

Componenta Corporation Interim Report

1 January - 30 September 2005

COMPONENTA

Income statement

MEUR	2005 1 – 9	2004 1 – 9	2004 1 – 12
Net sales	260.9	224.5	316.0
Operating profit of Cast Components	4.1	8.0	12.4
Operating profit/loss of De Globe	0.6	-0.2	-1.7
Operating profit of Other Business	2.2	0.9	1.8
Operating profit (excluding one-time items)	6.9	8.6	12.5
Financial income and expenses	-6.6	-5.5	-7.9
Result after financial items (excluding one-time items)	0.3	3.1	4.6
One-time items	3.7	13.5	13.3
Result after financial items	4.0	16.6	17.9
Net result	5.6	14.2	15.6

Income statement Q3

MEUR	2005 7 - 9	2004 7 - 9
Net sales	72.4	70.4
Operating profit of Cast and Other Components	-0.4	1.7
Operating profit of De Globe	-1.1	-0.4
Operating profit of Other Business	-0.1	0.5
Operating profit (excluding one-time items)	-1.6	1.8
Financial income and expenses	-2.3	-1.9
Result after financial items (excluding one-time items)	-4.0	-0.1
One-time items	-0.2	0.1
Result after financial items	-4.2	0.0
Earnings per share, EUR	-0.27	0.05

Key Ratios

	30.9.2005	30.9.2004	31.12.2004
Earnings per share (EPS), EUR	0.58	1.48	1.62
Equity ratio, % (preferred capital note in equity)	32.9	30.4	29.5
Return on equity, %	13.0	37.0	28.1
Return on investment, %	7.4	16.5	14.2
Net interest bearing debt, MEUR (preferred capital note in equity)	110.5	119.0	118.1
Net gearing, % (preferred capital note in equity)	124.2	149.1	147.0
Order book, MEUR	55.6	59.9	59.2
Investments in non-current assets, MEUR	23.4	26.3	37.0
Average number of personnel	2,201	2,356	2,168

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Cash flow

MEUR	1.1.-30.9.2005	1.1.-30.9.2004	1.1.-31.12.2004
Result after financial items	4.0	16.6	17.9
Depreciation, amortization and write-down	8.0	5.3	9.0
Net financial income and expenses	6.6	5.5	8.5
Other income and expenses, adjustments to cash flow	-5.8	-8.6	-15.1
Change in net working capital	4.4	-9.5	-1.2
Cash flow from operations before financing and income taxes	17.2	9.3	19.0
Interest received and paid and dividends received	-5.1	-5.5	-7.8
Taxes paid	-0.1	0.0	0.0
Net cash flow from operations	12.0	3.8	11.2
Capital expenditure in tangible and intangible assets	-15.1	-17.4	-27.3
Proceeds from tangible and intangible assets	0.0	0.0	3.3
Other investments and loans granted	-3.0	-4.7	-4.7
Proceeds from other investments and repayments of loan receivables	7.9	19.1	19.3
Net cash flow from investing activities	-10.2	-3.1	-9.4
Net cash flow from financing activities	-0.6	0.1	-1.2
Change in liquid assets	1.2	0.8	0.7

Review period in brief

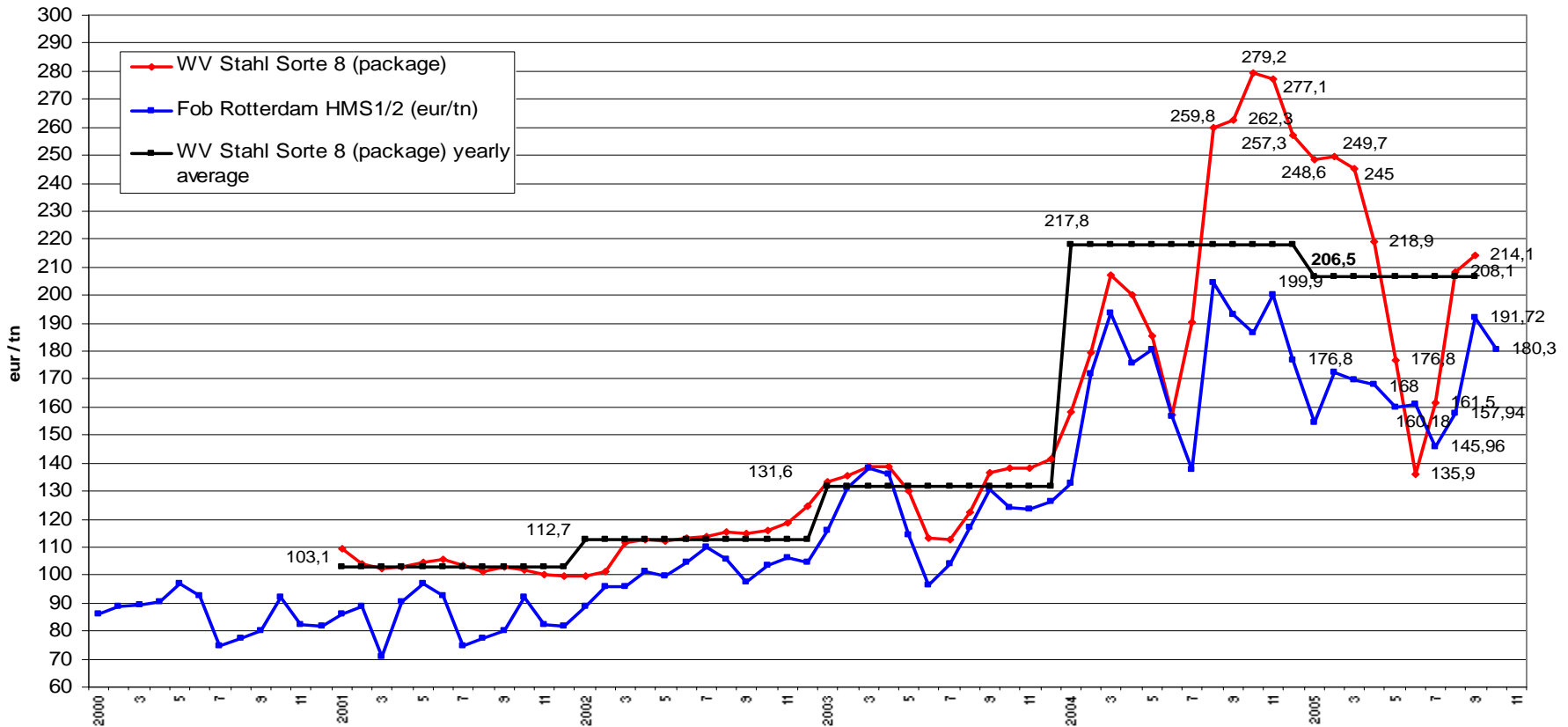
- Net sales increased from the previous year and the order book remains at a strong level.
- The consolidated result after financial items, excluding one-time items, declined from the previous year mainly due to the costs and breaks in production caused by running in the new foundry machinery and equipment installed at Karkkila and Heerlen and running in the new painting line at the Främmsted machine shop.
- Running in the new machinery and equipment installed at Karkkila and Heerlen weakened the result in the review period by a total of MEUR 4.6.
- The improvements in the results of the Wirsbo forges and associated companies had a positive impact on the consolidated result in the review period.
- Towards the end of the review period the price of scrap steel had risen again to the same high level as early in the year.
- One-time items totalled MEUR 3.7 (13.5), consisting mainly of profit of MEUR 2.2 from the sale of Keycast and Profiz shares, the recognition as income of MEUR 4.3 in negative goodwill in connection with the purchase of De Globe shares, and one-time costs of MEUR 2.4 for adjustments and restructuring at De Globe and Åmål.

