

Casting Future **SOLUTIONS**

COMPONENTA

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Componenta Corporation Financial statements 1 January - 31 December 2011

Heikki Lehtonen
President and CEO

24 January 2012



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Year 2011 briefly

MEUR	Q1-Q4/2011	Q1-Q4/2010	Change
Order book	100	95	5%
Net sales	576	452	28%
Operating profit, excluding one-time items	29.8	13.6	119%
Financial income and expenses	-25.9	-23.5	10%
Result after financial items, excluding one-time items	3.9	-9.9	n/m
One-time items	-7.4	-0.1	n/m
Net result	-3.1	-7.5	-59%
Earnings/share, excluding one-time items, EUR	0.09	-0.45	n/m
Cash flow from operations	3.6	25.2	-86%
Capacity utilization rate	68%	57%	n/m

- The Board of Directors proposes to the AGM that no dividend is distributed from the financial year 2011.
- Cash funds and committed un-used credit facilities at the end of review period totaled MEUR 42 (MEUR 75).
- Rise in the prices of non-surcharged raw materials impacted negatively full year results EUR -11 million.

Componenta strengthens balance sheet

Share issue and a hybrid bond, totalling EUR 20 million

- Componenta's Board of Directors has decided on measures to strengthen the Group's balance sheet. In March 2012 Componenta will carry out the strengthening of equity by altogether EUR 20 million through an increase in share capital and a hybrid bond. Current shareholders in the company whose holding in the company amounts to more than 50 %, have stated that they intend to participate in the share issue. Marketing of the hybrid bond will begin in February 2012.

Divestment of Manisa wheel business unit

- In addition, Componenta has started the process of selling off the unit in Manisa, Turkey, that produces aluminium wheels. The unit had net sales in 2011 of EUR 45 million, EBITDA was just under EUR 9 million, and it employs almost 400 people.
- Through these measures combined with the cash flow from operations in 2012, the Group believes it can reduce its interest-bearing debt by about one third.

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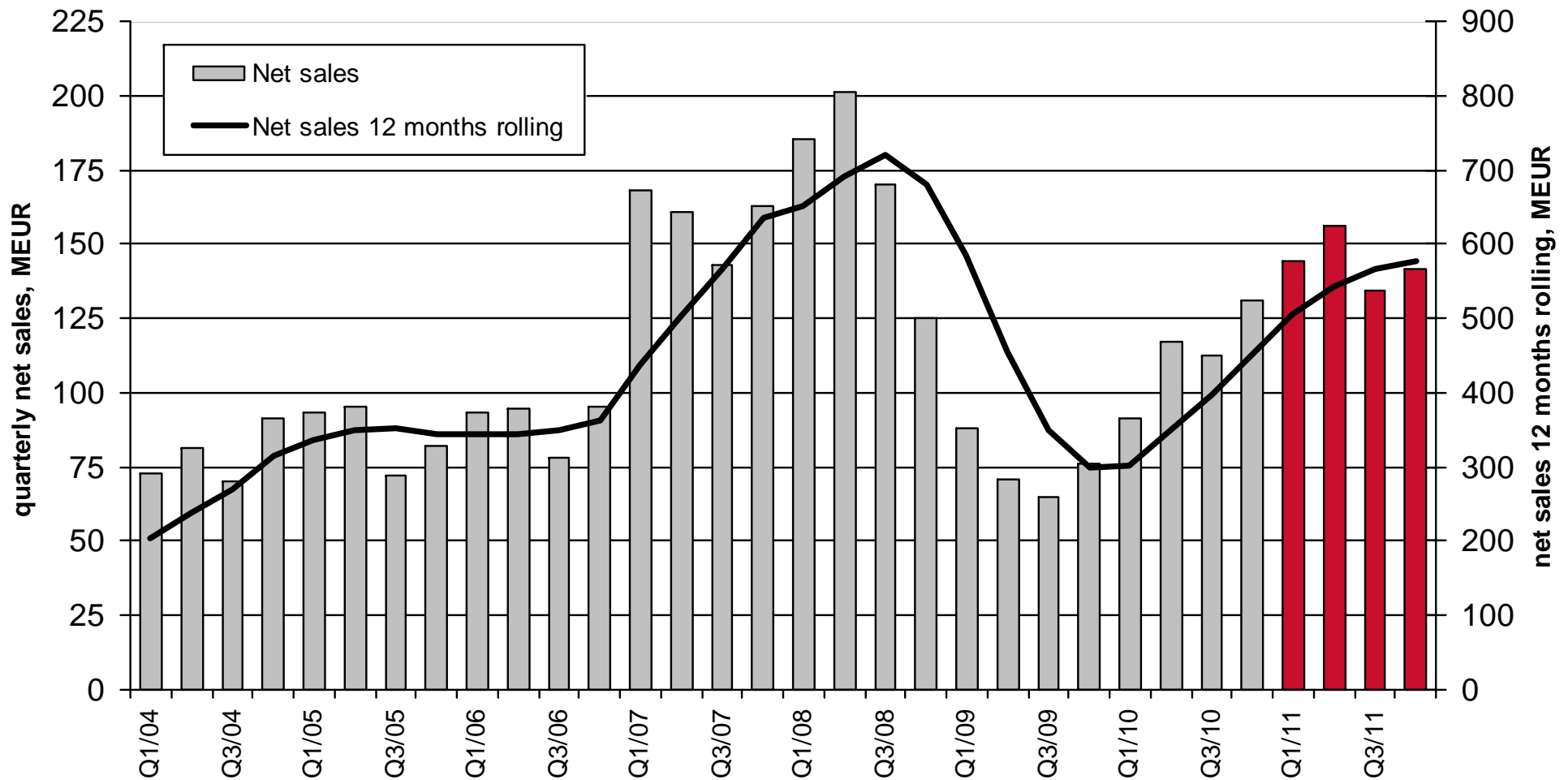
Q4/2011 briefly

MEUR	Q4 2011	Q4 2010	Change
Net sales	141.7	130.7	8%
Operating profit, excluding one-time items	6.8	5.9	15%
Financial income and expenses	-6.7	-5.9	13%
Result after financial items, excluding one-time items	0.1	0.0	n/m
One-time items	-3.5	-0.1	n/m
Net result	-3.8	-0.5	n/m
Earnings/share, excluding one-time items, EUR	-0.07	-0.03	n/m
Cash flow from operations	6.7	18.2	-63%
Capacity utilization rate	60%	66%	n/m

- Rise in the prices of non-surcharged raw materials of some EUR -3 million and extra quality costs of some EUR -3 million related to the production at Orhangazi foundry in Turkey impacted negatively to fourth quarter results.

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Quarterly net sales development 2004 - 2011



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Key ratios

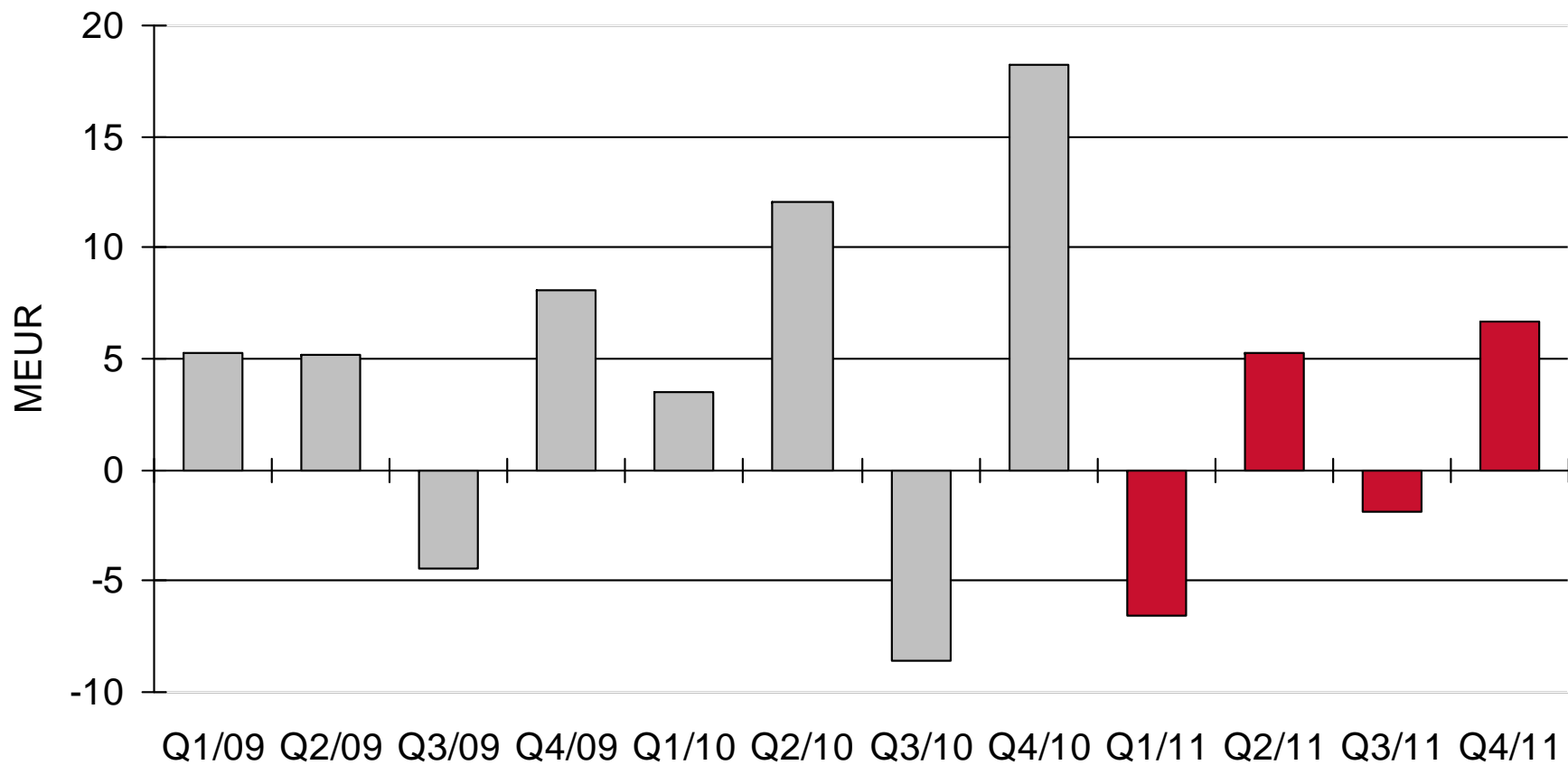
	31.12.2011	31.12.2010
Equity ratio (preferred capital note in equity), %	17.5	26.4
Return on equity (excl. one-time items), %	5.1	-10.2
Return on equity, %	-5.8	-10.3
Return on investment (excl. one-time items), %	10.2	5.0
Return on investment, %	7.8	5.0
Net interest bearing debt (preferred capital note in equity), MEUR	207.5	189.4
Net gearing (preferred capital note in equity), %	271.2	170.5
Order book, MEUR	99.5	94.6
Investments in production facilities, MEUR	21.8	8.5
Personnel at the end of period (incl. leased personnel)	4,665	4,414

