

**Componenta Corporation
Interim report**

1 January - 30 September 2004

COMPONENTA

Income statement

MEUR	2004 1 - 9	2003 1 - 9
Net sales	224.5	131.7
<i>Change in net sales %</i>	<i>+70</i>	<i>-3</i>
Operating profit of Cast and Other Components	7.3	6.5
Operating profit of De Globe	-0.1	-
Operating profit of Other Business	1.1	-0.7
Operating profit (excluding one-time items)	8.2	5.7
Financial income and expenses	-5.3	-5.9
Result after financial items (excluding one-time items)	3.0	-0.2
One-time items	12.4	-0.4
Result after financial items	15.4	-0.6
Net result	16.2	0.3

Income statement Q3

MEUR	2004 7 - 9	2003 7 - 9
Net sales	70.5	38.2
<i>Change in net sales %</i>	+84	-2
Operating profit of Cast and Other Components	1.5	1.5
Operating profit of De Globe	-0.4	-
Operating profit of Other Business	0.3	-0.4
Operating profit (excluding one-time items)	1.4	1.0
Financial income and expenses	-1.8	-1.9
Result after financial items (excluding one-time items)	-0.4	-1.0
One-time items	0.1	-0.1
Result after financial items	-0.4	-1.1
Earnings per share, EUR	0.03	-0.06

COMPONENTA

Key Ratios

	30.9.2004	30.9.2003
Earnings per share (EPS), EUR	1.69	0.03
Equity ratio, % (preferred capital note in equity)	32.1	31.8
Return on equity, %	40.4	0.8
Equity per share, EUR	5.00	3.85
Invested capital, MEUR	201.6	173.1
Return on investment, %	17.1	4.7
Net interest bearing debt, MEUR (preferred capital note in equity)	112.5	107.6
Net gearing, % (preferred capital note in equity)	134.2	166.9
Order book, MEUR	59.9	26.9
Investments in non-current assets, MEUR	24.6	0.8
Average number of personnel	2,356	1,592

COMPONENTA

Cash flow

MEUR	1.1.-30.9.2004	1.1.-30.9.2003
Profit/loss before extraordinary items	15.4	-0.6
Depreciation, amortization and write-down	5.9	9.2
Net financial income and expenses	5.3	5.9
Other income and expenses, adjustments to cash flow	-10.7	-1.2
Change in net working capital	-4.8	6.9
Cash flow from operations before financing and income taxes	11.0	20.2
Net financial income and expenses	-5.3	-5.7
Cash flow from operations	5.8	14.5
Capital expenditure in tangible and intangible assets	-20.2	-0.8
Proceeds from tangible and intangible assets	0.0	1.2
Other investments and loans granted	-4.7	-0.7
Proceeds from other investments and repayments of loan receivables	19.1	0.0
Cash flow from investing activities	-5.8	-0.3
Dividends paid	0.0	-1.0
Draw-down (+)/ repayment (-) of preferred capital note	-1.2	-3.2
Draw-down (+)/ repayment (-) of current loans	29.5	3.9
Draw-down (+)/ repayment (-) of non-current loans	-27.4	-15.9
Cash flow from financing activities	0.9	-16.1
Increase (+)/ decrease(-) in cash and bank accounts	0.8	-1.9

Review period in brief

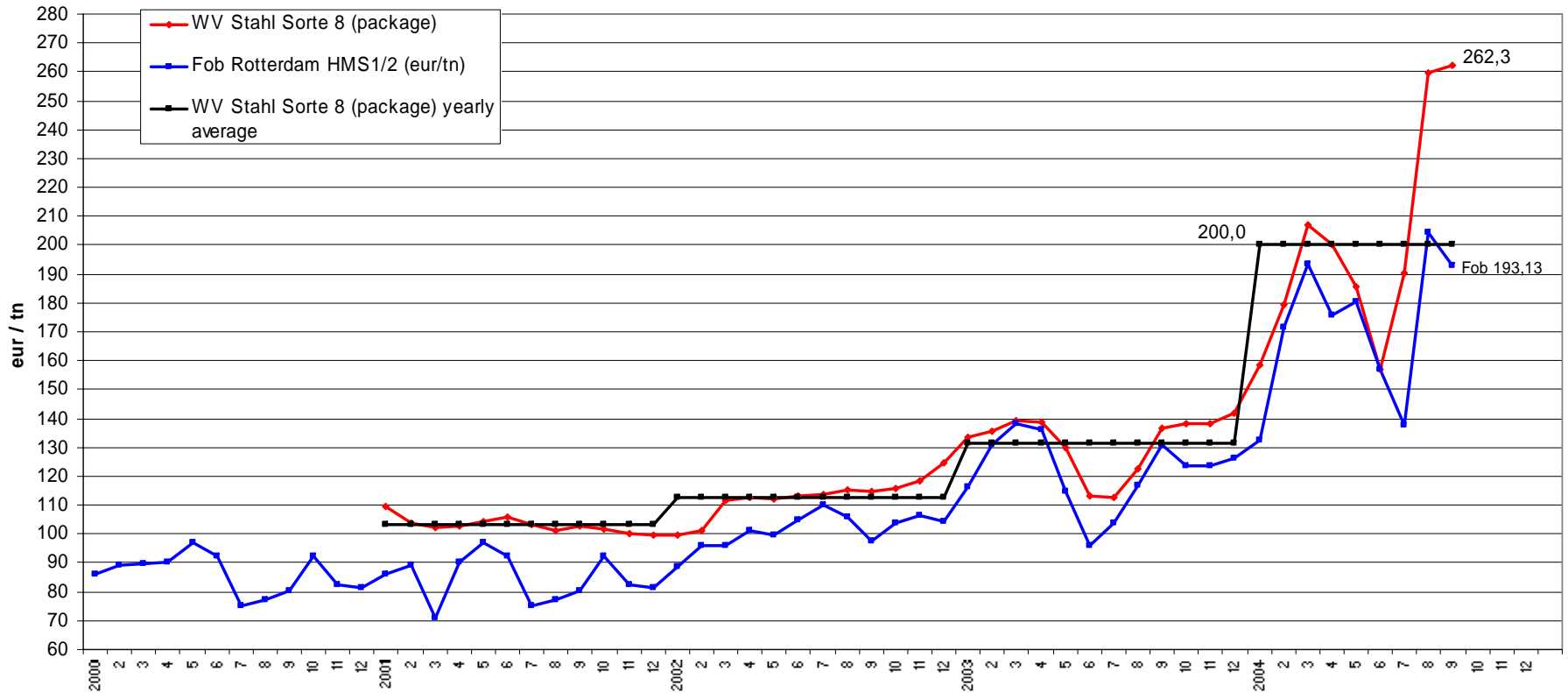
- On 30 September 2004 Componenta signed a five year EUR 90 million syndicated credit facility that replaces the six credit facilities previously held by the Group.
- Shares in associated company Thermia AB were sold to Procuritas Capital Investors III at a price of MEUR 16.0 and a profit of MEUR 8.4 was recorded on the sale.
- 55% of the shares and voting rights were acquired of the Dutch foundry company De Globe at a price of MEUR 3.6. Componenta also agreed on an option to acquire the remaining shares by the end of 2007.
- A project started to improve productivity at De Globe, which will close the foundry in Belfeld and transfer its production to Hoensbroek. The required construction work will be completed by December and the transfer of production will take place by the end of January 2005.
- The sales organizations of Componenta in the Nordic countries and De Globe in central Europe have been combined to form a strong joint European sales organization.
- Production ceased at the Alvesta foundry on 18 May 2004 and started up at the upgraded foundry in Karkkila on 2 August 2004. This is expected to improve the result by EUR 5 million in 2005.