Review period in brief

- The Board of Directors of Componenta Corporation, under the authorization of the AGM, decided to issue convertible capital notes and on 4 March 2005 approved subscriptions for the Convertible Capital Notes 2005 with a nominal value of MEUR 19.0. The exchange rate for the shares is EUR 10.00.
- On 30 March 2005, Componenta sold its 26% holding in IT company Profiz Business Solution Oyj to Skuutinliikki Oy for approximately MEUR 0.4.
- In a transaction confirmed on 30 June 2005, Componenta sold its 43% holding of the shares of Keycast Oy to a new company established by OKO Venture Capital and Keycast's operative management. The price for the shares was MEUR 6.5 and Componenta recorded a sales profit of MEUR 2.1 on the transaction in the second quarter.
- Under an agreement signed on 30 June 2005, Componenta acquired the remaining 45% of the shares and voting rights of the Dutch foundry company De Globe. The shares were sold by Industriebank LIOF, a Dutch capital investment fund, for a price of MEUR 2.3. Following the purchase, Componenta owns 100% of De Globe's shares. Componenta recognized as income the MEUR 4.3 in negative goodwill arising from the transaction during the second quarter.

Wvstahl Sorte 8 package scrap (eur/tn) (Source: Wvstahl)

Updated 05.10.2005



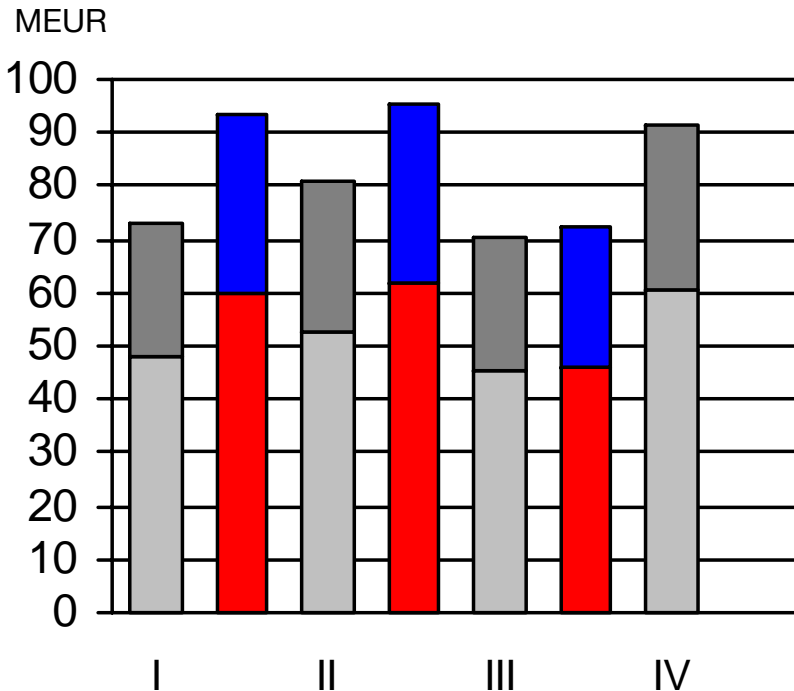
Net sales and order book

- Componenta's net sales rose 16% to MEUR 260.9.
- Net sales of Cast Components rose 10%, of De Globe 19% and of other business 35%.
- Deliveries by customer sector rose from the previous year as follows.

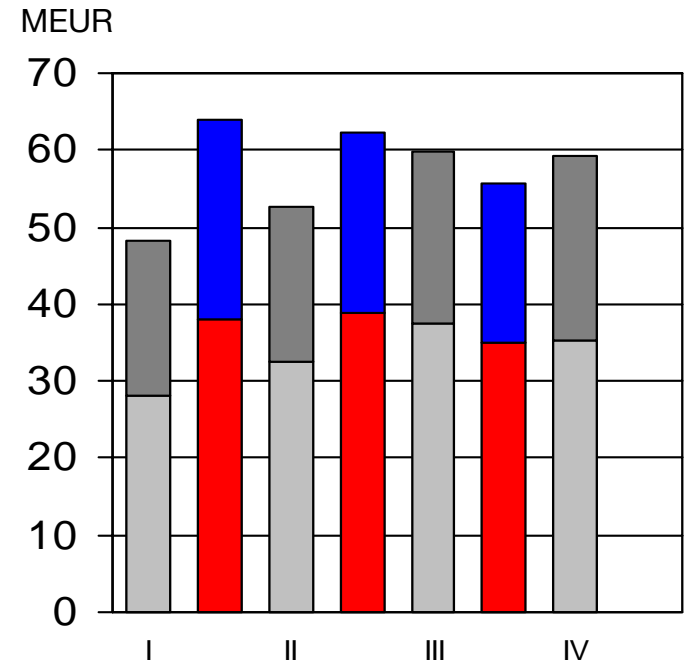
● Heavy truck industry	+15%	Q3: -4%
● Off-road manufacturers	+19%	Q3: +6%
● Machine building industry	+20%	Q3: +18%
● Power and transmission industry	+17%	Q3: +10%
- Componenta's order book stood at MEUR 55.6 (MEUR 59.9) at the end of September.

