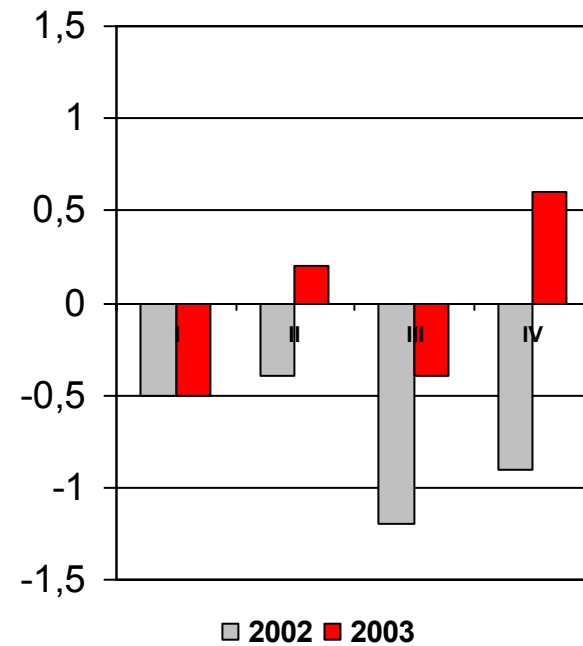
Net sales

MEUR



Operating profit (excluding one-time items)

MEUR



Other operations and associated companies

- Sales by the Wirsbo forges increased from the previous year and the operating profit improved in consequence of the cost-cutting programme.
- Share of the associated companies' result MEUR 1.3 (MEUR 0.2).
- Thermia net sales grew by +15% to MSEK 495 and result improved by +85% to MSEK 37.
- Keycast net sales rose 4% to MEUR 33.6 and result after financial items to MEUR 1.7.
- The operational result of Ulefos declined. The management has been changed and the cost-cutting programme has been started.

Prospects 2004

- The lessening of uncertainty and the cuts in interest rates have created the conditions for industrial investments to start up. Any increase in investments is likely to be slow, so it may well take time before decisions on major industrial investments are made.
- The three year decline in demand for heavy truck components has ended and demand has started to pick up.
- The growth in demand for power and transmission industry components that started towards the end of 2003 is expected to continue during 2004.
- Sales to the machine building and off-road industries are expected to pick up slightly during 2004.

Prospects Q1/2004

- Despite the recent positive signals, any start up of growth is still exposed to certain risks.
- Net sales are expected to be slighter higher than in the corresponding period of last year.
- As a result of the remedial action taken in 2003, the result for the first quarter of 2004 is expected to be better than the corresponding period last year.
- The cash flow from operations is expected to be clearly positive.