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Cash flow statement

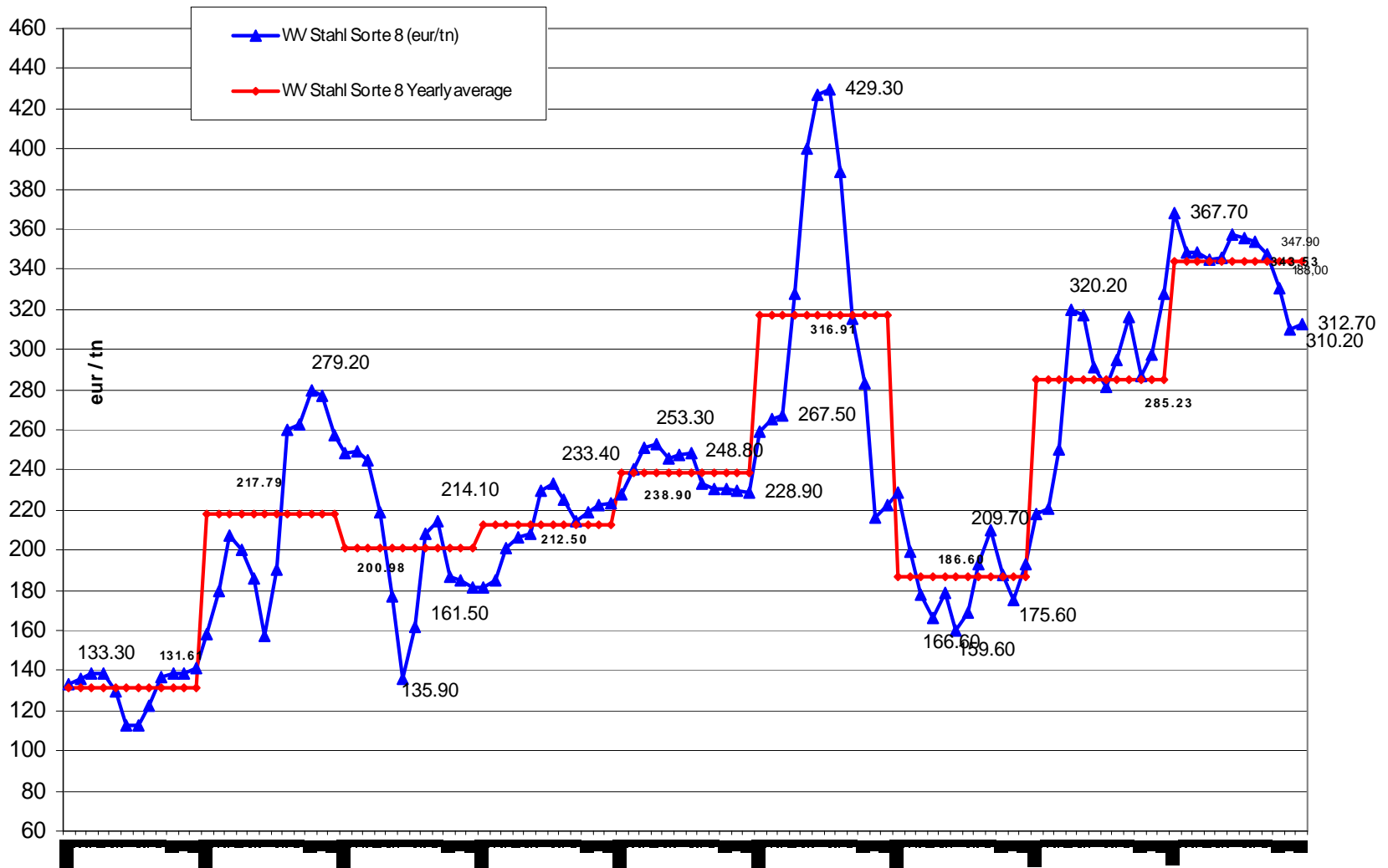
MEUR	2011	2010
Cash flow from operations before change in net working capital, financing and taxes	42.2	31.3
Change in net working capital	-10.0	13.6
Cash flow from operations before financing and taxes	32.2	44.8
Net cash flow from operations	3.6	25.2
Net cash flow from investing activities	-12.7	-10.4
Net cash flow from financing activities	41.0	-11.7
Change in liquid assets	31.9	3.1

Development of net cash flow from operations



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Wvstahl Sorte 8/package recycled metal (EUR/ton)



Source: Wvstahl

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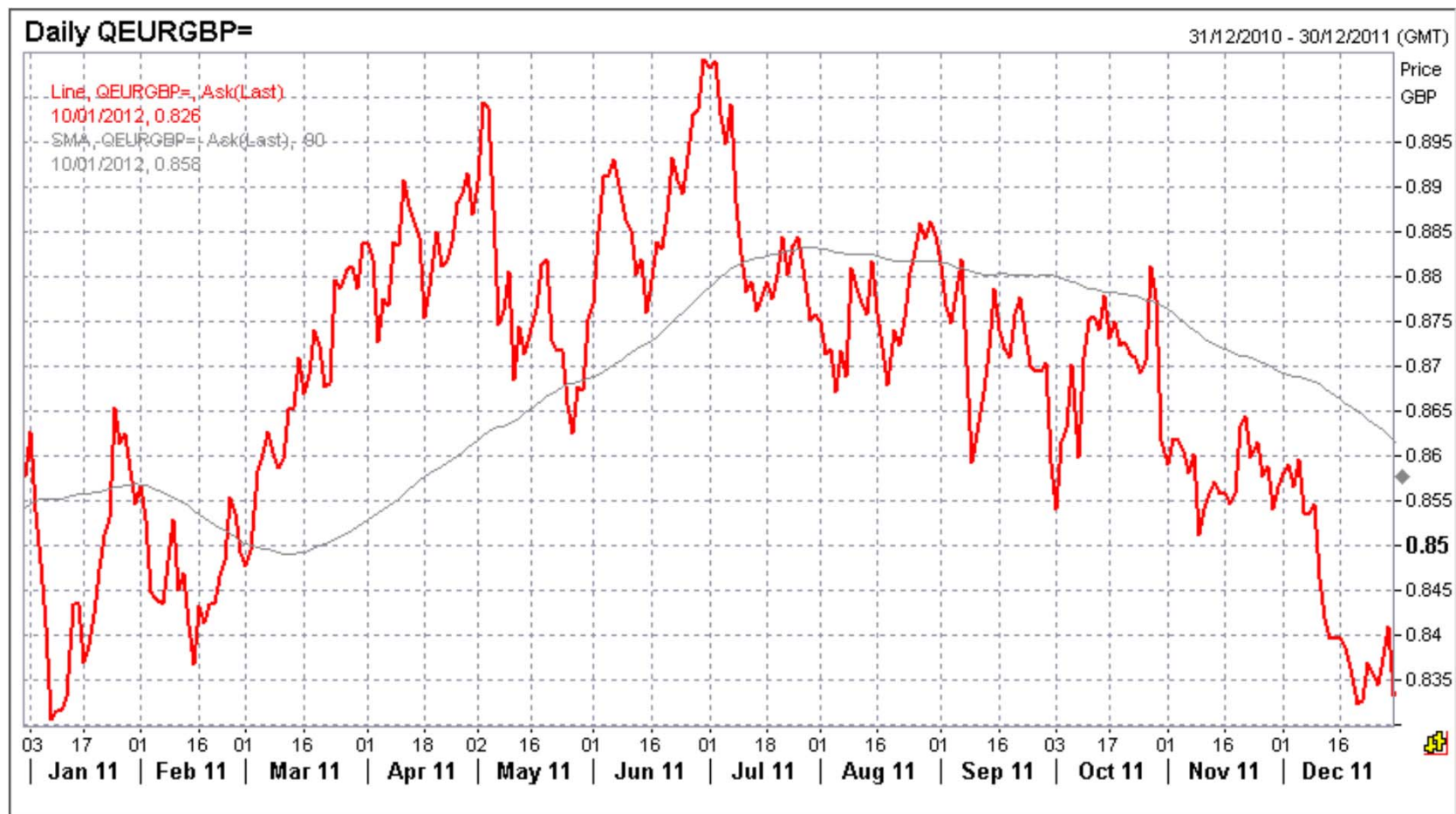
Development of exchange rates Turkish lira



Source: Reuters

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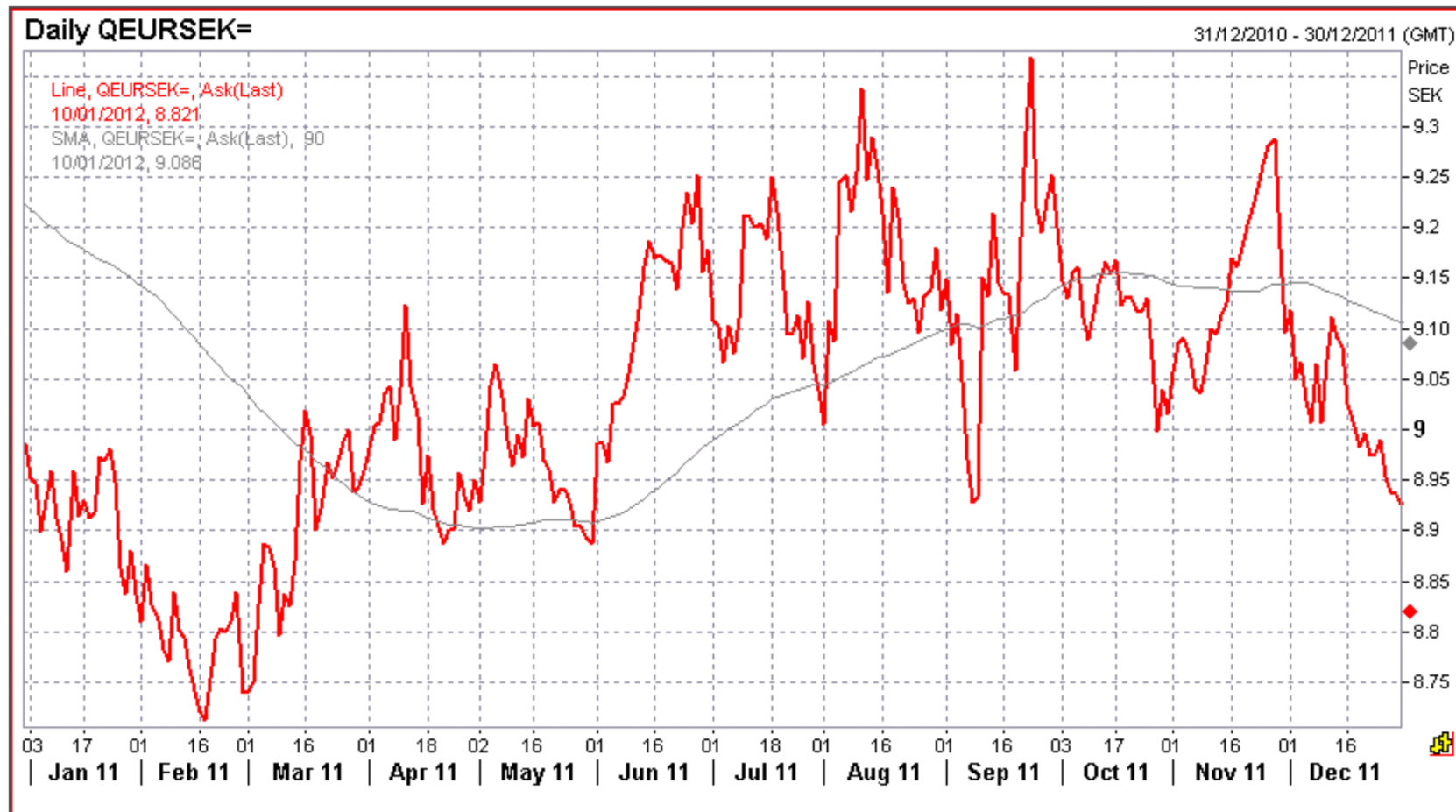
Development of exchange rates Great Britain pound