Net sales and order book

Net sales



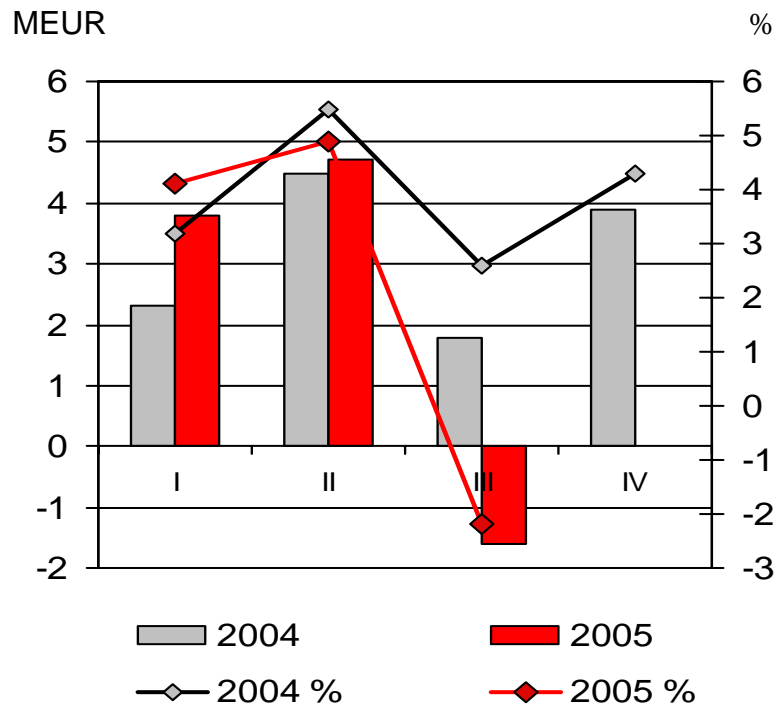
Order book



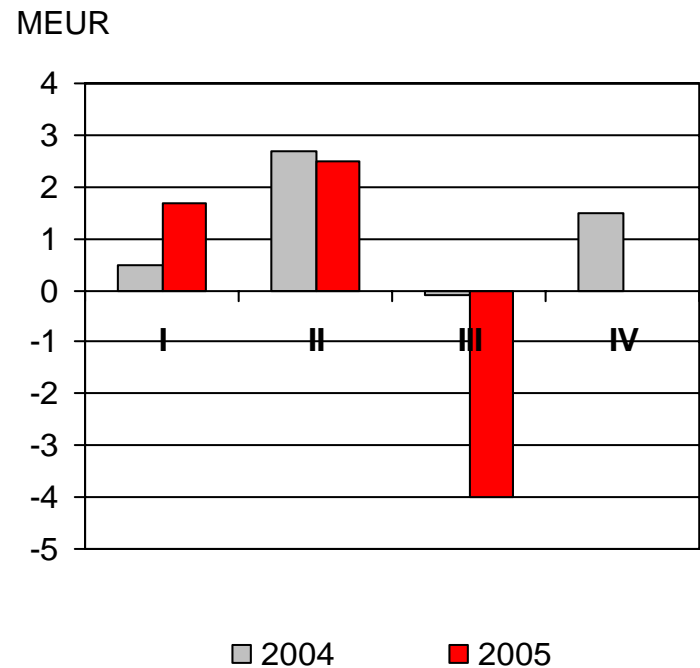
- 2005 De Globe
- 2004 De Globe
- 2005 Componenta Cast Components and Other business
- 2004 Componenta Cast Components and Other business