Scrap price

- The price of scrap steel rose exceptionally sharply at the start of the year and the average price of scrap during the review period was almost 50% higher than the average price in 2003.
- In addition, during the third quarter the prices of the steel scrap grades used by the foundries have risen substantially more than the average price mentioned above.
- The impact on costs of the rise in the price of scrap was passed on to product prices for the first time at the start of the second quarter. During the final quarter, product prices will again be revised to compensate for the rise in scrap prices.
- Rising scrap prices have a short-term negative impact on the result.
- The rise in the price of scrap weakened the result of the first nine months by EUR 1.4 million.
- Scrap prices have been extremely volatile during the year.

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

Updated
05.10.2004

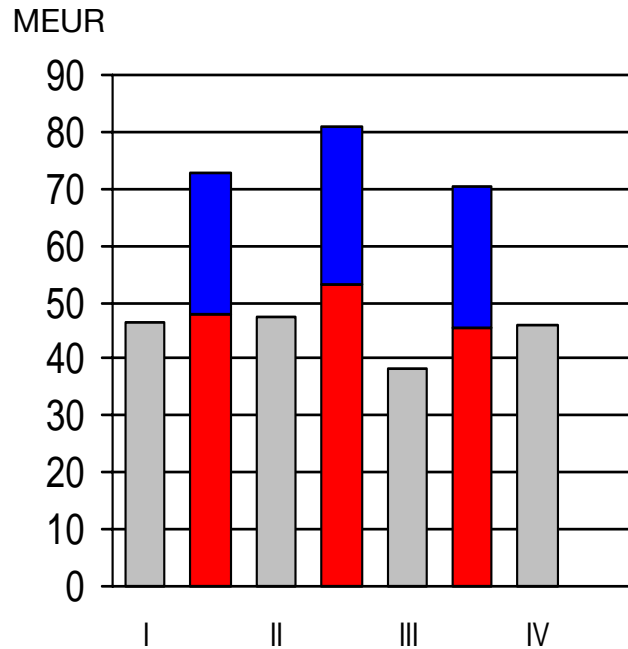


Markets and developments by customer sector

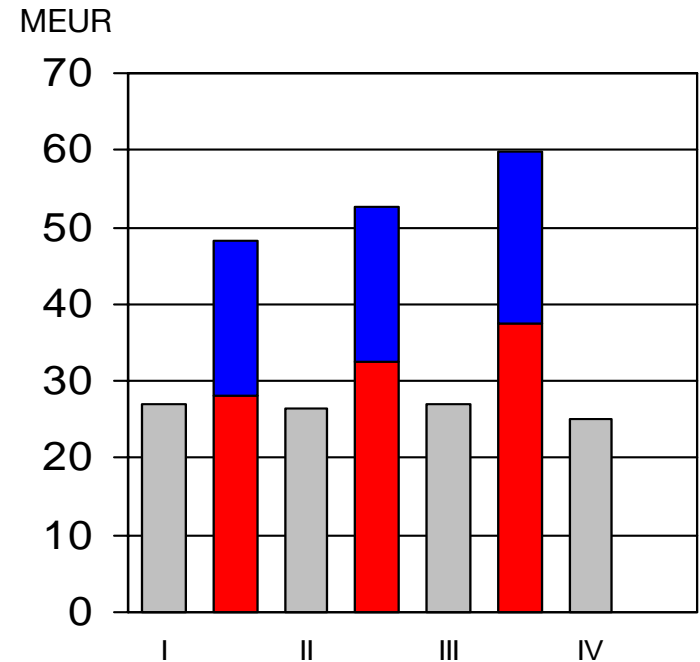
- Componenta's net sales rose 70% to EUR 224.5 (131.7) million as the result of organic growth in sales and the acquisition of De Globe.
- Net sales of the Cast and Other Components business group increased 11%, of De Globe 31% and of other operations 11%.
- Componenta's deliveries to the heavy truck industry rose 18% from the previous year. Growth in the third quarter was 26%.
- Deliveries to off-road manufacturers rose 33%. Growth in the third quarter was 49%. Sales to the machine building industry grew by 5%. Growth in the third quarter was 15%.
- Deliveries to the power and transmission industries increased 12%. Growth in the third quarter was 19%.