Source: Reuters

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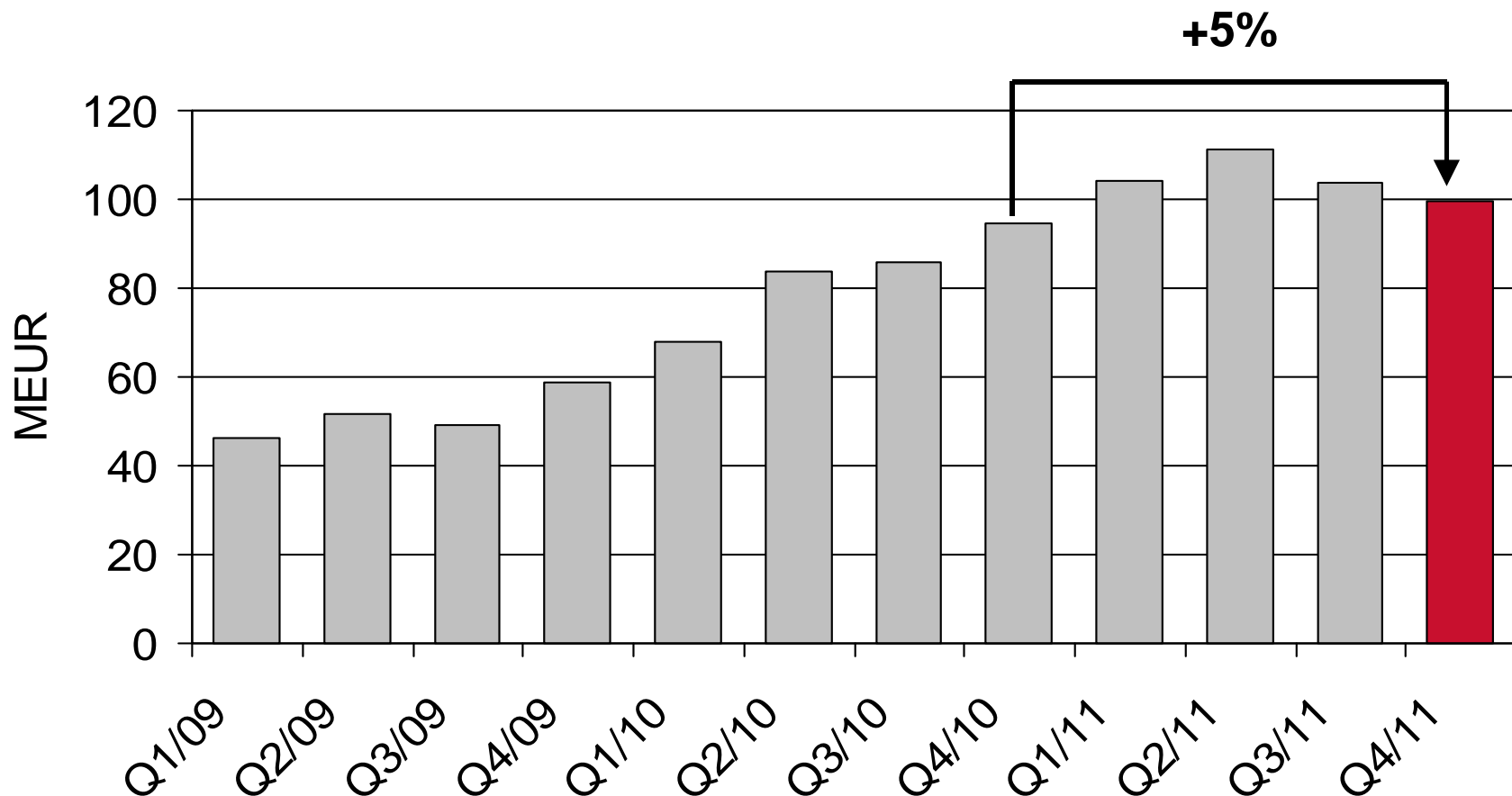
Development of exchange rates Swedish krona



Source: Reuters

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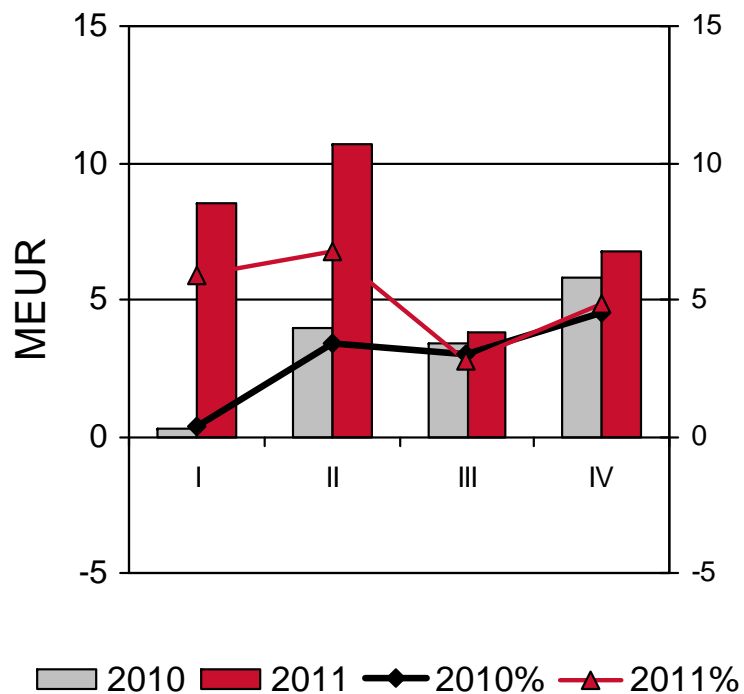
Quarterly development of order book (incl. orders for coming two months)



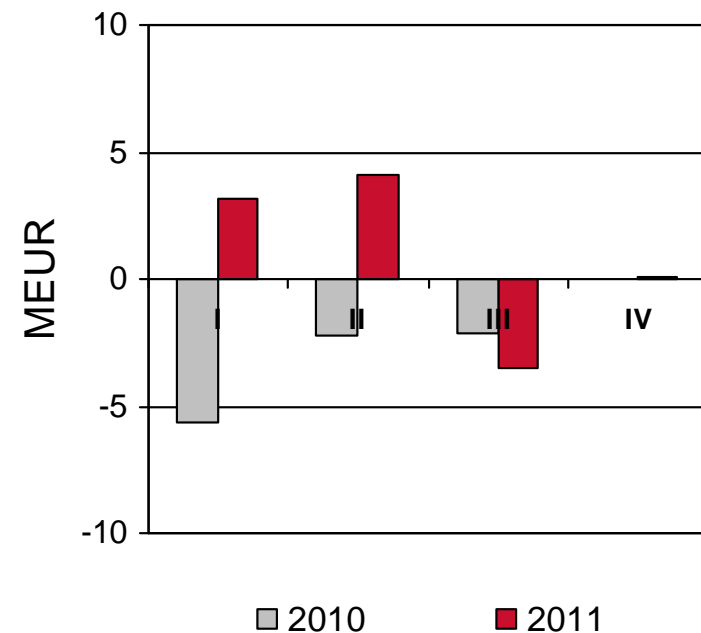
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Quarterly operating profit and result after financial items excl. one-time items

