

# **Componenta Corporation Interim report**

**1 January - 30 June 2002**

## Income statement

| <i>MEUR</i>                                       | <i>2002</i><br><i>1-6</i> | <i>2001</i><br><i>1-6</i> | <i>2001</i><br><i>1-12</i> |
|---|---------------------------|---------------------------|----------------------------|
| Net sales   | 97.2                      | 107.8                     | 193.8                      |
| Other operating income                            | 0.5                       | 3.4                       | 4.1                        |
| Share of result of associated companies           | -0.1                      | -0.5                      | -0.5                       |
| Operating expenses                                | 87.7                      | 98.7                      | 184.1                      |
| Depreciation and write-down of non-current assets | 5.8                       | 4.2                       | 5.0                        |
| Operating profit                                  | 4.2                       | 7.8                       | 8.3                        |
| Financial income and expenses                     | -4.5                      | -3.6                      | -6.0                       |
| Result after financial items                      | -0.3                      | 4.2                       | 2.3                        |
| Net result  | 0.3                       | 4.0                       | 7.4                        |

## Operating profit

| <i>MEUR</i>  | <i>2002</i><br><i>1-6</i> | <i>2001</i><br><i>1-6</i> | <i>2001</i><br><i>1-12</i> |
|--|---------------------------|---------------------------|----------------------------|
| Cast and Other Components                                  | 4.7                       | 7.3                       | 8.7                        |
| Other Business   | 0.4                       | 0.5                       | 0.4                        |
| Divested operations, excluding profit/loss from sale       | -0.5                      | -0.9                      | -1.9                       |
| Other income and non-recurring expenses from business, net | 0.0                       | 1.2                       | 1.2                        |
| Others and internal  | -0.4                      | -0.3                      | -0.1                       |
| Total  | 4.2                       | 7.8                       | 8.3                        |

## Q2 development

| <i>MEUR</i>                         | <i>2002</i><br><i>Q2</i> | <i>2001</i><br><i>Q2</i> |
|-------------------------------------|--------------------------|--------------------------|
| <b>Net Sales</b>                    | <b>50.1</b>              | <b>51.5</b>              |
| <b>Operating profit</b>             | <b>3.1</b>               | <b>4.0</b>               |
| <b>Net financial items</b>          | <b>-2.4</b>              | <b>-1.7</b>              |
| <b>Result after financial items</b> | <b>0.7</b>               | <b>2.3</b>               |

## Operating profit Q2

| <i>MEUR</i>  | <i>2002</i><br><i>Q2</i> | <i>2001</i><br><i>Q2</i> |
|--|--------------------------|--------------------------|
| Cast and Other Components                                  | 3.3                      | 3.7                      |
| Other Business   | 0.2                      | 0.2                      |
| Divested operations, excluding profit/loss from sale       | -0.5                     | -0,5                     |
| Other income and non-recurring expenses from business, net | 0.0                      | 0.2                      |
| Others and internal  | 0.2                      | 0.4                      |
| <b>Total</b>   | <b>3.1</b>               | <b>4.0</b>               |

## Review period in a nutshell

- Core operations Q2 operating profit/net sales 8%
- Result fell from previous year
  - Q1 2002 sales lower than Q1 2001 sales (MEUR -9,2)
  - exchange rate differences 2002 MEUR -0.5, 2001 MEUR +0.2
  - no non-recurring net income in 2002 (2001 MEUR 1.2)
  - costs for running down Osby MEUR -0.5
- Net result was MEUR 0.3 (MEUR 4.0)
- Earnings per share EUR 0.03 (EUR 0.41)