Net sales and order book

Net sales



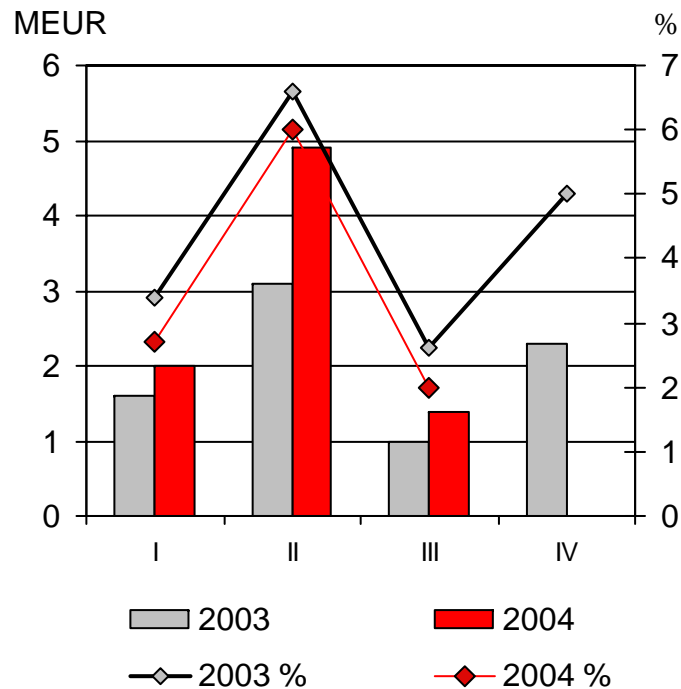
Order book



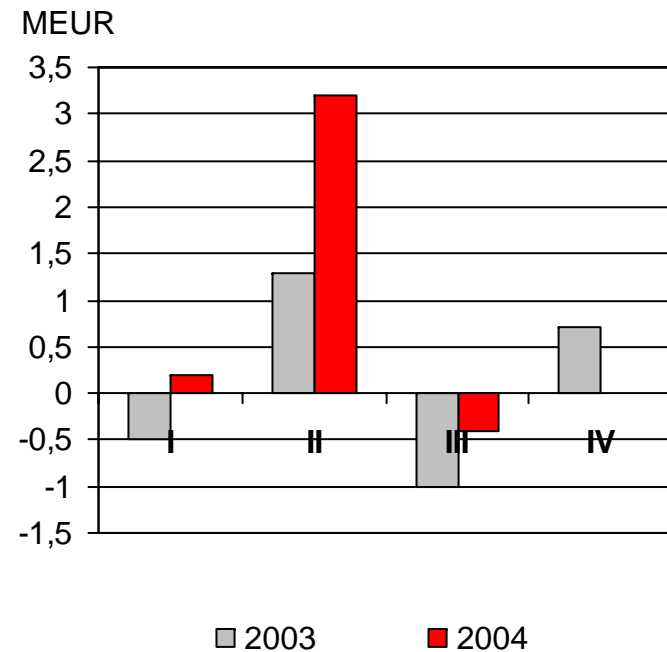
- 2004 De Globe
- 2004 Cast and Other Components and Other Business
- 2003 Cast and Other Components and Other Business