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

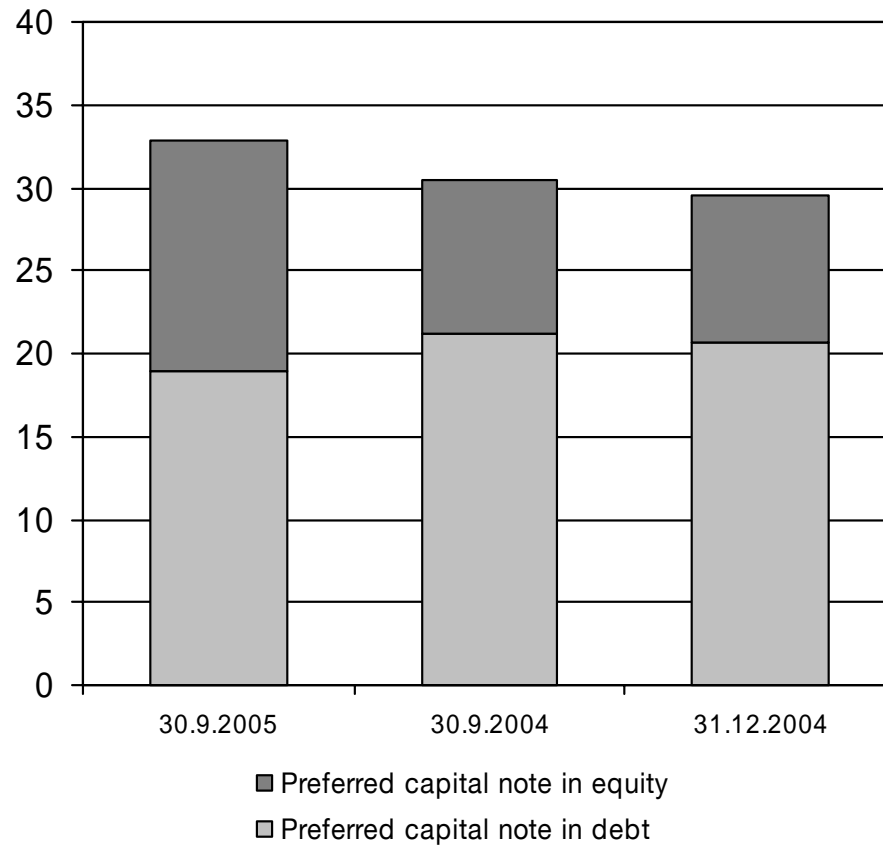
Operating profit



Profit/loss after financial items

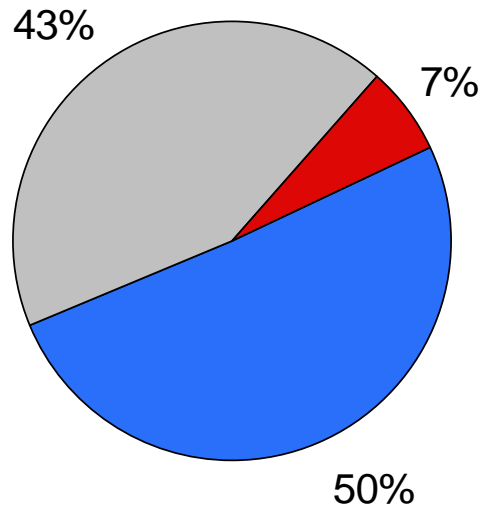


Equity ratio, %



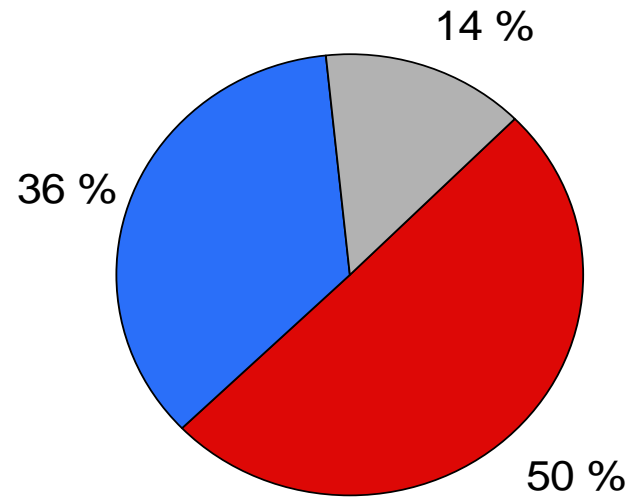
Division of sales

Sales by market area



- Nordic Countries
- Other European Countries
- Other Countries

Sales by business group



- Componenta Cast Components
- De Globe
- Other Business

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Sales to customer industries



Heavy trucks

Off-road

Machine building

Power and transmission

Others

46% (46%)

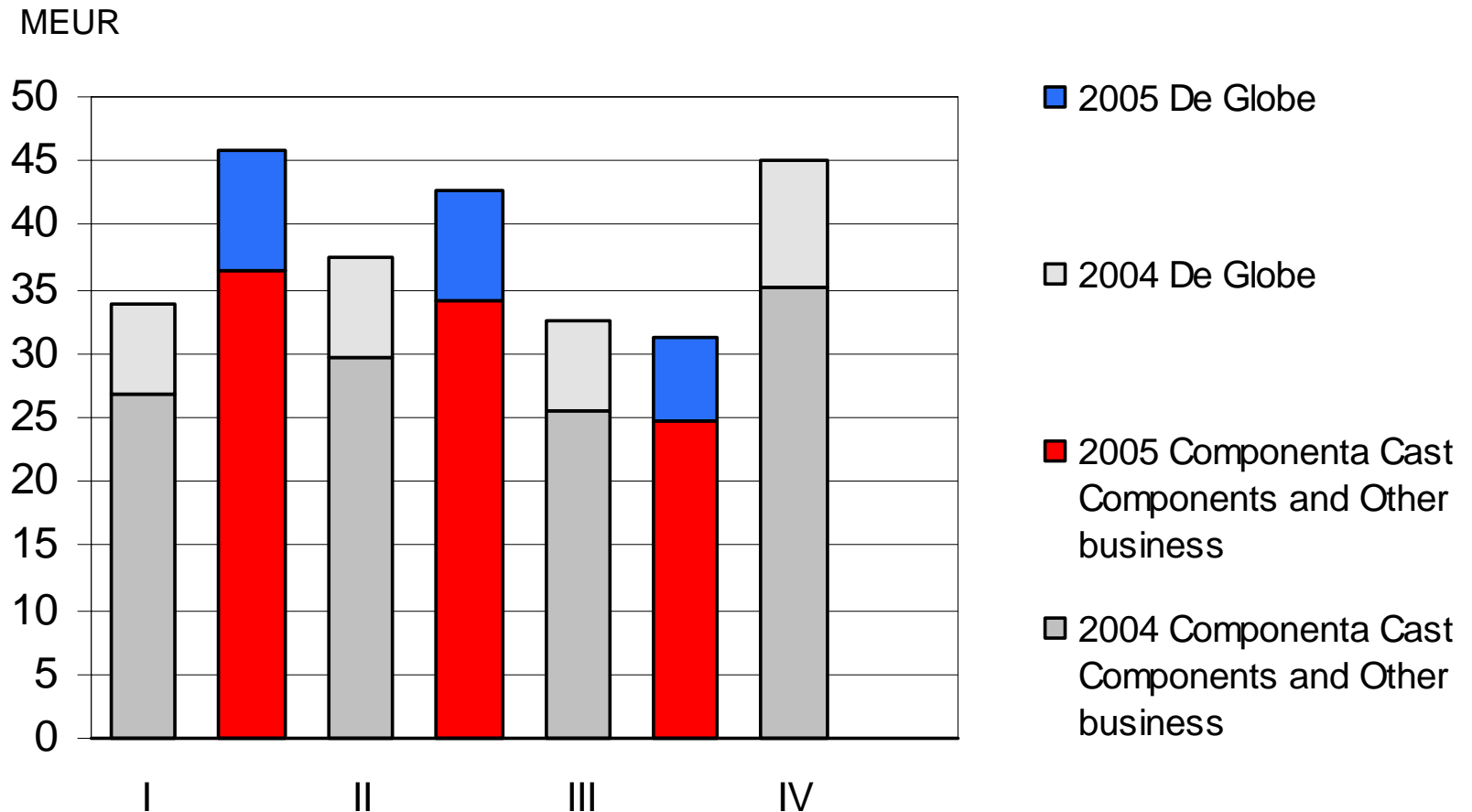
25% (24%)

15% (15%)

12% (12%)