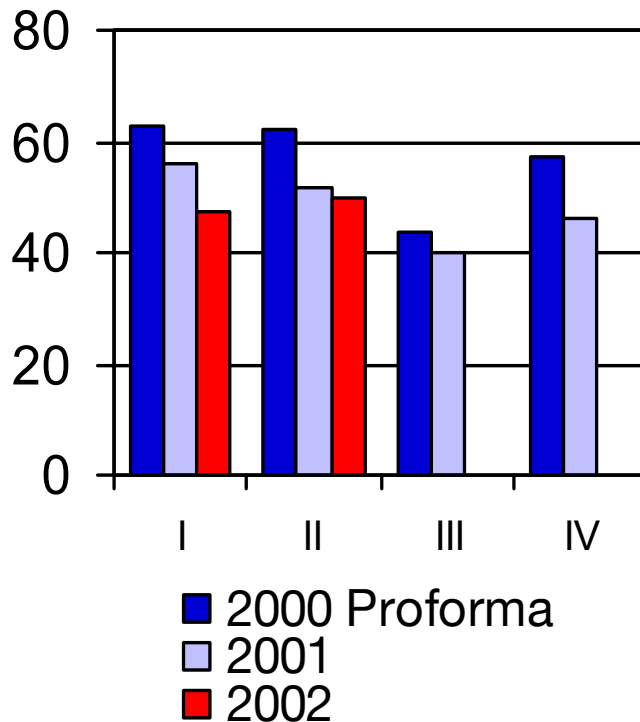
## **Review period in a nutshell**

- **Operations in Osby ended in May. Transfer of products took place at same time as increase in volumes, resulting in extra costs. Provisions made in 2001 not sufficient.**
- **Result at Alvesta foundry improved but still a loss.**
- **Deliveries to Componenta's customer sectors increased in second quarter from first quarter levels.**