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

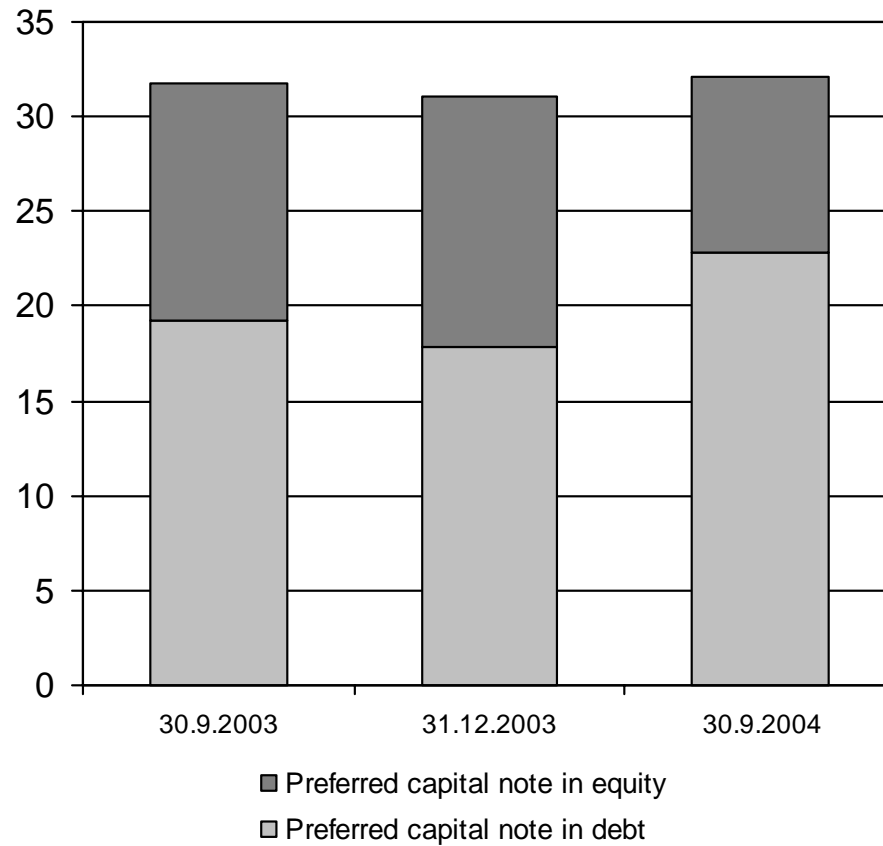
Operating profit



Profit/loss after financial items

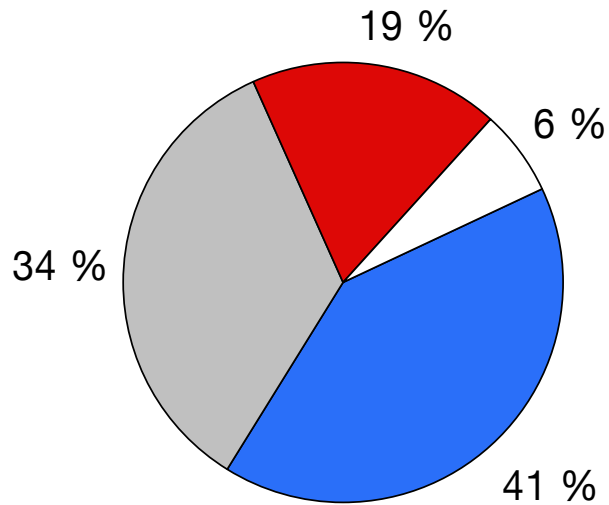


Equity ratio, %



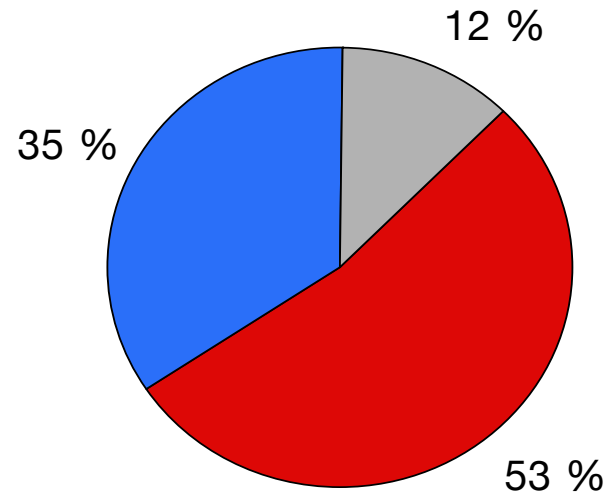
Division of sales

Sales by market area



- Central Europe
- Scandinavia
- Finland
- Other countries

Sales by business group



- Cast and Other Components
- De Globe
- Other Business

Sales to customer industries



Heavy trucks

Off-road

Machine building

Power and transmission

Others

46% (55%)

24% (12%)

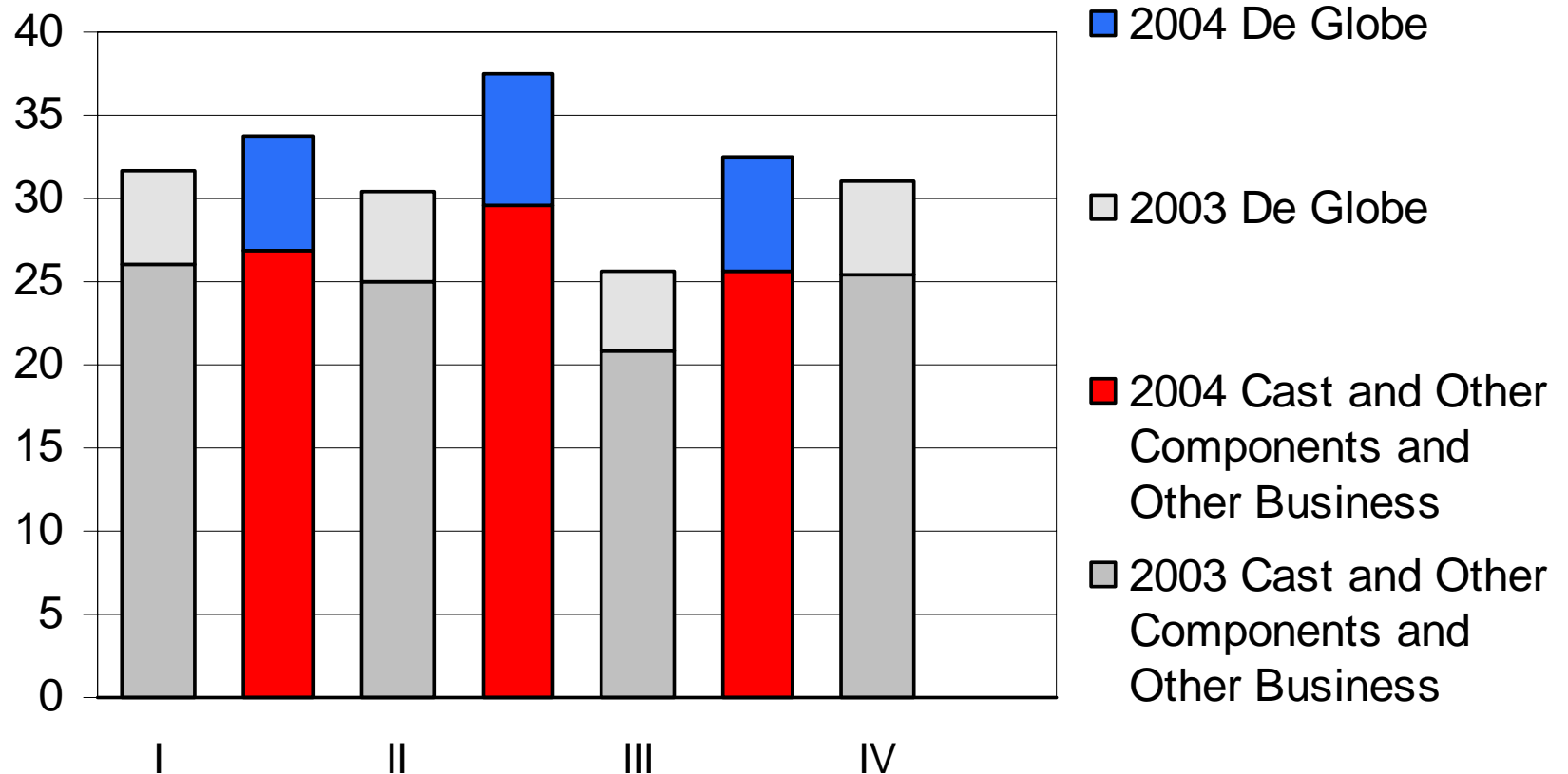
15% (14%)

11% (15%)

3% (4%)