Operating profit excluding one-time items

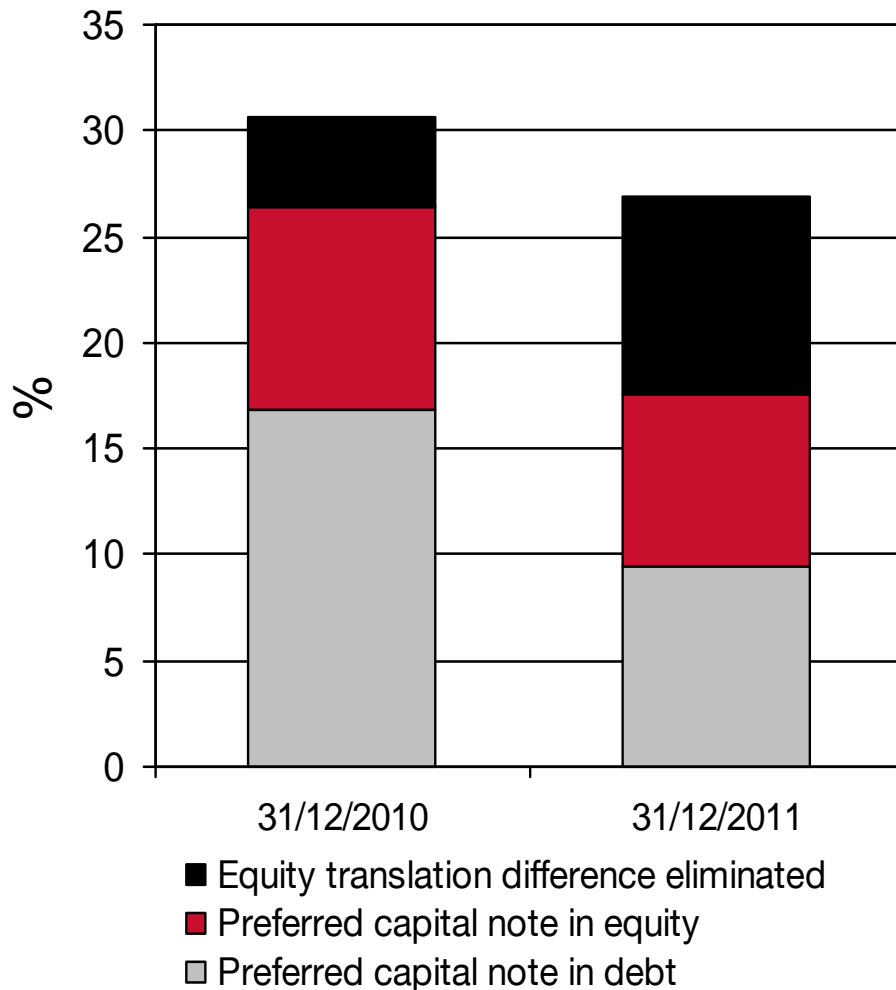


Result after financial items excluding one-time items



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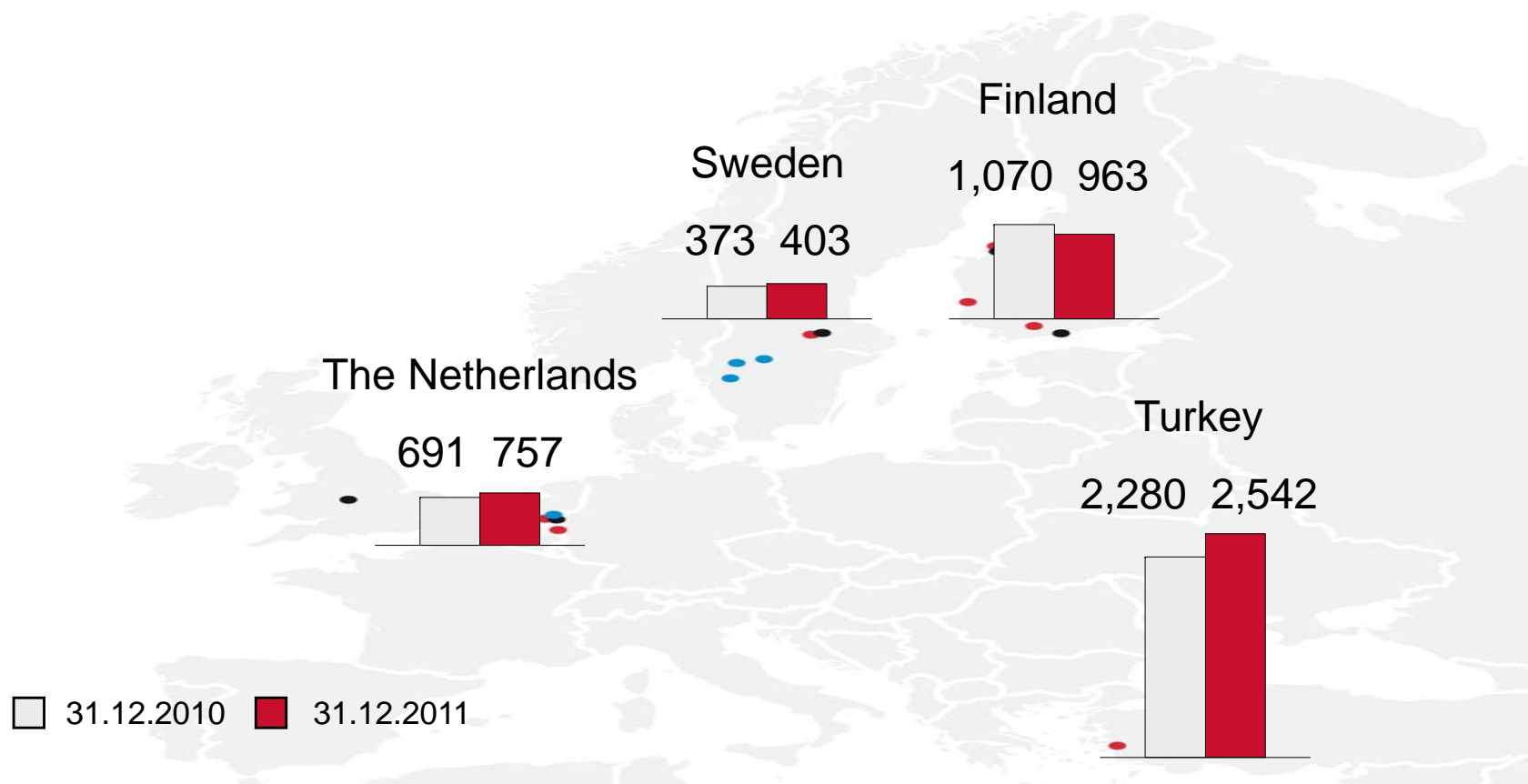
Equity ratio, %



- Extremely sharp decline in the value of the Turkish lira against the euro weakened the Group's shareholders' equity by EUR -22.9 million compared with the same period in the previous year. Cumulatively exchange rate differences after the acquisition of the Turkish subsidiary have weakened the Group's equity by EUR -41.0 million.
- The original price for the shares of the Turkish company was EUR 149.0 million. Due to translation differences in bookkeeping the value of the subsidiary's net assets in the Componenta Group's balance sheet is EUR 108.0 million. The market value of the shares on the Istanbul stock exchange and owned by Componenta Corporation on 31 December 2011 exceeded the bookkeeping value of their net assets clearly.

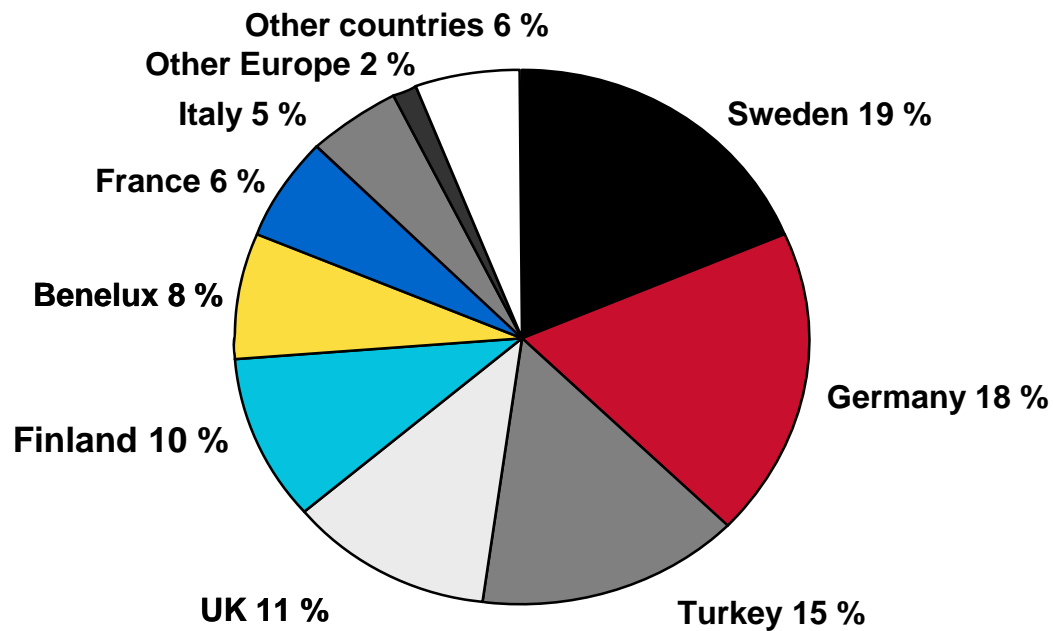
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Personnel by country including leased personnel