# Net sales and order book

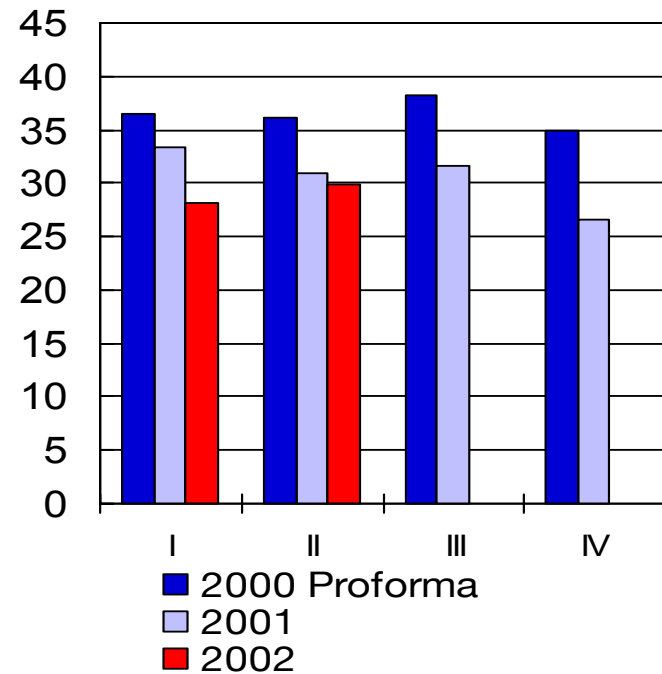
## Net sales

MEUR



## Order book

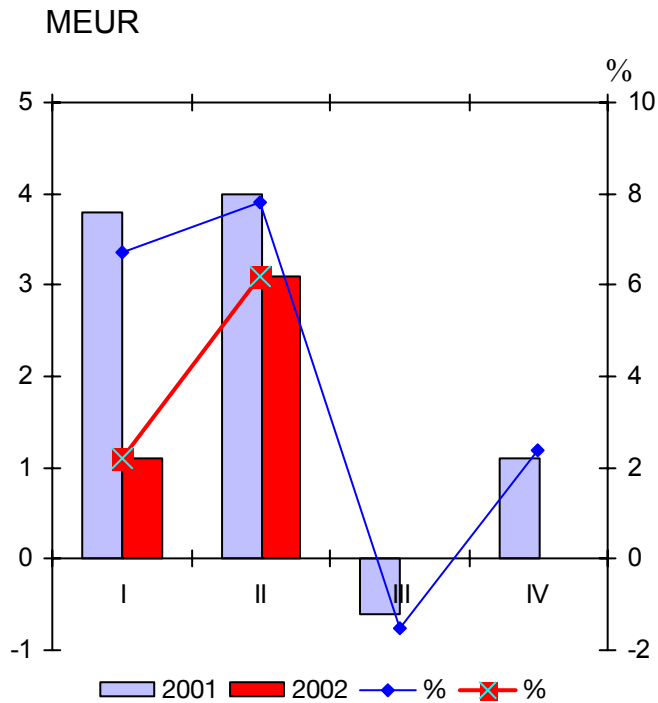
MEUR



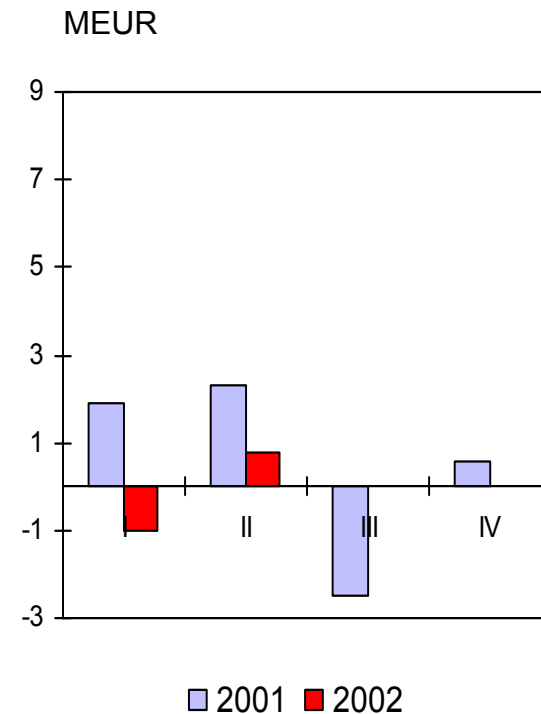


# Operating profit and result after financial items

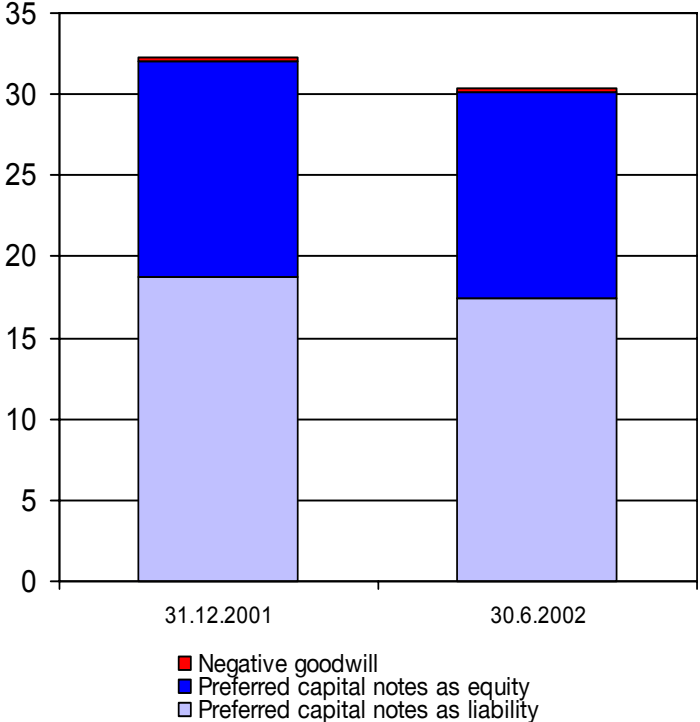