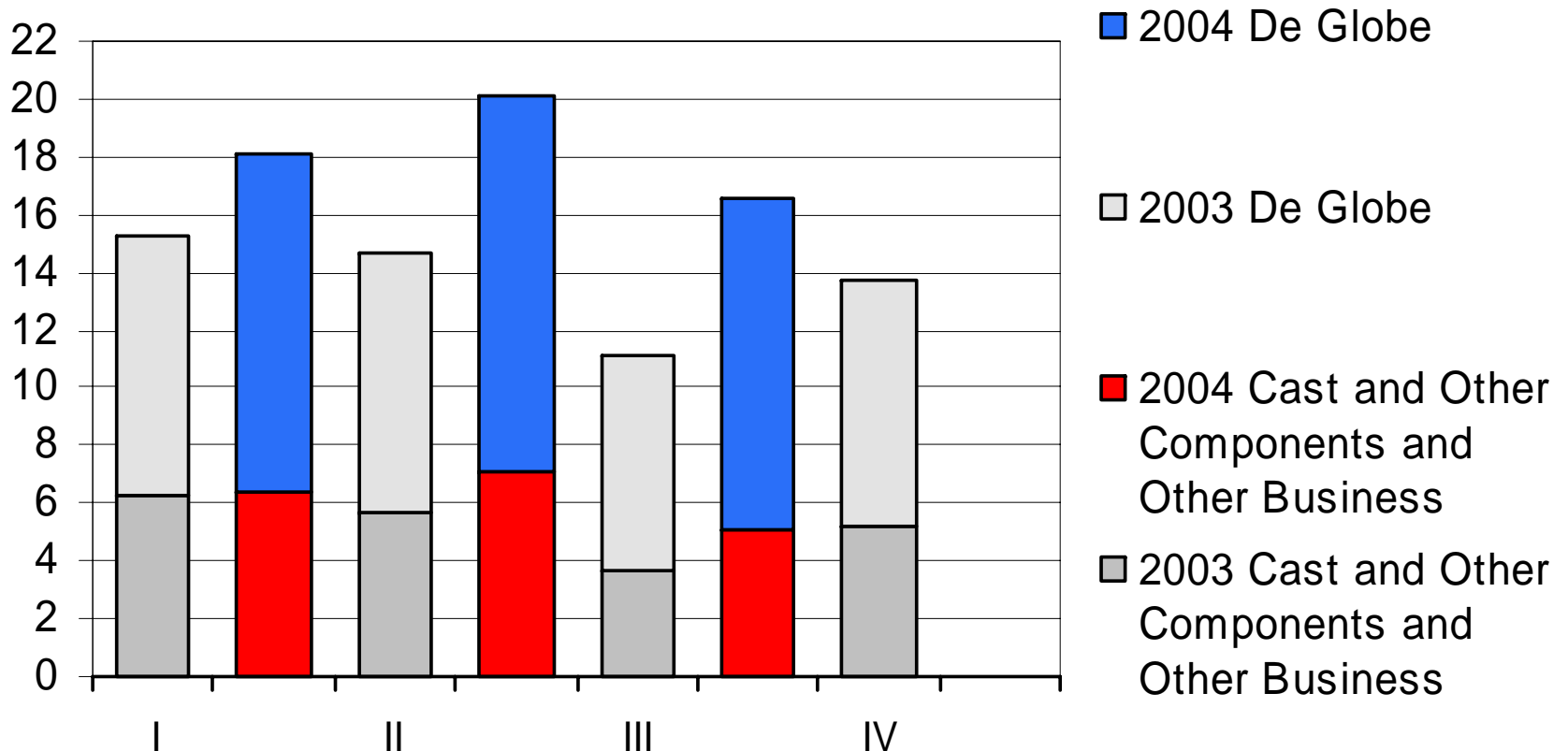
Sales to heavy truck industry

MEUR



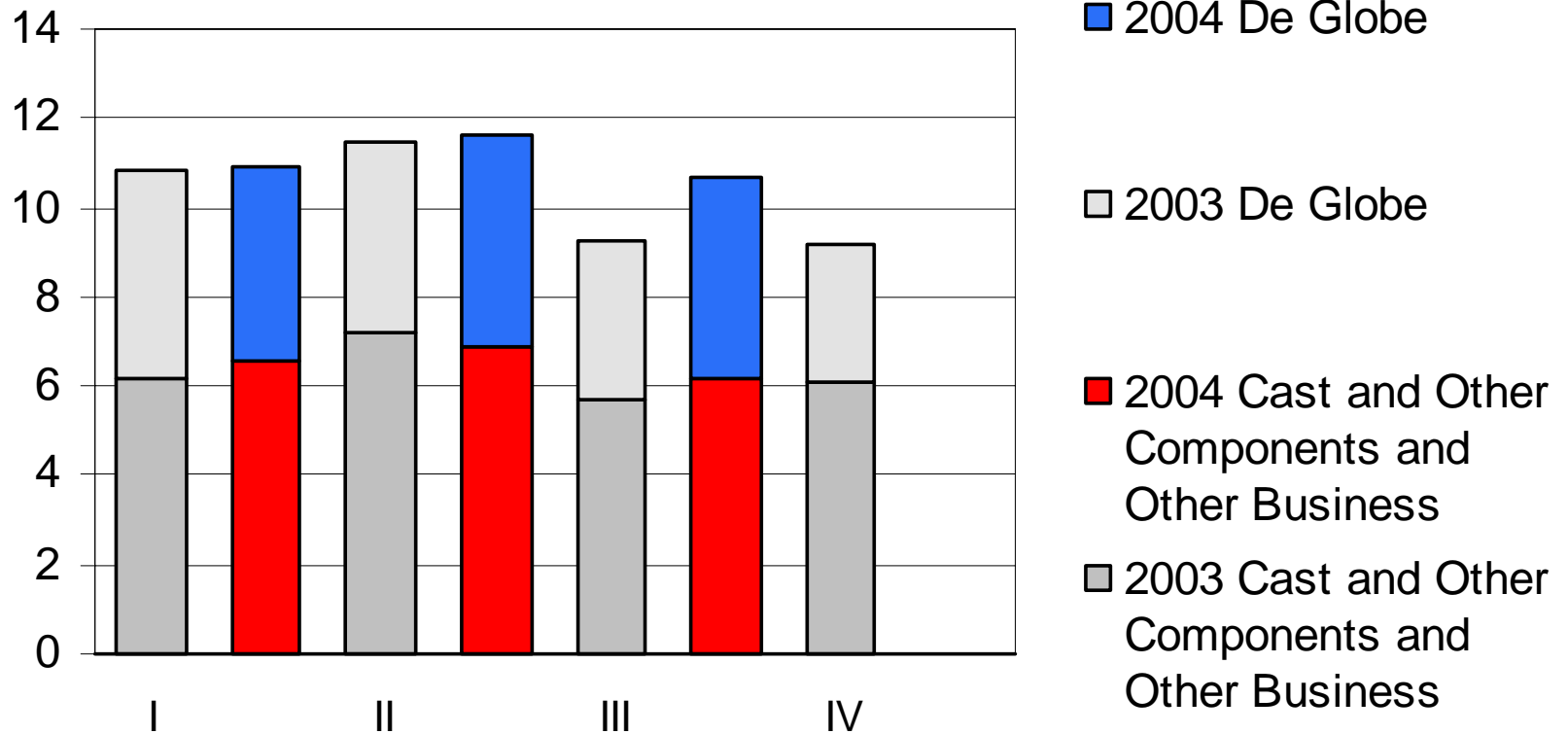
Sales to off-road industry

MEUR



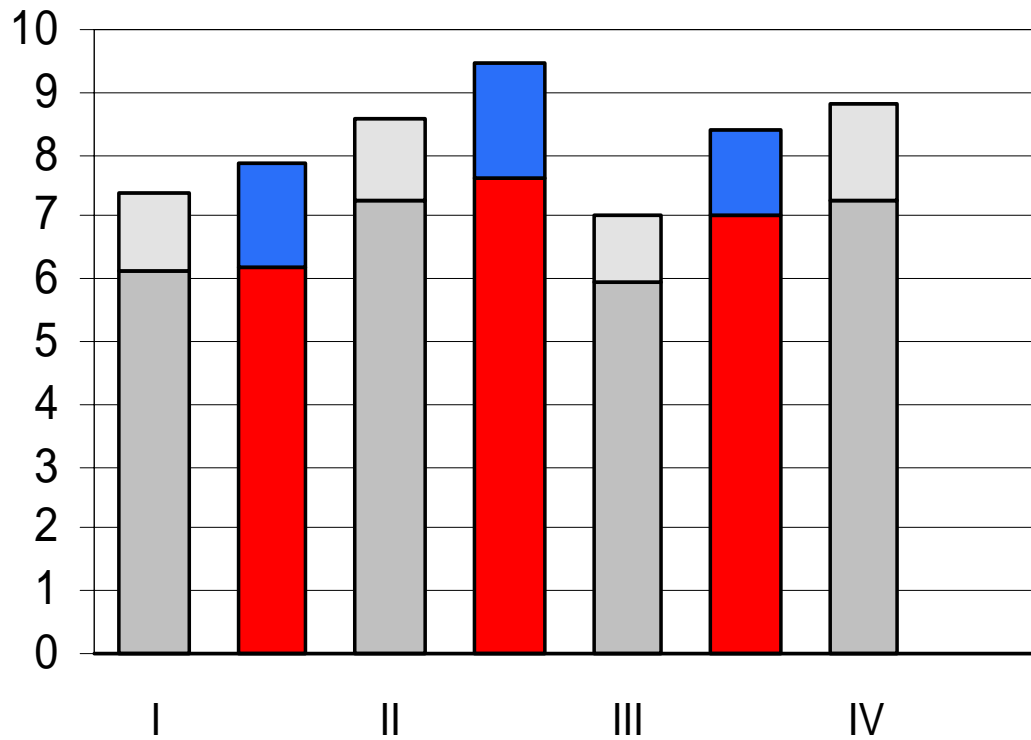
Sales to machine building industry

MEUR



Sales to power and transmission industry

MEUR



■ 2004 De Globe

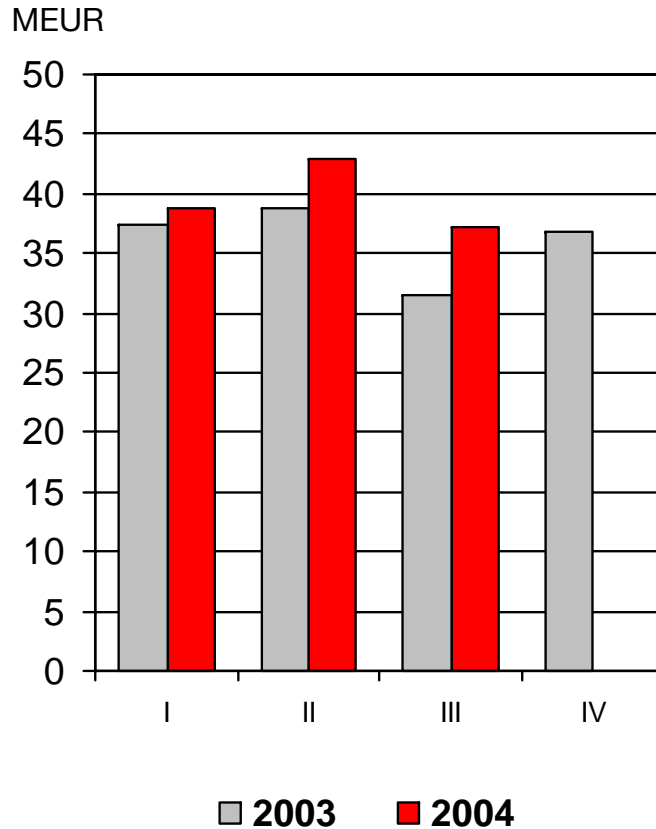
■ 2003 De Globe

■ 2004 Cast and Other Components and Other Business