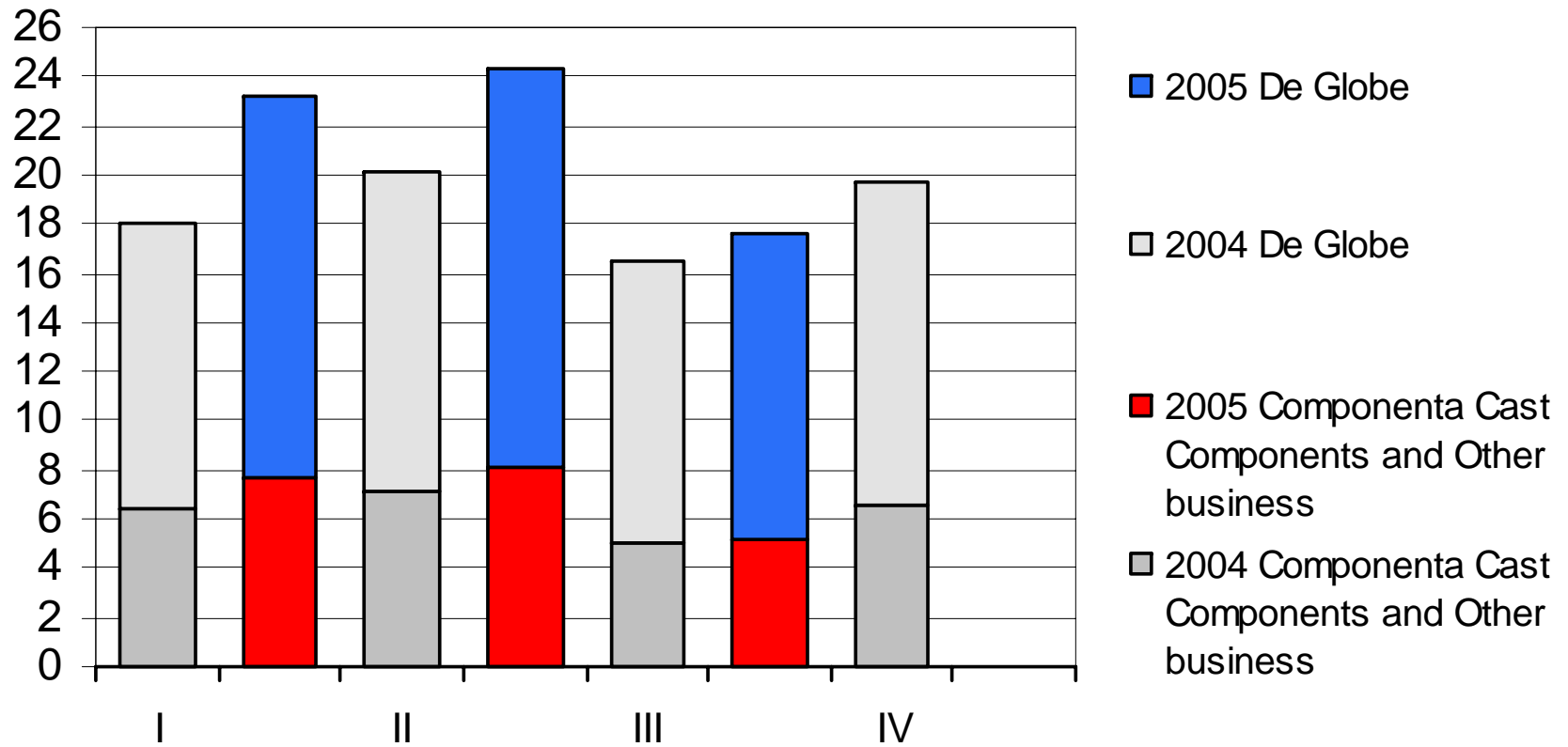
2% (3%)