Operating profit/loss



Profit/loss after financial items

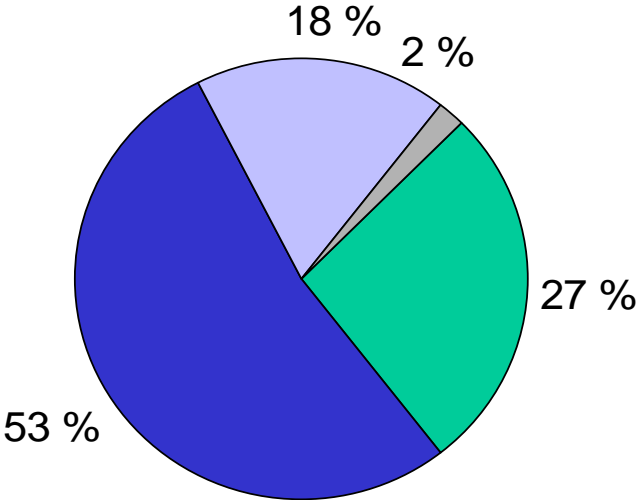


# Equity ratio, %



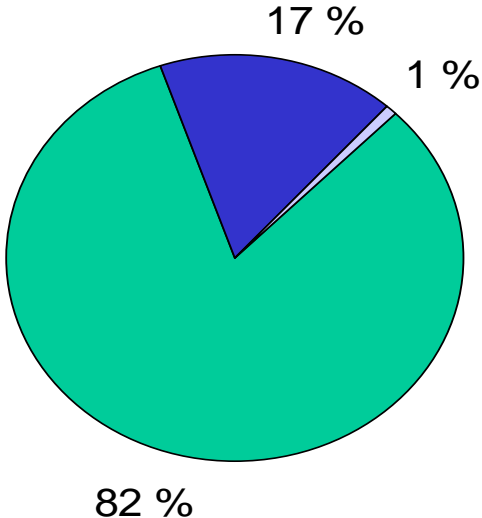
# Division of sales

### Sales by market area



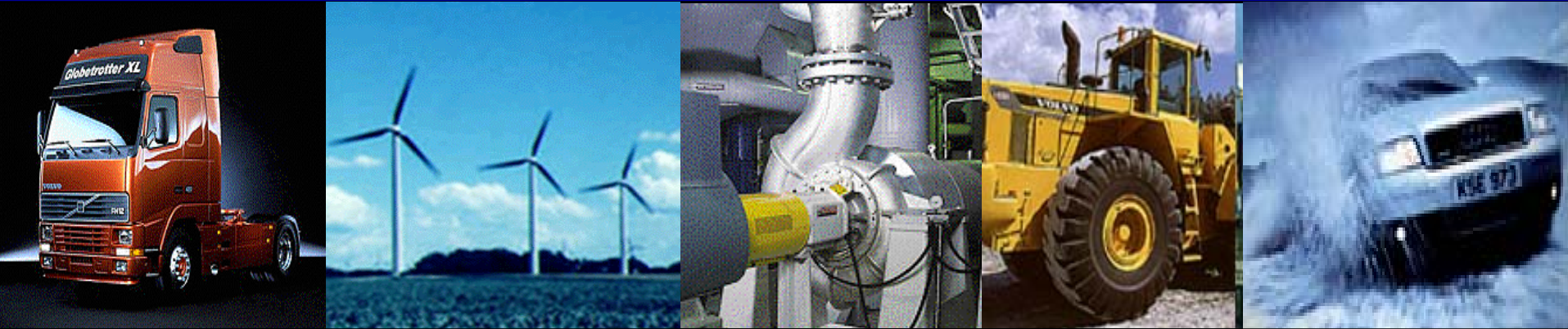
- Finland
- Sweden
- Rest of Europe
- Other countries