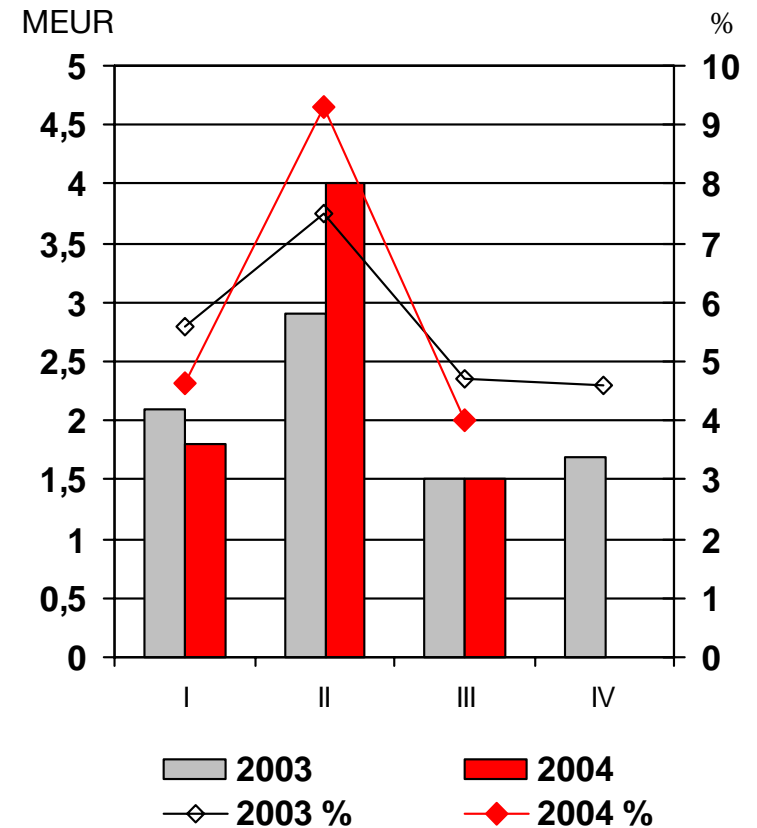
■ 2003 Cast and Other Components and Other Business

Cast and Other Components

Net sales



Operating profit

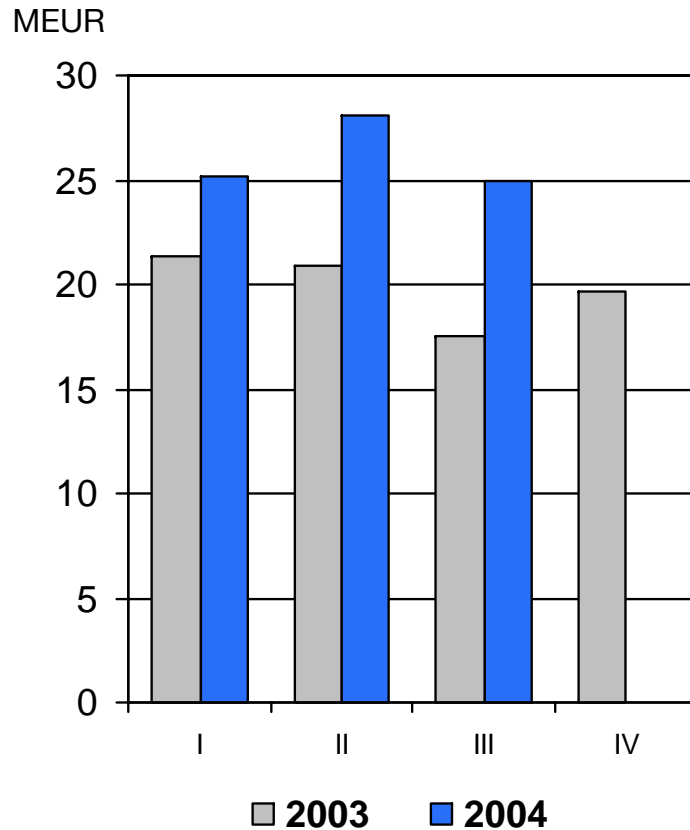


Performance of Cast and Other Components

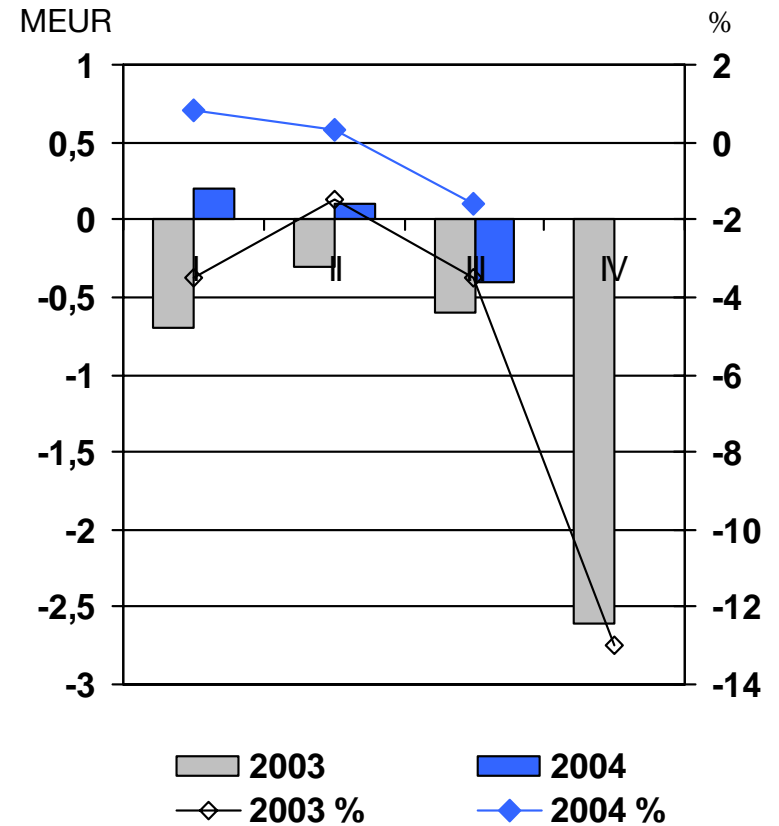
- The rising price of scrap weakened the business group's result.
- The impact on costs of the rise in the price of scrap has been passed on to product prices as from the start of the second and fourth quarters. Scrap prices have been extremely volatile.
- Production at Alvesta ceased on 18 May 2004.
- Production at the upgraded foundry in Karkkila started up on 2 August 2004. The start up of production affected the business group's result in the third quarter.
- Merging the foundries is expected to give annual cost savings of some EUR 5 million as from 2005.