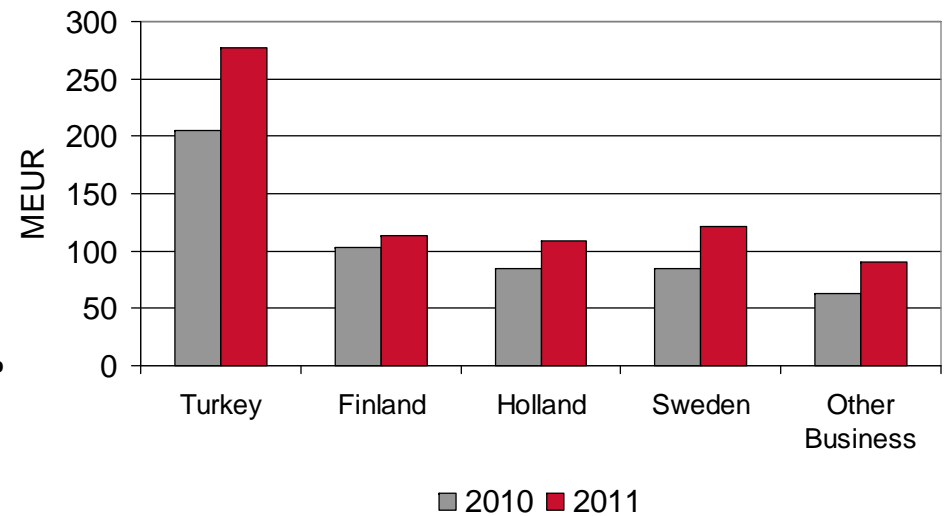


Distribution of sales

Sales by market area 2011

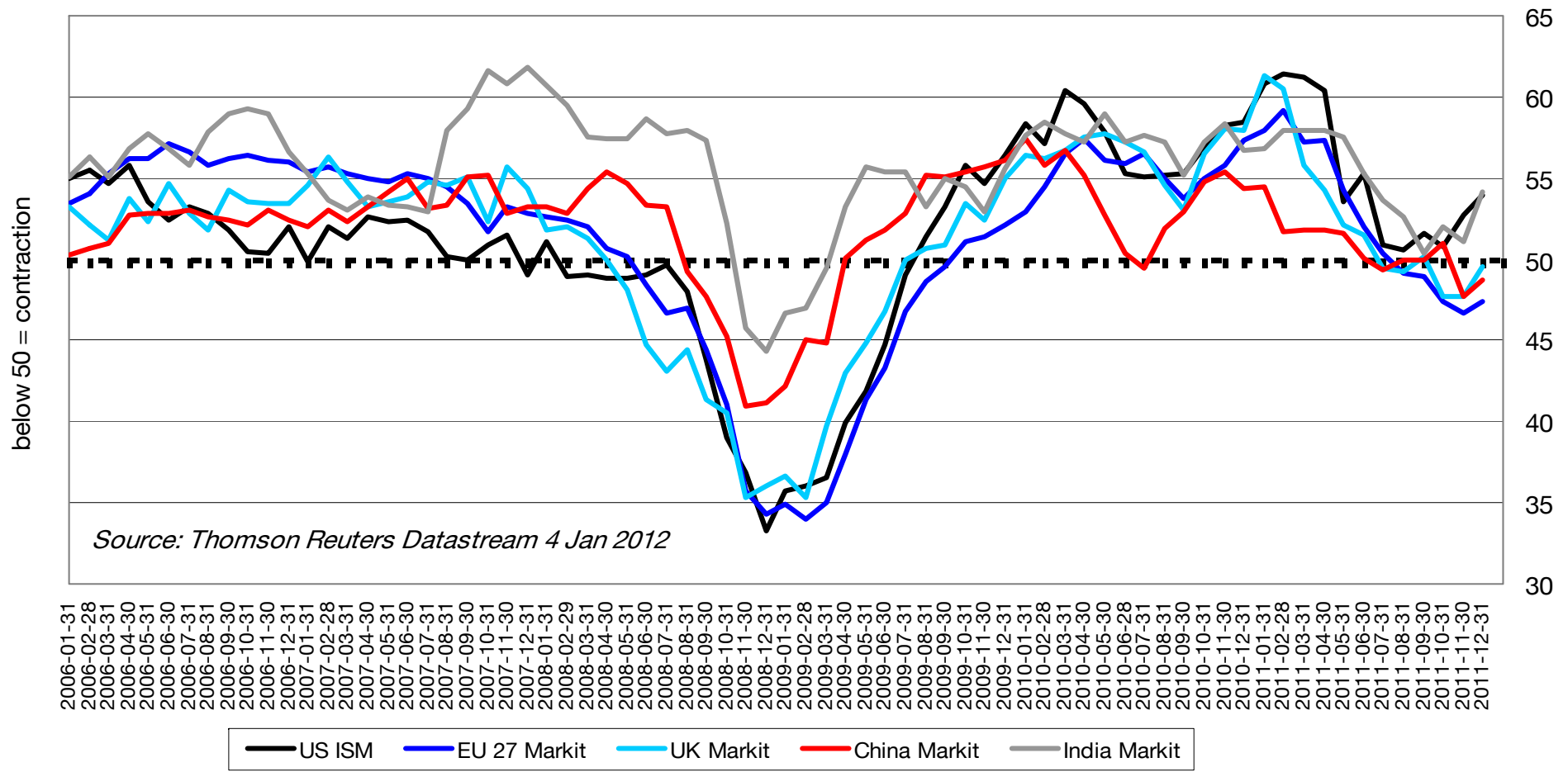


Sales by operations 2011



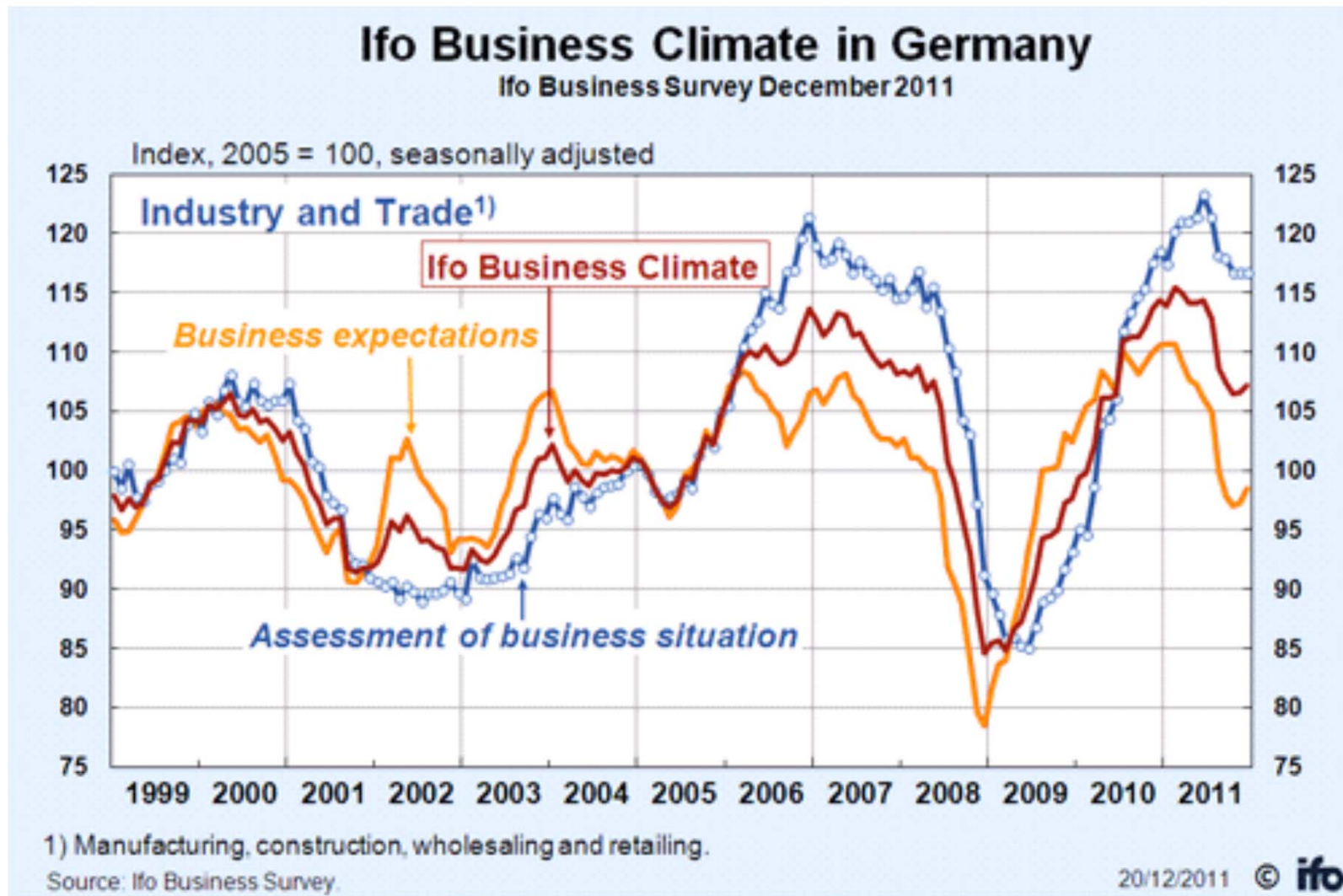
Note: Excluding internal eliminations

Manufacturing Purchasing Manager Indices



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Ifo expectations



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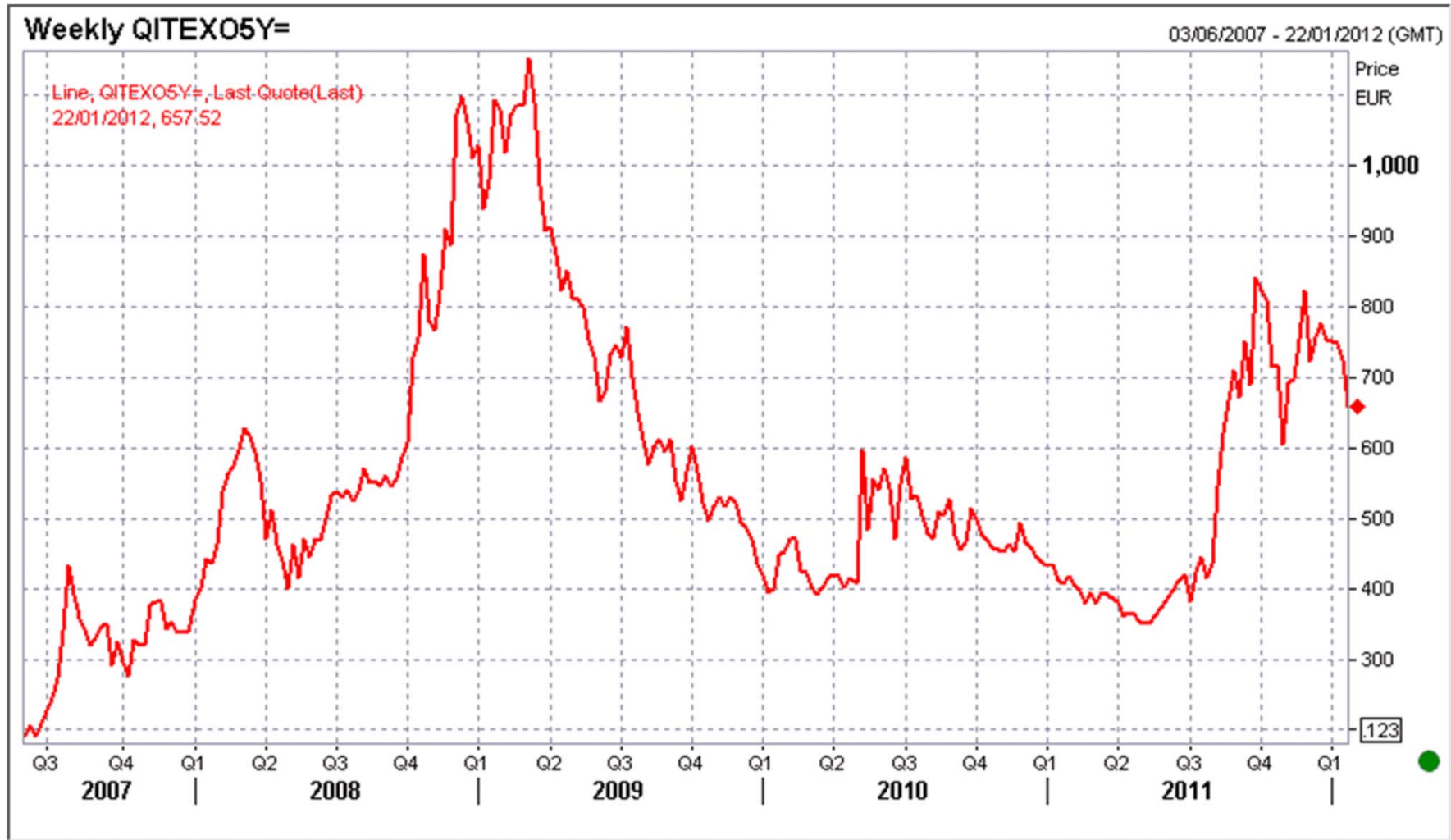
Investor Confidence Index



Source: SSaA

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CDS index



Source: Reuters

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Comparable sales to customer industries



Heavy trucks

27% (26%)



Construction and mining

25% (21%)



Machine building

19% (20%)



Automotive

16% (20%)



Agricultural machinery

13% (11%)



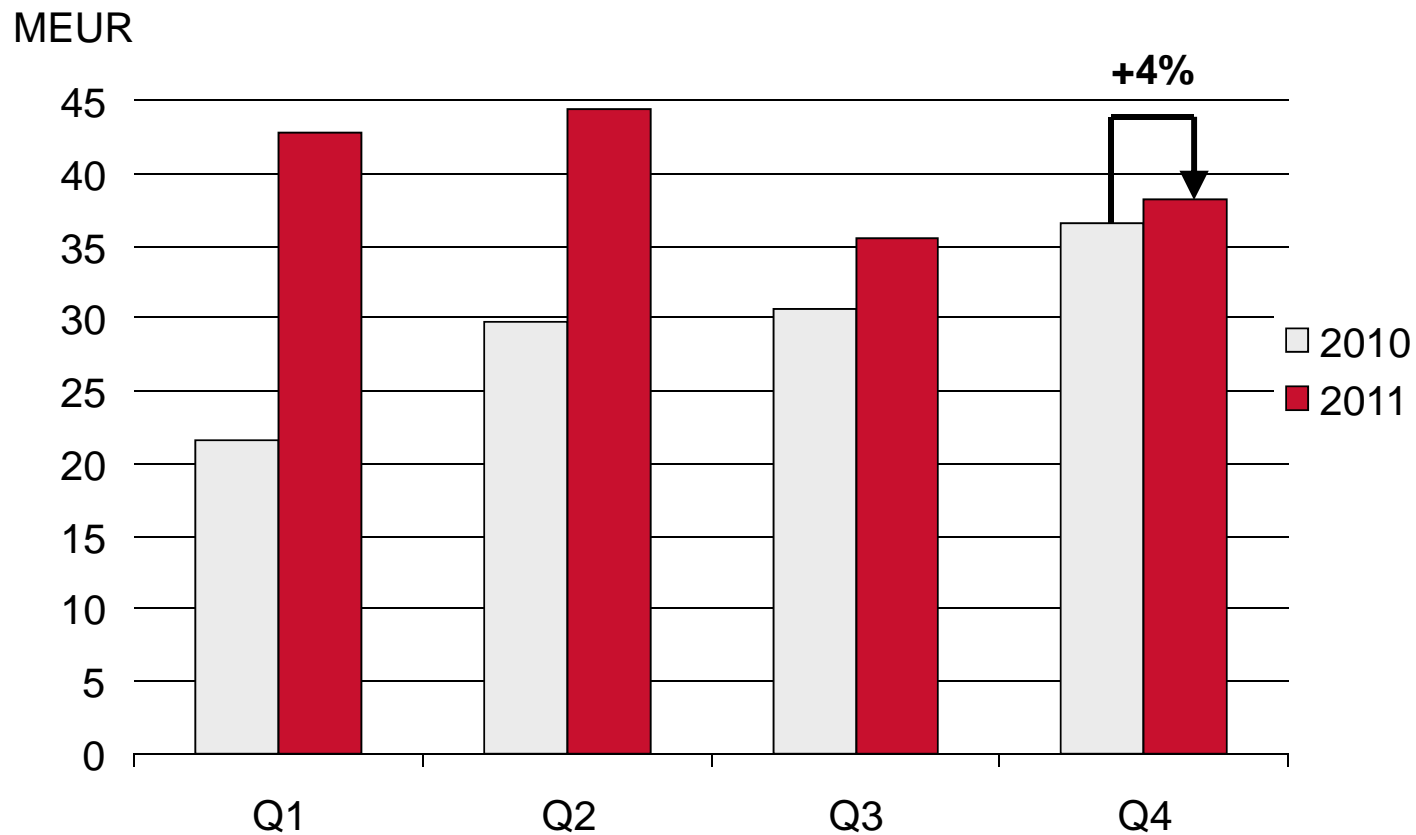
Wind power

1% (2%)