### Sales by business group



- Cast and other components
- Other operations
- Other

## Sales to customer industries



**Heavy  
trucks**

**55% (55%)**

**Power and  
transmission**

**14% (12%)**

**Machine  
building**

**16% (18%)**

**Off-road**

**12% (13%)**

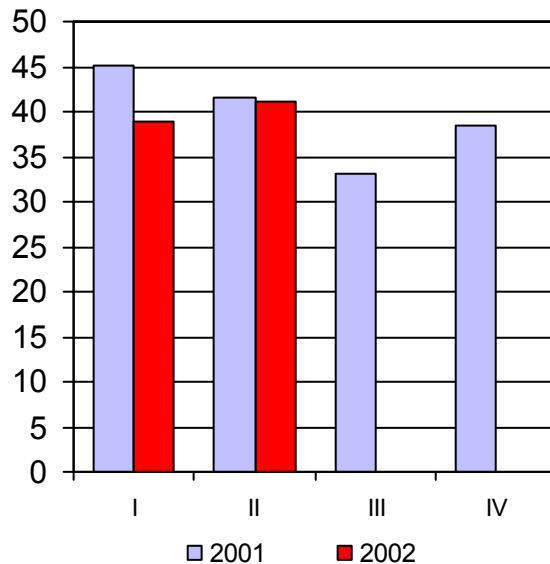
**Others**

**3% (2%)**

# Cast and Other Components

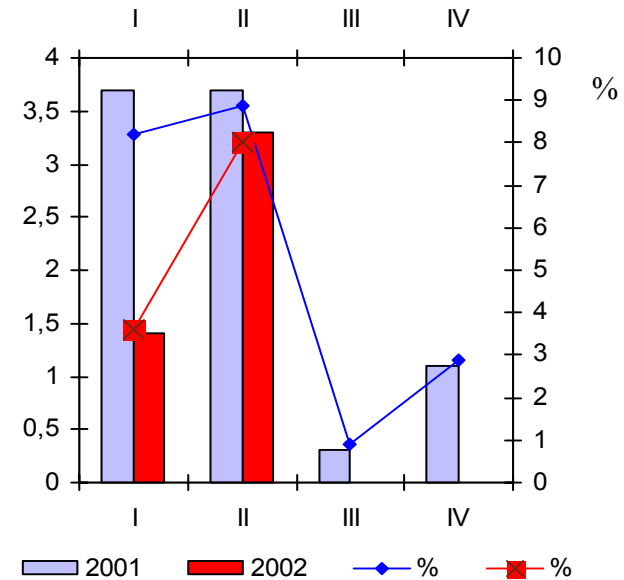
## Net sales

MEUR



## Operating profit

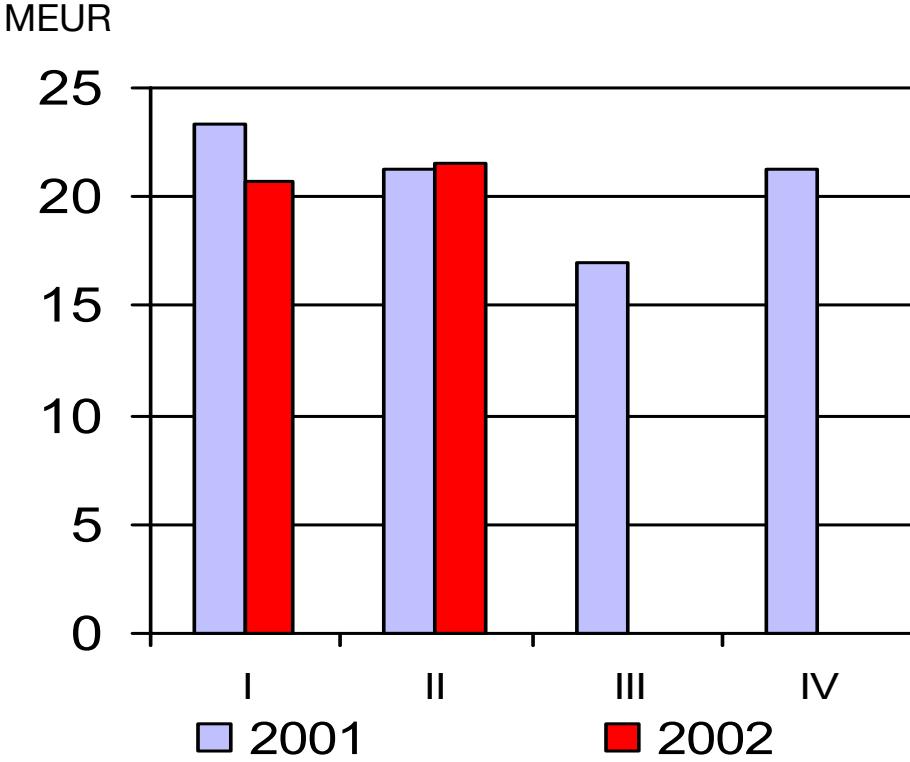
MEUR