Sales to heavy truck industry



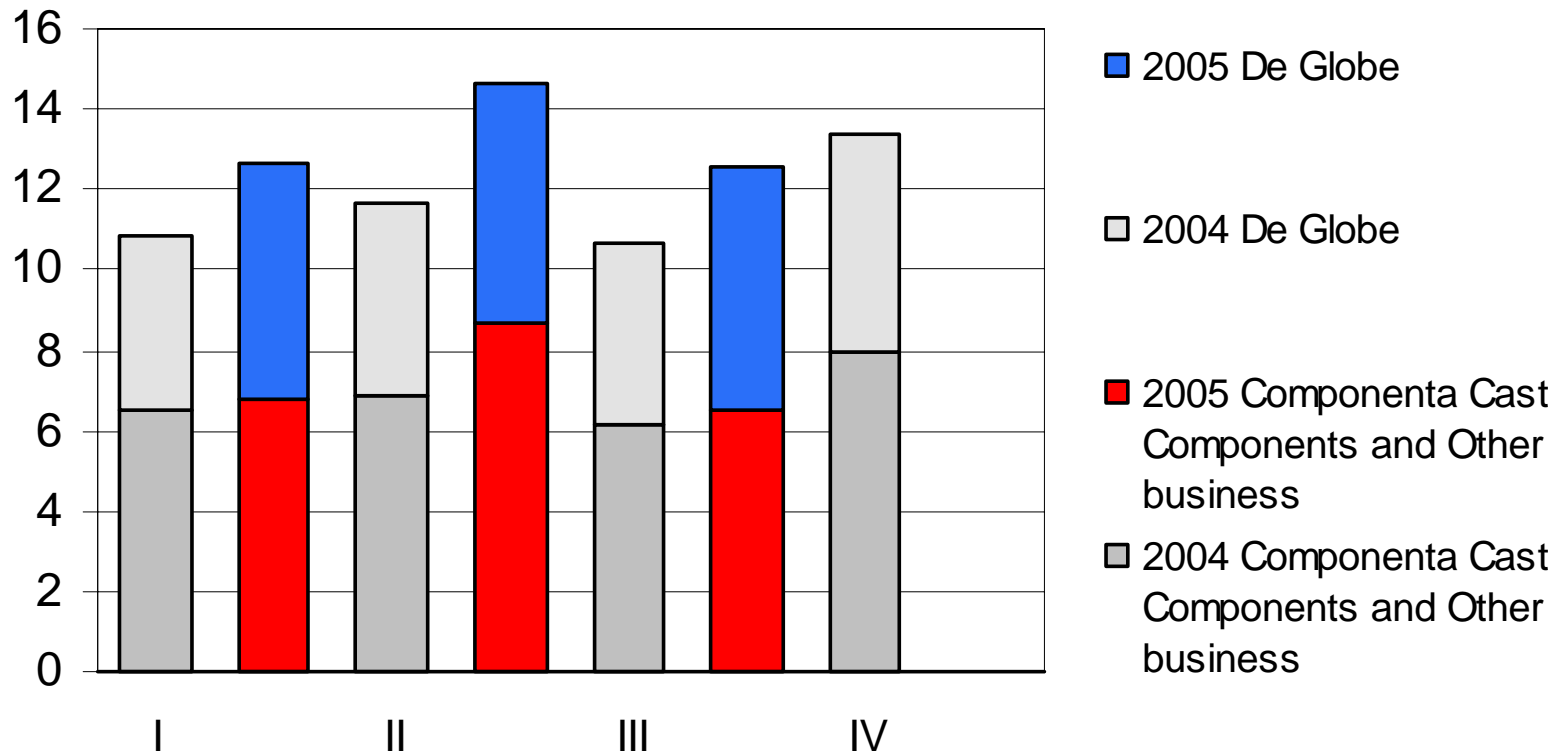
Sales to off-road industry

MEUR



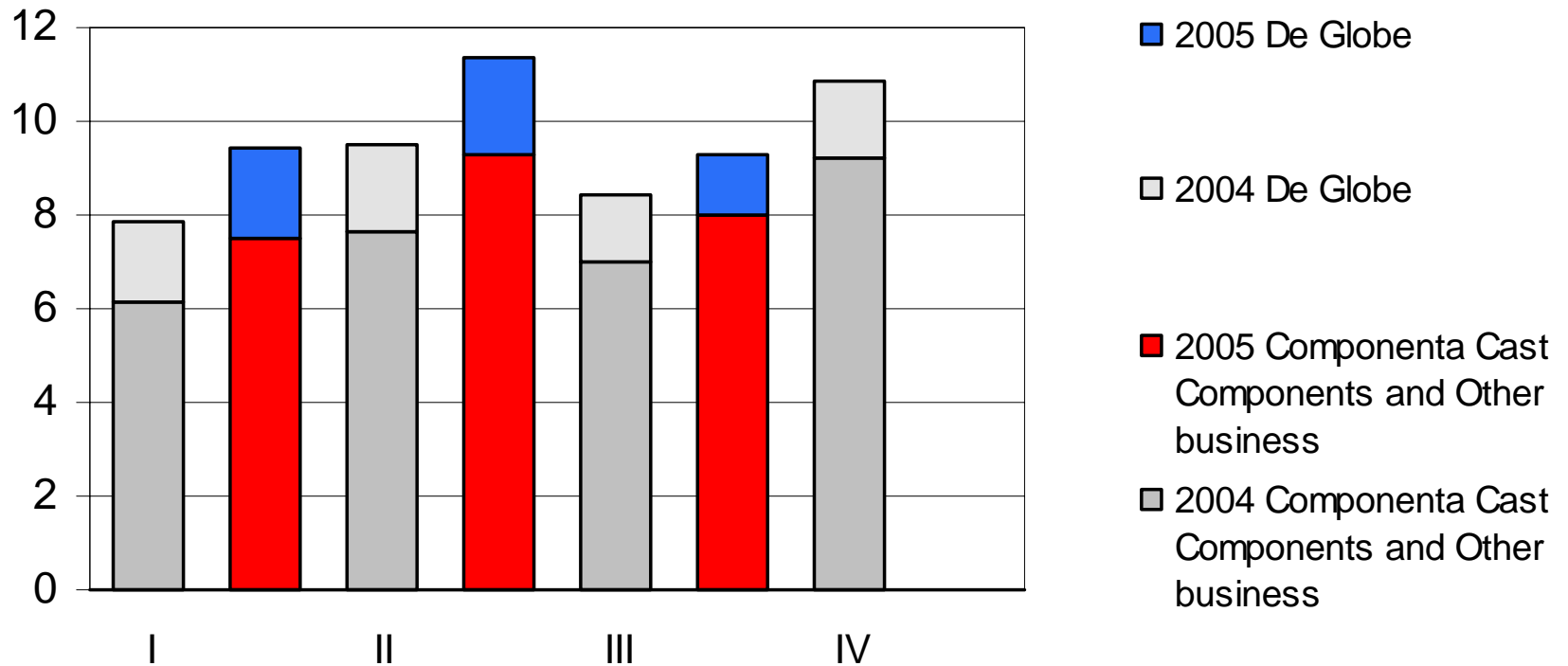
Sales to machine building industry

MEUR



Sales to power and transmission industry

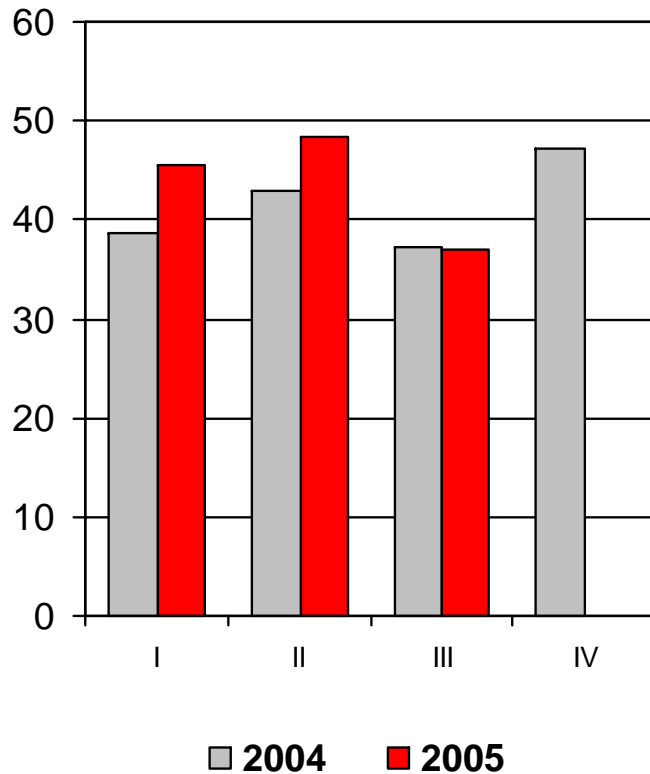
MEUR



Componenta Cast Components

Net sales

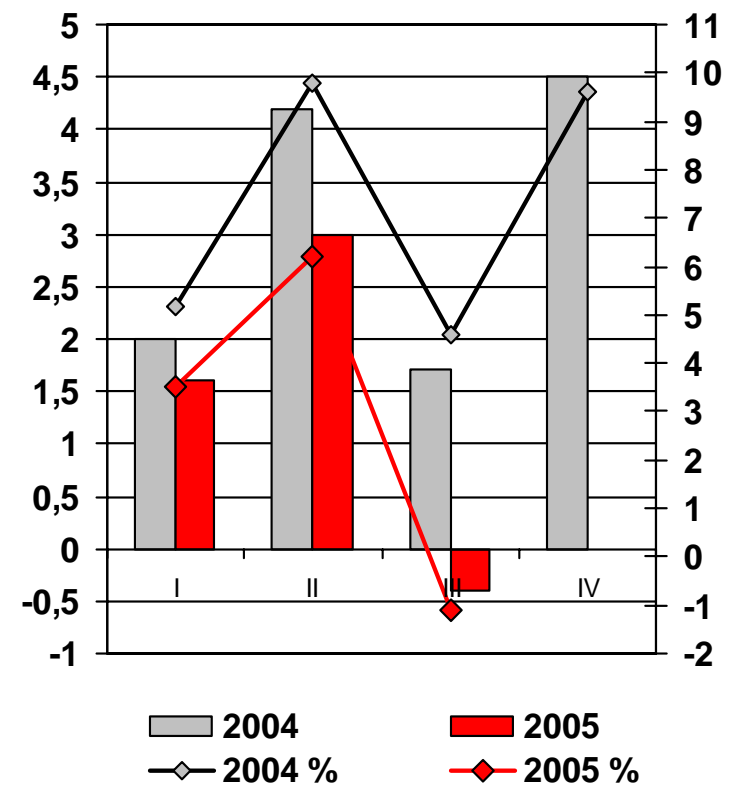
MEUR



Operating profit

MEUR

%

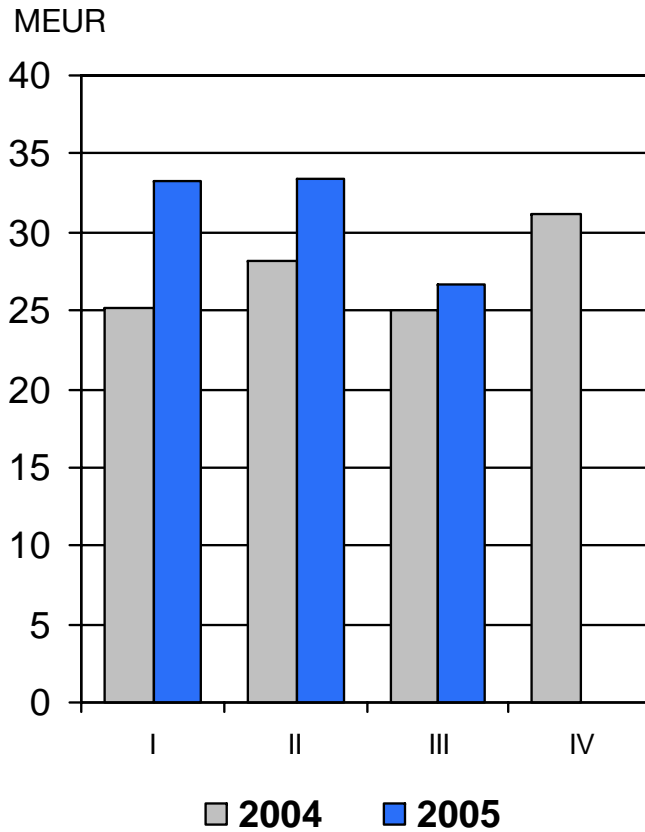


Performance of Componenta Cast Components

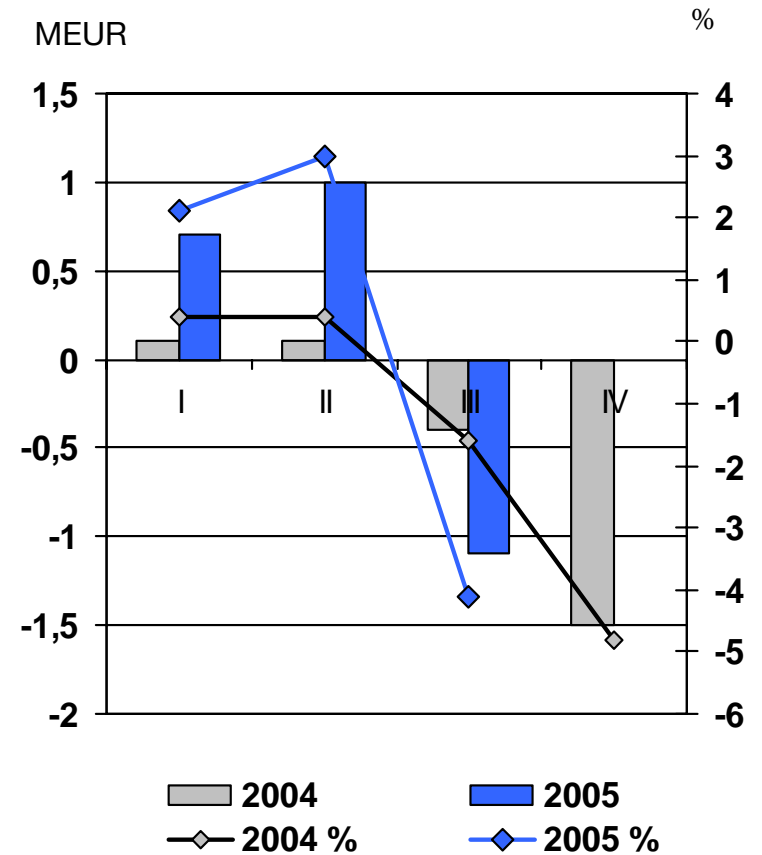
- Growth in sales (+10%) and order book remains at good level (MEUR 28.5).
- Technical problems on the production line at the Karkkila foundry and running in production there weakened the business group's result in the review period by MEUR 2.7.
- Running in the new painting line at the Främmestad machine shop weakened the third quarter result.
- A fire at the Karkkila foundry at the beginning of September caused a break in production of several days, slowed down the running in of production, and weakened the result for the third quarter.
- During the first half of June the production organization at Karkkila was restructured and strengthened, a new melting furnace was taken into operation in the second quarter that will boost production capacity, and casting automation was introduced in the third quarter.
- Running in the new equipment and machinery installed at the foundry and machine shop in Pietarsaari during the summer took place as planned and production on the new lines had mainly been run in by the end of the review period.