Note: Other sales 0% (1%)

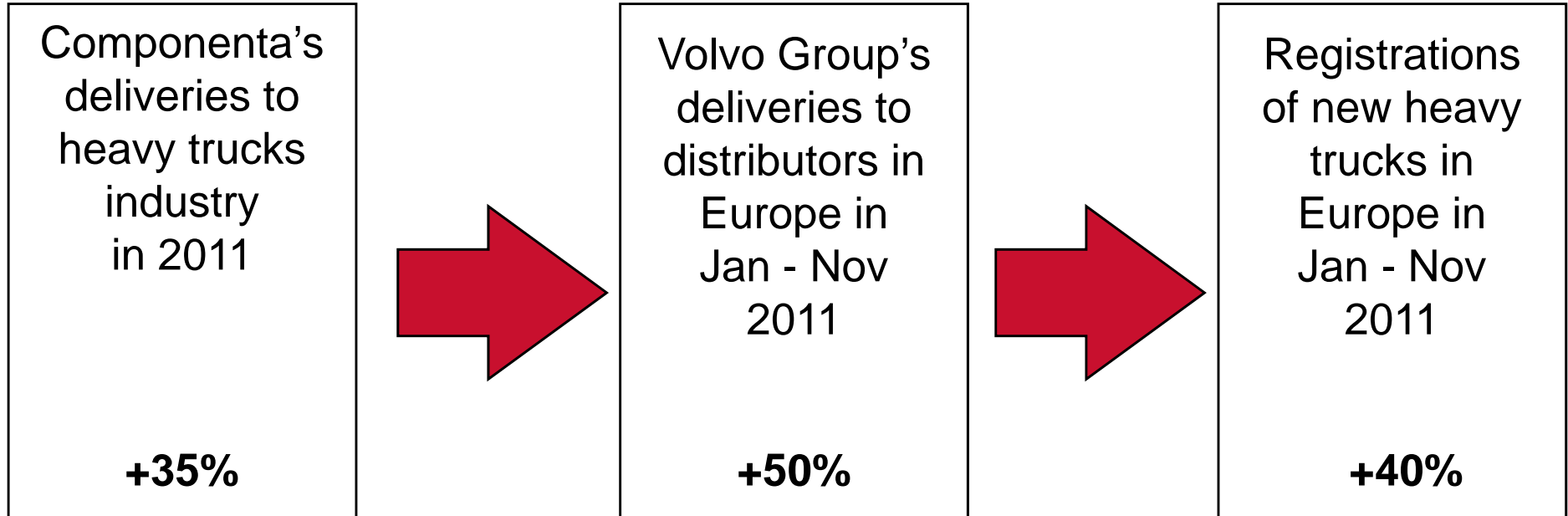
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Comparable sales to heavy trucks industry quarterly



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Development of supply chain in heavy trucks industry

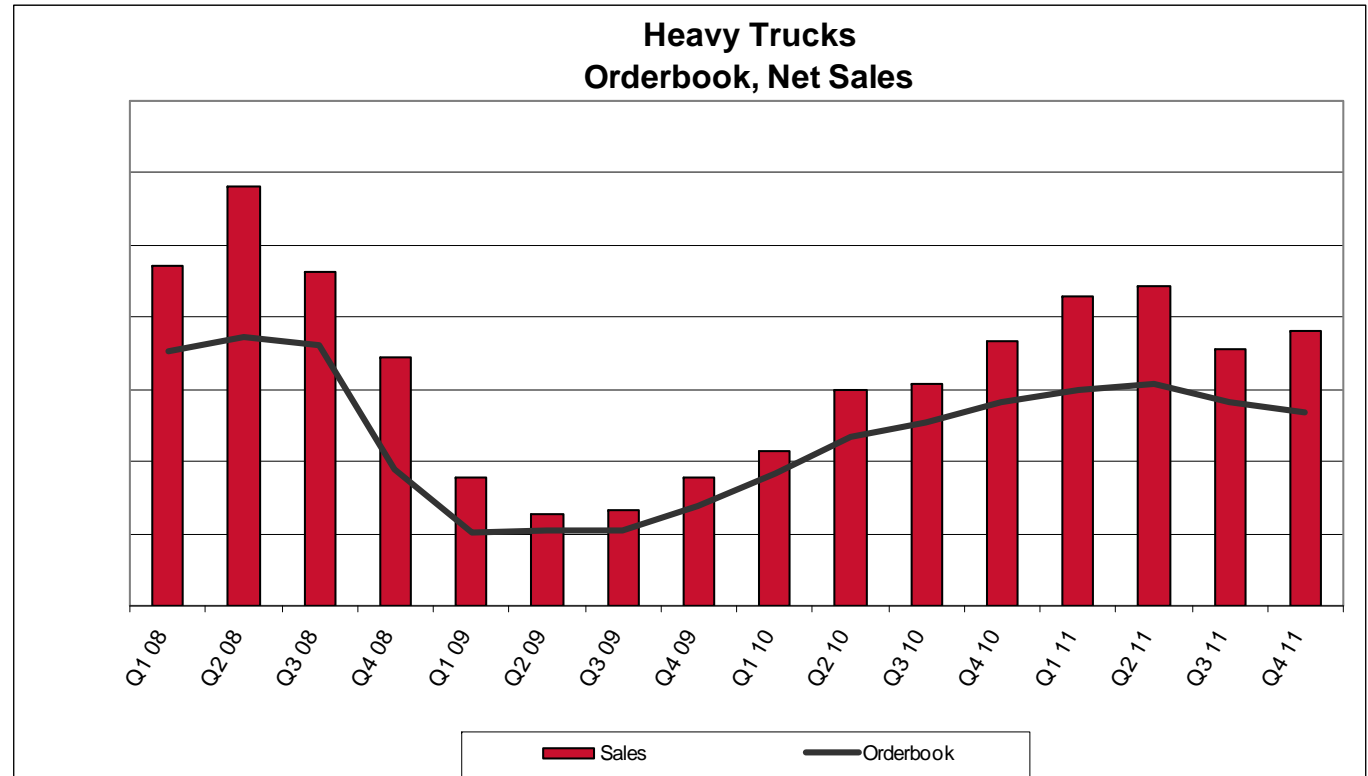


Sources: Volvo web pages, ACEA

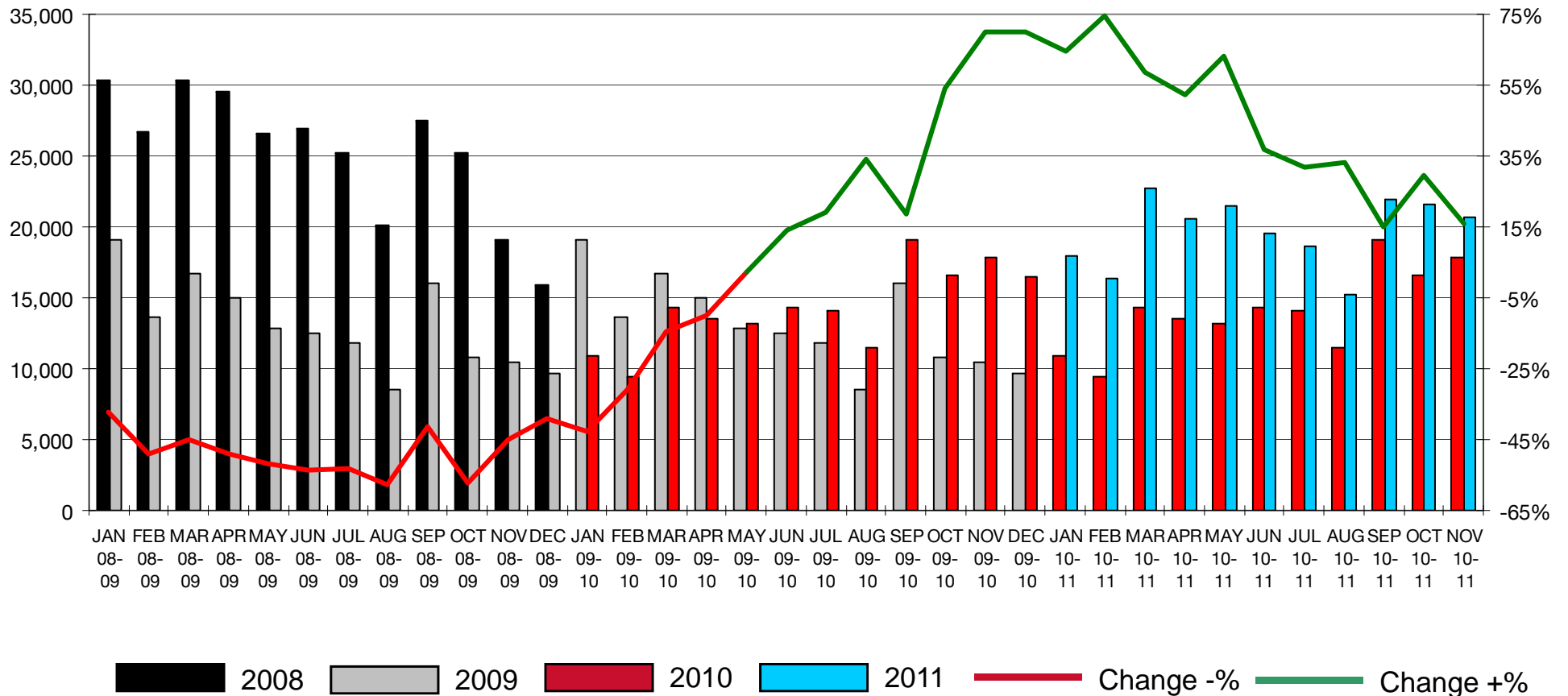
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Development of sales and order book in heavy trucks industry

- The order book was 5% down from the previous year.