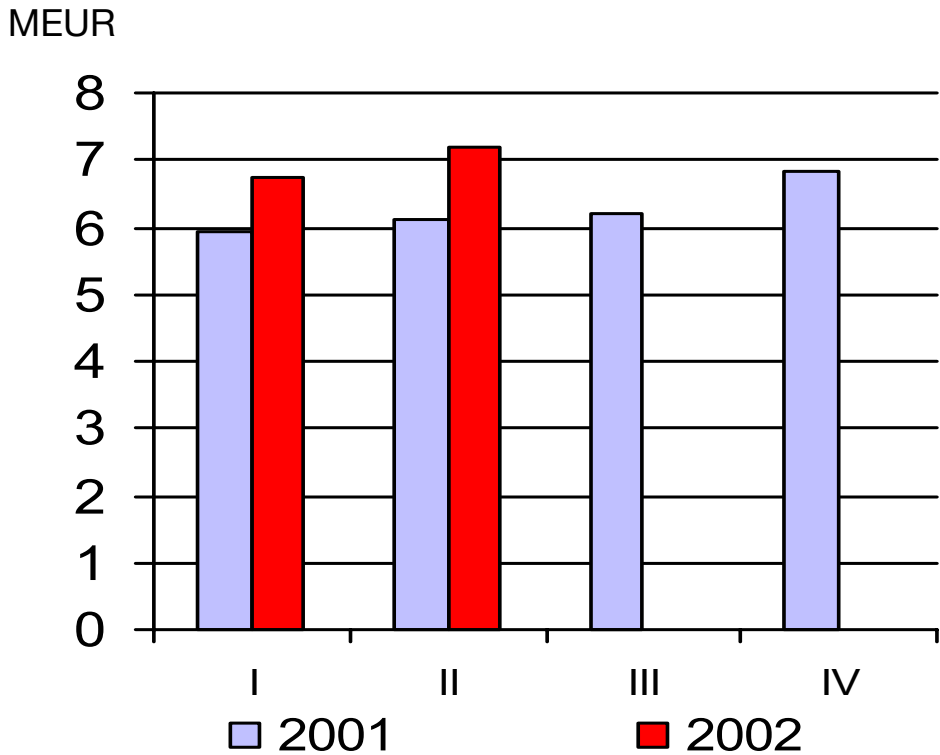
## Cast and Other Components

- Net sales stopped declining.
- Operations at Osby unit ended in May, transfer of products to other units completed.
- Deliveries to heavy truck industry in Q2 2002 at the same level as in Q2 previous year (+1.5%). Number of queries growing.
- Demand for machine building industry remains weak, decline has ended.
- Strong growth in sales of wind turbine generator components, and prospects are good.
- Deliveries to off-road industry growing slightly.