De Globe

Net sales



Operating profit



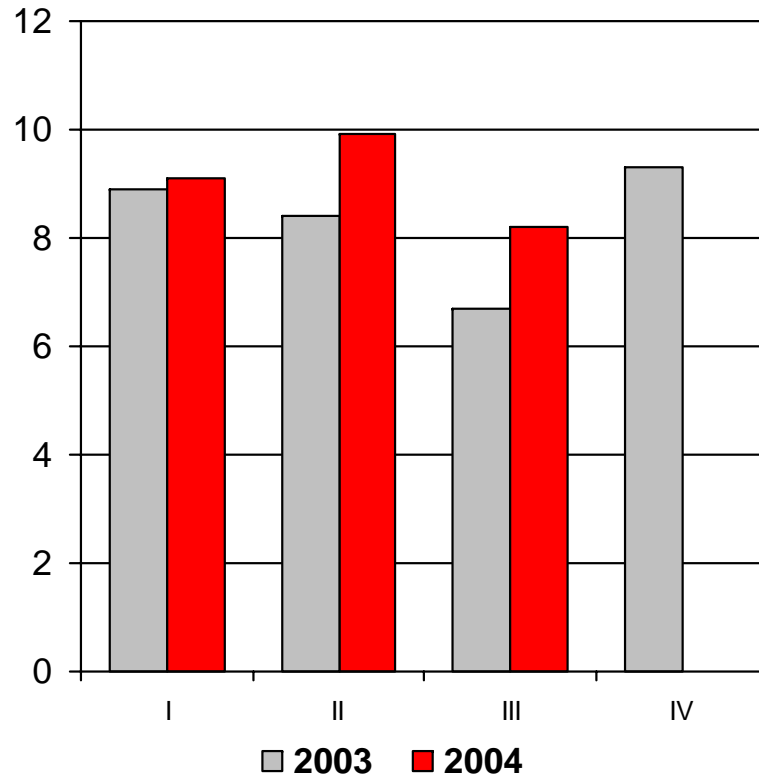
Performance of De Globe

- Rapid growth in net sales.
- The result suffered from the switch to non-continuous three-shift production at the Hoensbroek and Weert foundries, to cope with the major increase in production, and from the increase in the price of scrap.
- The project to raise productivity, closing down the foundry in Belfeld and transferring production to the foundry in Hoensbroek, has proceeded on schedule.
- The investments to be made in connection with the transfer of production will be about EUR 9 million.
- The costs for closing down and transferring operations will be altogether EUR 3 million, for which provision has been made in the 2003 financial statements.
- Merging the foundries will bring estimated cost savings of EUR 4 million a year as from summer 2005.
- In addition, a project has started at Hoensbroek to improve productivity.

Other Business

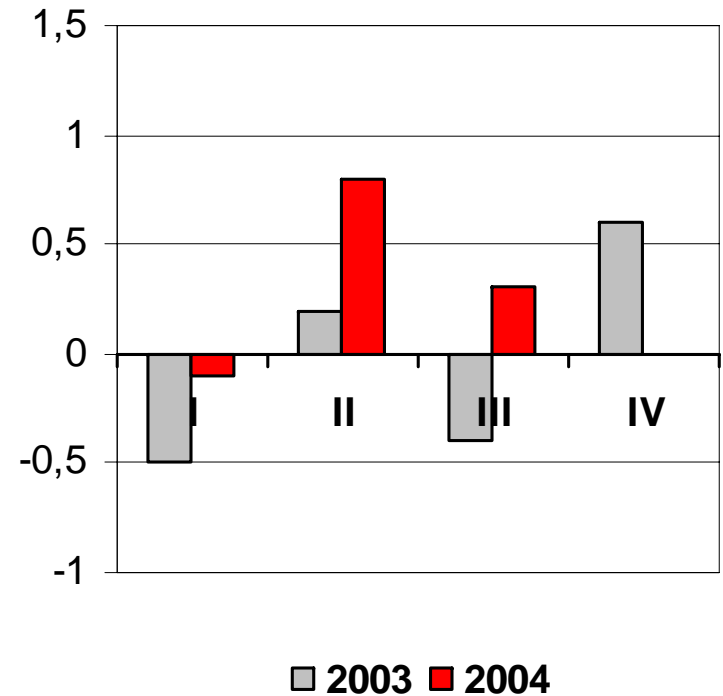
Net sales

MEUR



Operating profit (excluding one-time items)

MEUR



Other Business and Associated companies

- Net sales of the Wirsbo forges increased from the previous year and the result improved and turned positive in consequence of the cost cutting programme.
- The cost cutting programme and action to enhance operations are expected to significantly improve the full year result for Wirsbo.
- The share of the result of the associated companies was EUR 1.0 (0.8) million.
- Componenta sold its Thermia AB shares to Procuritas Capital Investors III.
- Keycast had net sales of EUR 25.5 (25.4) million and the result after financial items was EUR 1.6 (1.3) million.
- Ulefos had net sales of EUR 25.1 (21.2) million and the result after financial items was EUR 2.1 (-0.3) million.

Prospects Q4/2004

- Componenta's prospects for the rest of the year 2004 are based on general external financial indicators, order forecasts given by customers, and on Componenta's order intake and order book.
- The growth in demand for heavy truck components, which started towards the end of 2003, continued to strengthen during the third quarter.
- Demand for off-road industry components has also grown strongly.
- Demand for components from the power and transmission industry and from machinery and equipment manufacturers is expected to continue to grow slightly.

Prospects Q4/2004

- Componenta's order book has built up considerably during the year and stood at a strong level at the end of September.
- Net sales of the Cast and Other Components business group and of De Globe in the fourth quarter are forecast to grow from last year.
- Componenta's result after financial items for the fourth quarter, excluding one-time items, is expected to be better than in the corresponding period of last year.