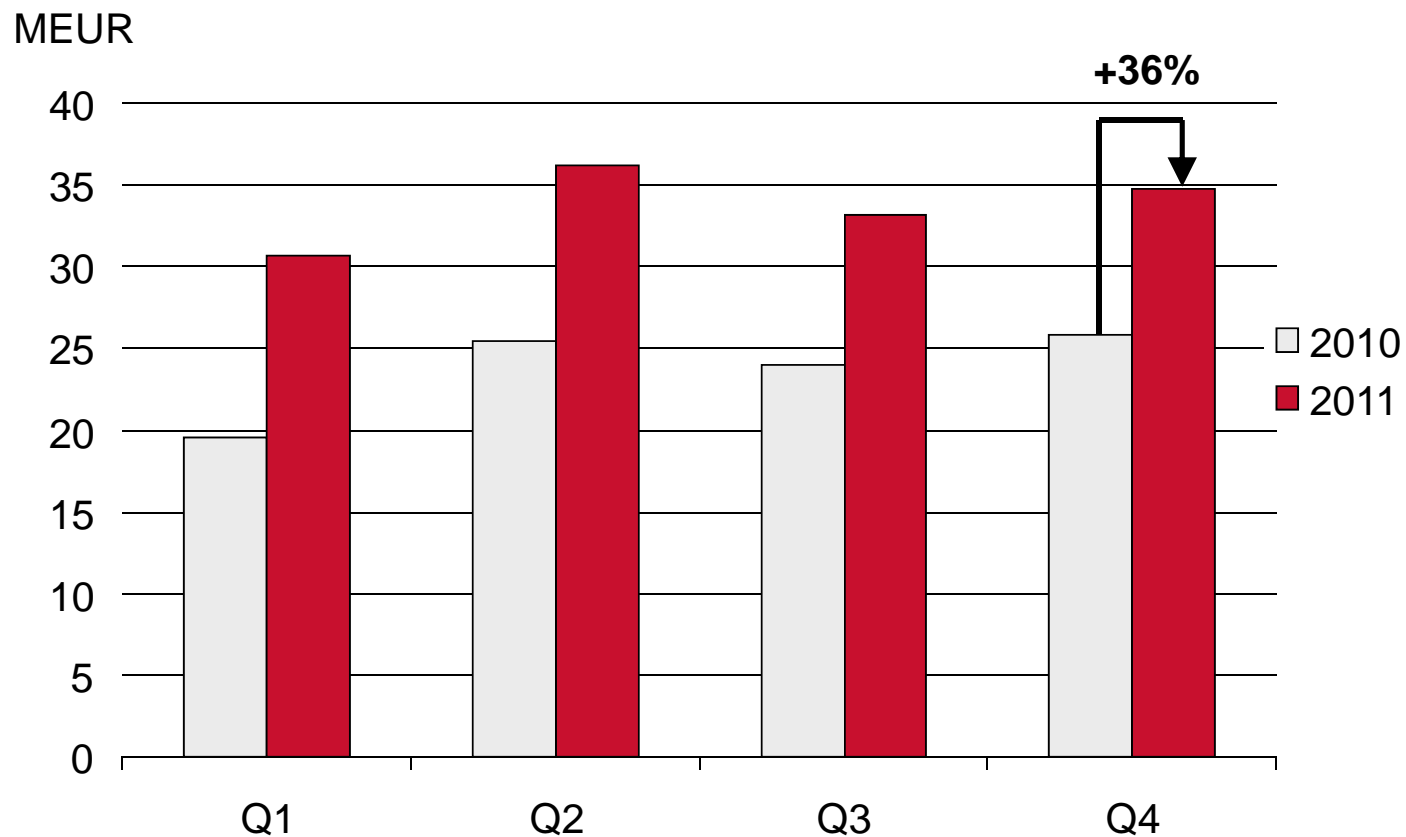
Registrations of new heavy trucks in Europe (EU27)



Source: ACEA

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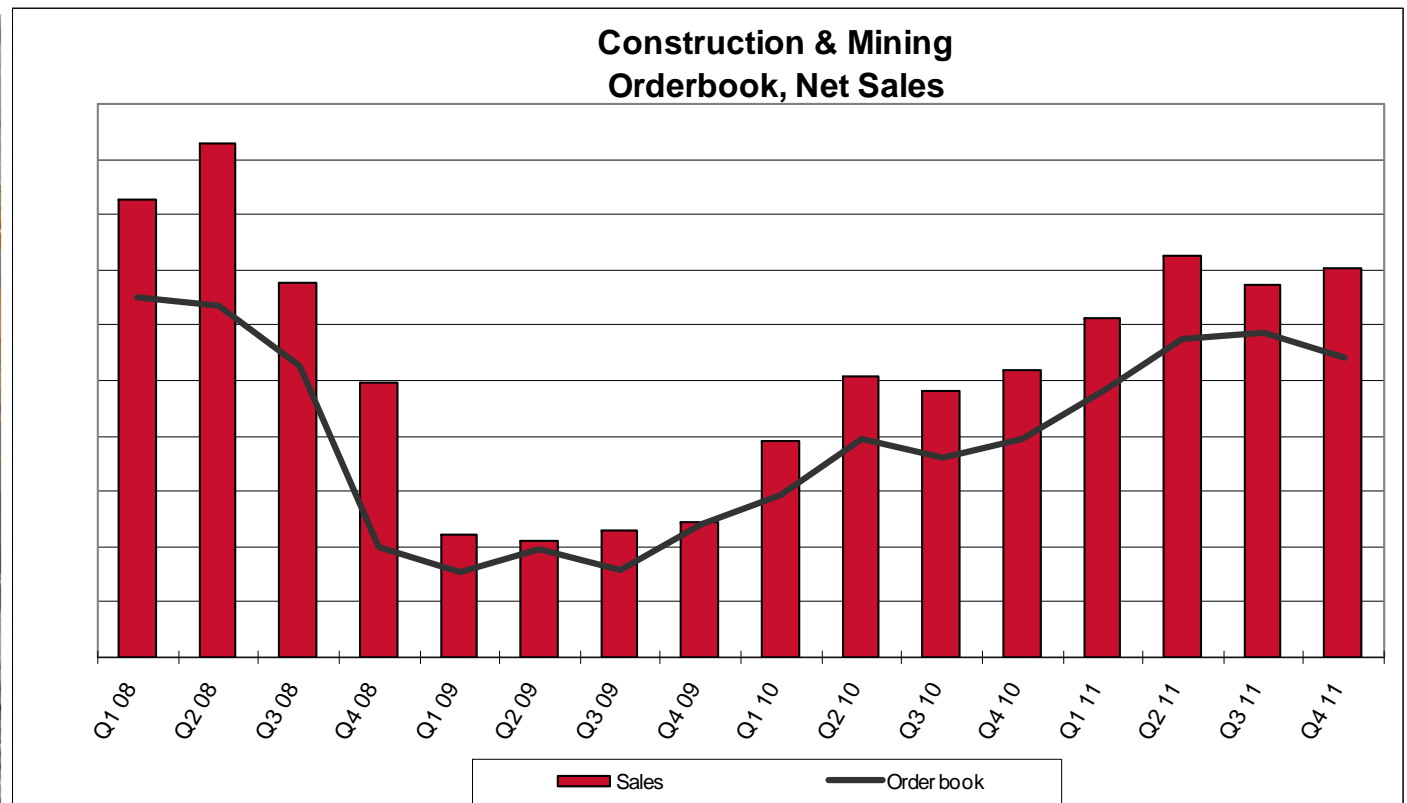
Comparable sales to construction and mining industry quarterly



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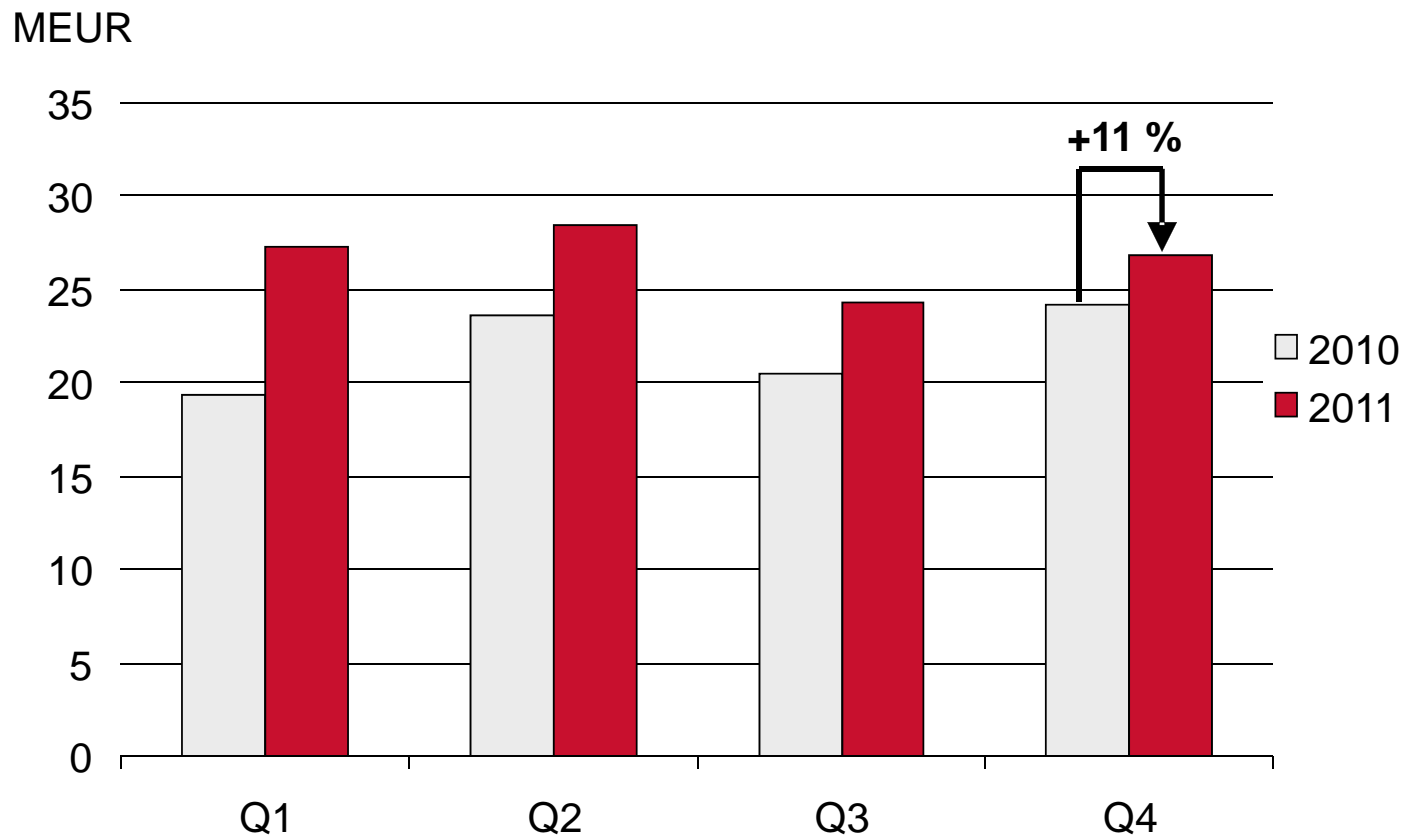
Development of sales and order book in construction and mining industry

- The order book was 38% higher than in the previous year.