# Cast and Other components, sales to heavy truck industry

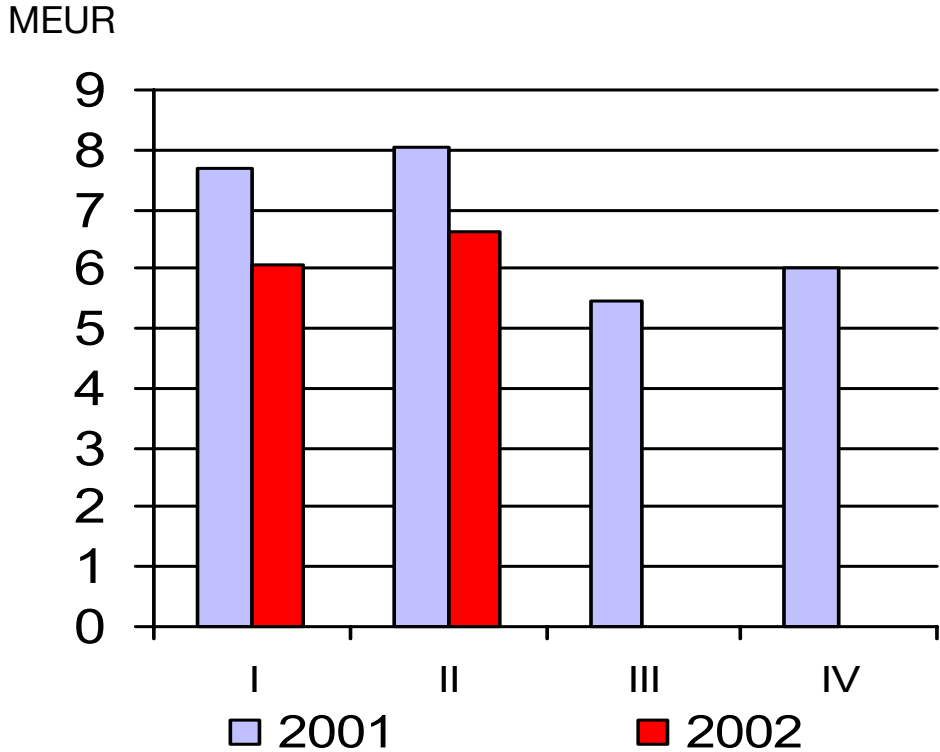


# Cast and Other Components, sales to power and transmission industries

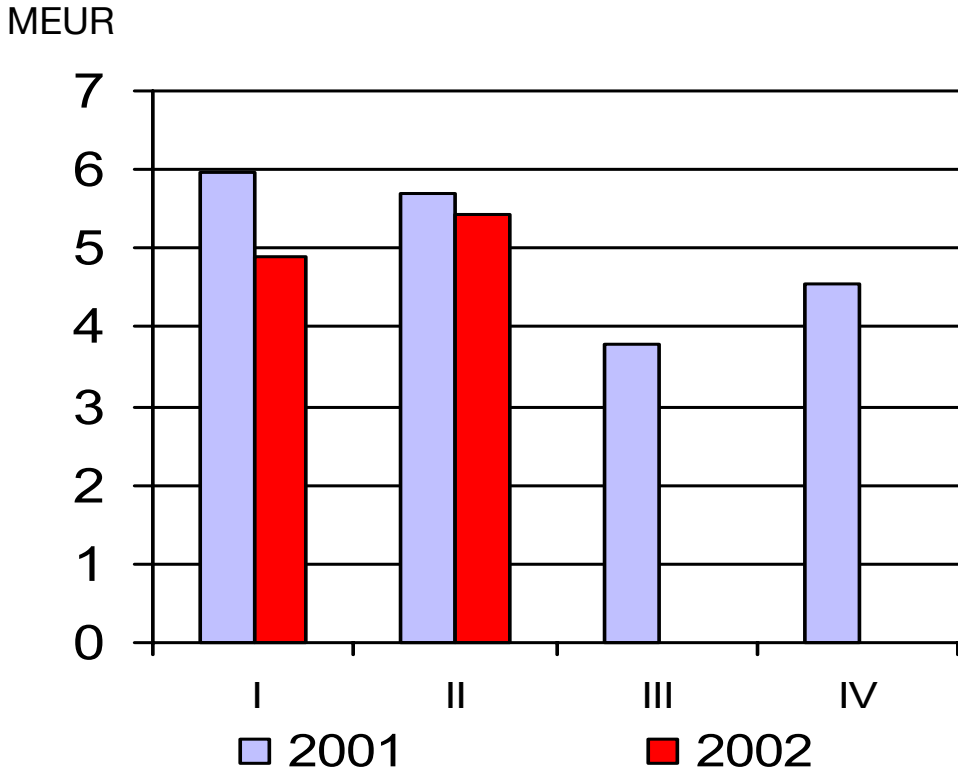




# Cast and Other Components, sales to machine building industry



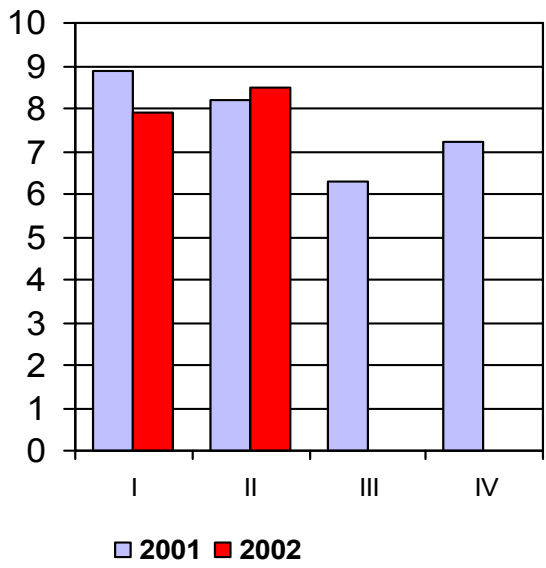
# Cast and Other Components, sales to off-road industry



# Other operations

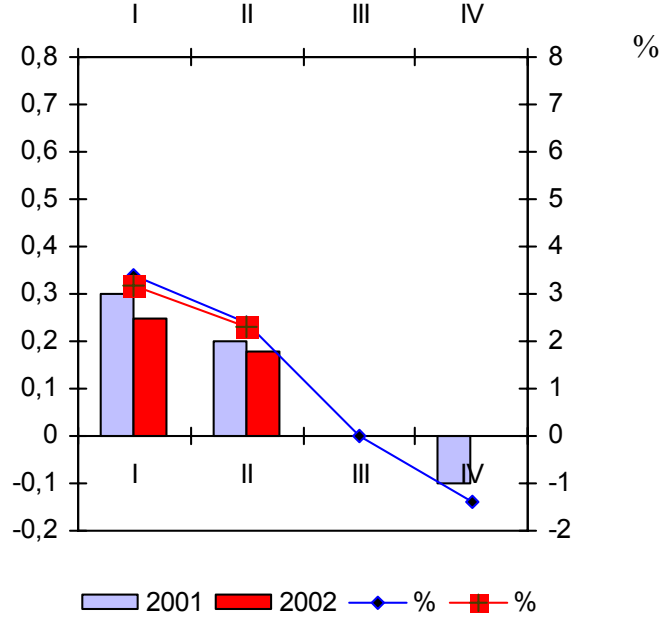
Net sales

MEUR



Operating profit

MEUR



## **Other Operations and associated companies**

- Lower demand from heavy truck industry also reduced sales at Group's forges compared with corresponding period last year. Sales increased, however, from first quarter.
- Sales of aluminium and copper components by Traryd foundry increased on first half of last year.
- Share of results of associated companies  
MEUR -0.1 (MEUR -0.5)
- Thermia's improved result increased share of results of associated companies.
- Performance of Ulefos NV improved from beginning of year.

## Prospects for the near future

- Slow growth in demand for investment goods in second quarter.
- Turnaround in demand for components for heavy truck industry has taken place - positive prospects for 2 H/2002.
- Good demand and prospects for wind turbine generator components.
- Slow recovery in machine building industry.
- Q3/2002 net sales and result expected to improve on Q3/2001.