De Globe

Net sales



Operating profit



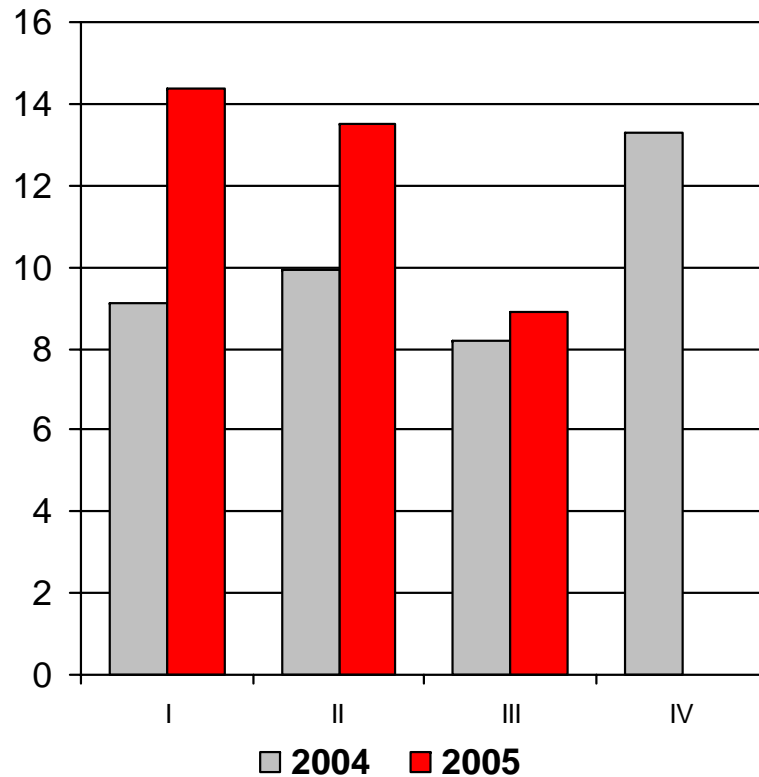
Performance of De Globe

- Strong growth in net sales (+19%) and order book remains at high level (MEUR 20.7).
- Growth in sales and correcting the prices of unprofitable products improved the result.
- Transferring the foundry from Belfeld alongside the Heerlen foundry and running in the production line weakened the result in the review period by EUR 1.9 million.
- Breaks in production at the Heerlen foundries in July and at the beginning of September slowed down the running in of production at the foundries and significantly weakened the result for the third quarter.
- Marc Omes took up the position of managing director at De Globe and became a member of the corporate executive team on 22 August 2005.
- Componenta owns 100% of the shares of De Globe.

Other Business

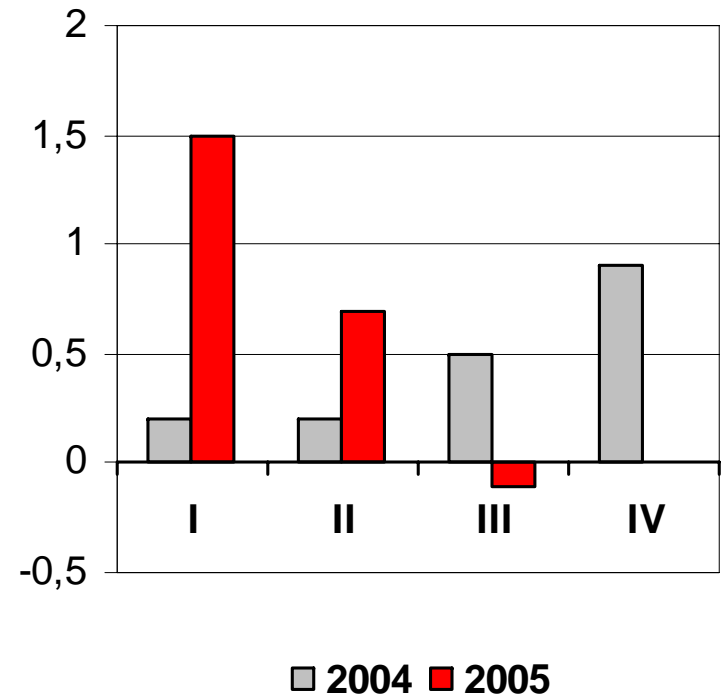
Net sales

MEUR



Operating profit (excluding one-time items)

MEUR



Performance of Other Business

- Sales by the Wirsbo forges increased 39% from the previous year to MEUR 36.1. The operating profit improved considerably in consequence of the growth in sales and the steps taken to enhance operations.
- The share of the result of the associated companies was MEUR 1.8 (MEUR 1.5).
 - Ulefos NV's net sales totalled MEUR 28.7 (MEUR 25.1) million and profit after financial items was MEUR 3.2 (MEUR 2.1).
- Profiz and Keycast shares were sold during the first half of the year.

Prospects Q4/2005

- Componenta's prospects in 2005 are based on general external financial indicators, order forecasts given by customers, and on Componenta's order intake and order book.
- Demand in the heavy truck industry took a slight downward turn during the third quarter of 2005.
- Demand for components for the off road industry has remained at good level throughout 2005.
- Demand for components from the power and transmission industries and from machinery and equipment manufacturers is expected to continue to rise slightly.
- Running the new machinery and equipment during the current year has weakened Componenta's financial performance. The investments at Karkkila in Finland, Heerlen in the Netherlands and Främmestad in Sweden have been technically completed during the third quarter of the year.

Prospects Q4/2005

- Componenta's order book at the end of September remained at a good level.
- Net sales in the fourth quarter of 2005 are expected to be at the same level as in the corresponding period in the previous year.
- The result after financial items for the fourth quarter, excluding one-time items, is forecast to be MEUR 0 - 3.