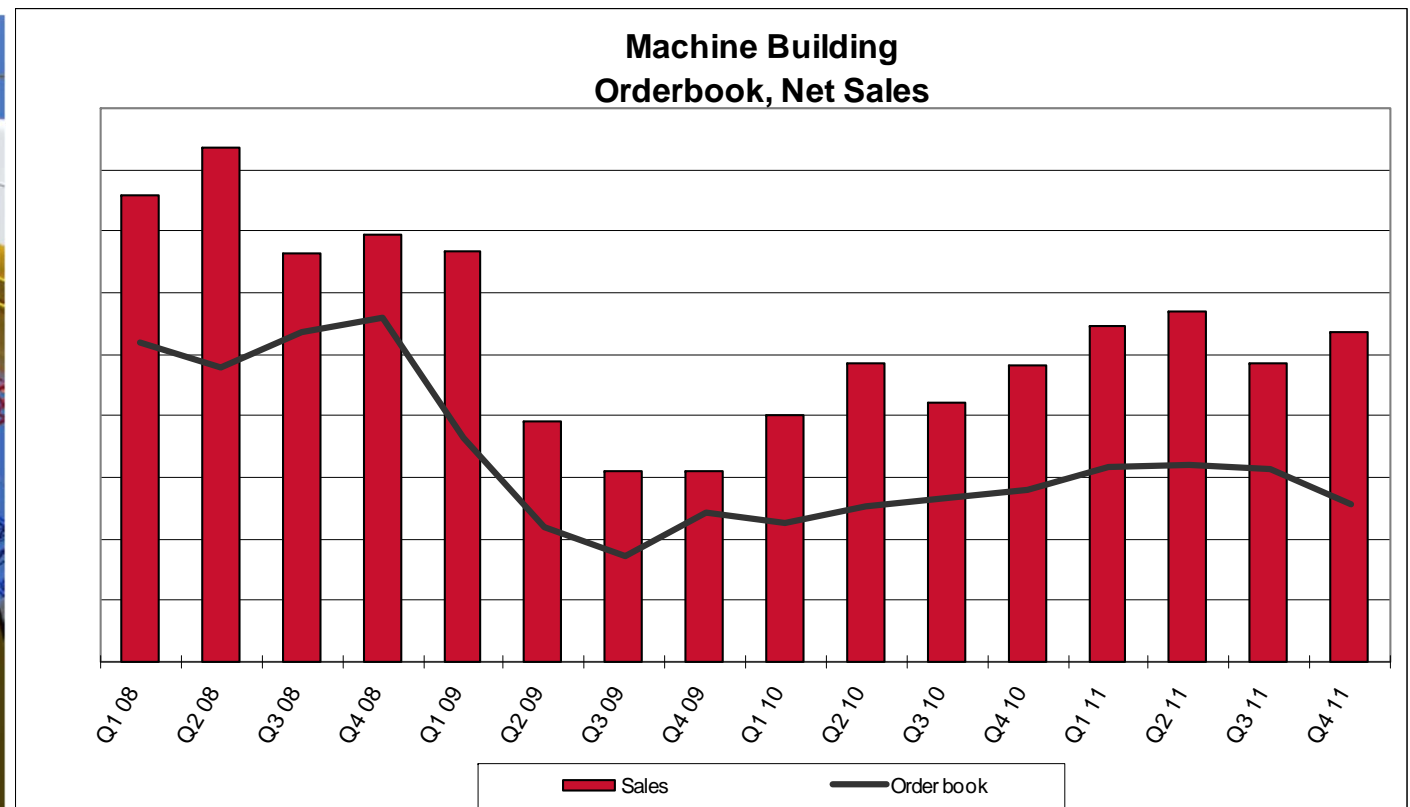
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Comparable sales to machine building industry quarterly



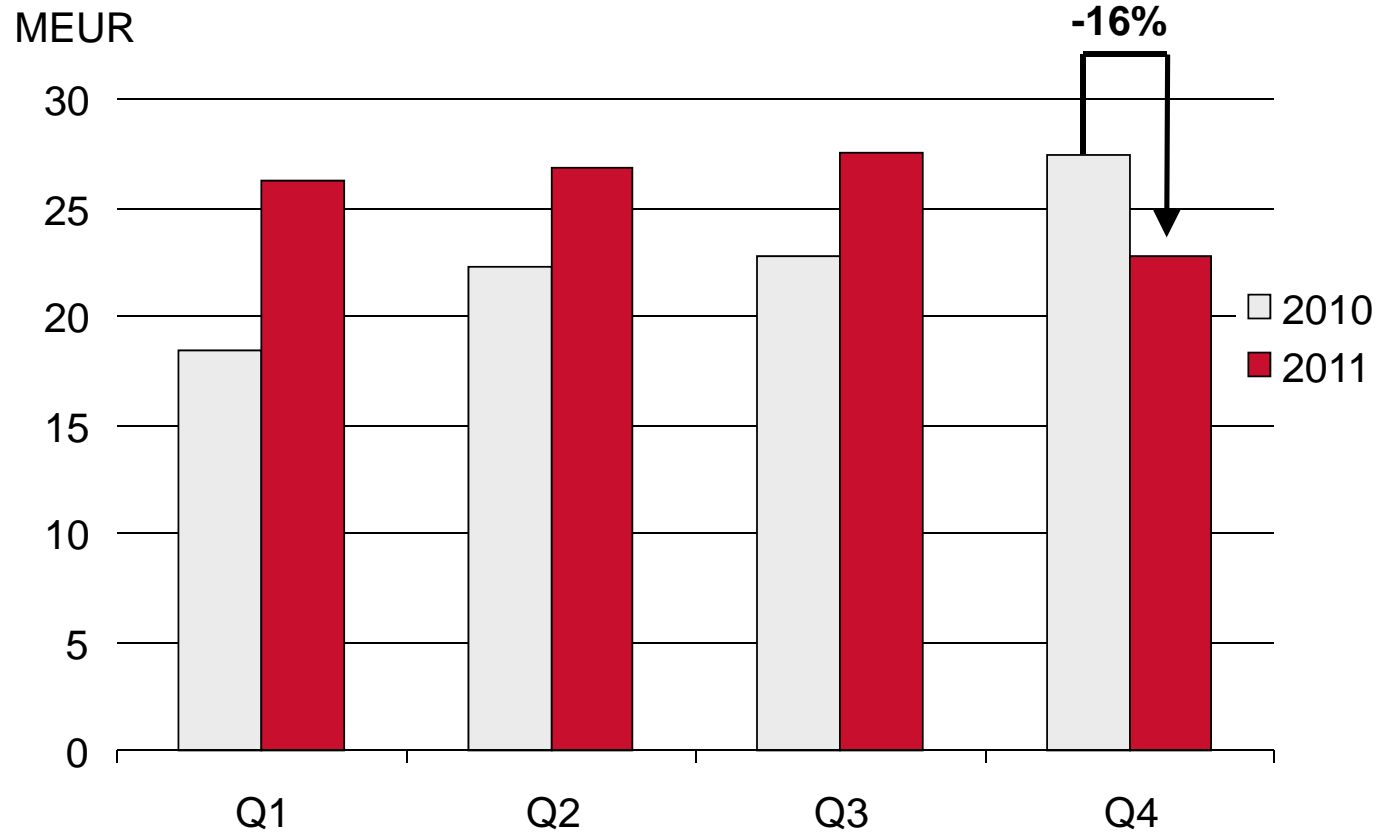
Development of sales and order book in machine building industry

- The order book was 9% down from the previous year.

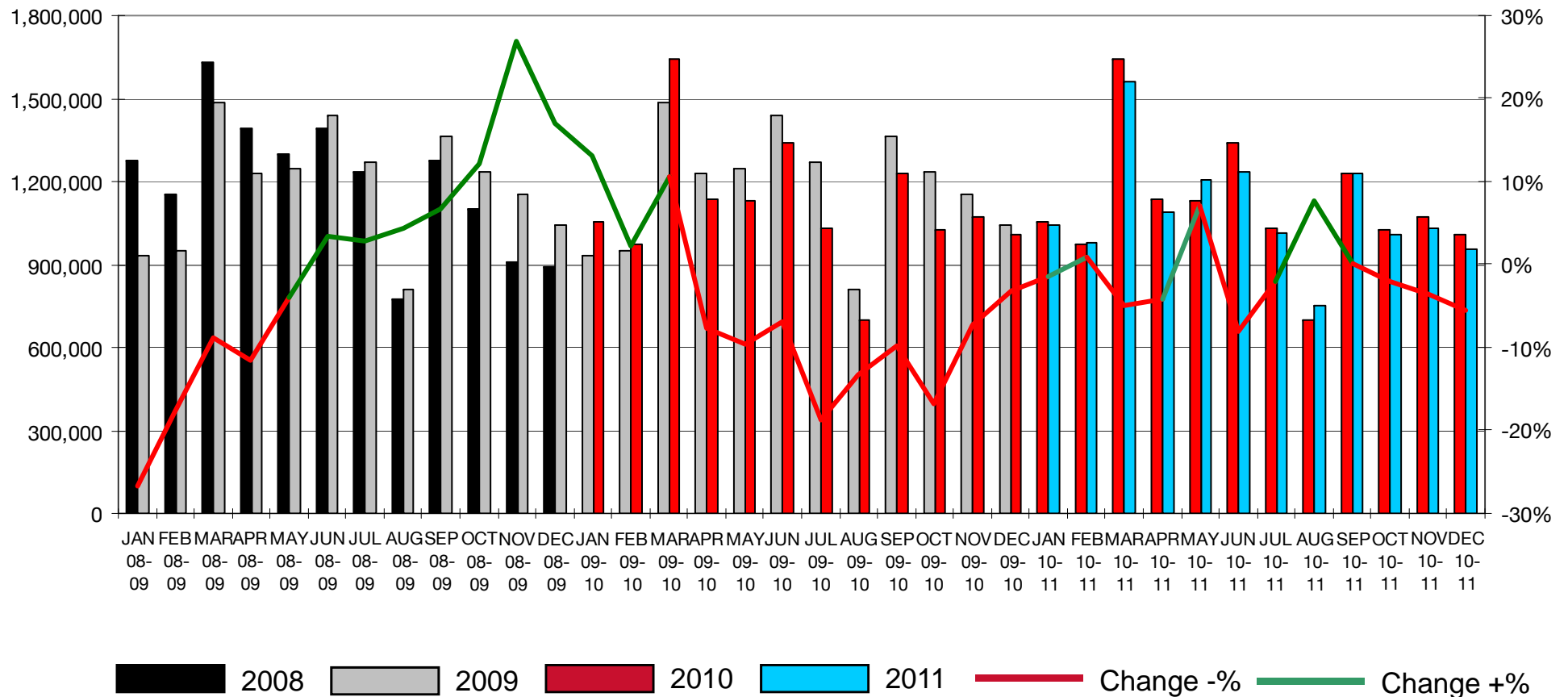


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Comparable sales to automotive industry quarterly



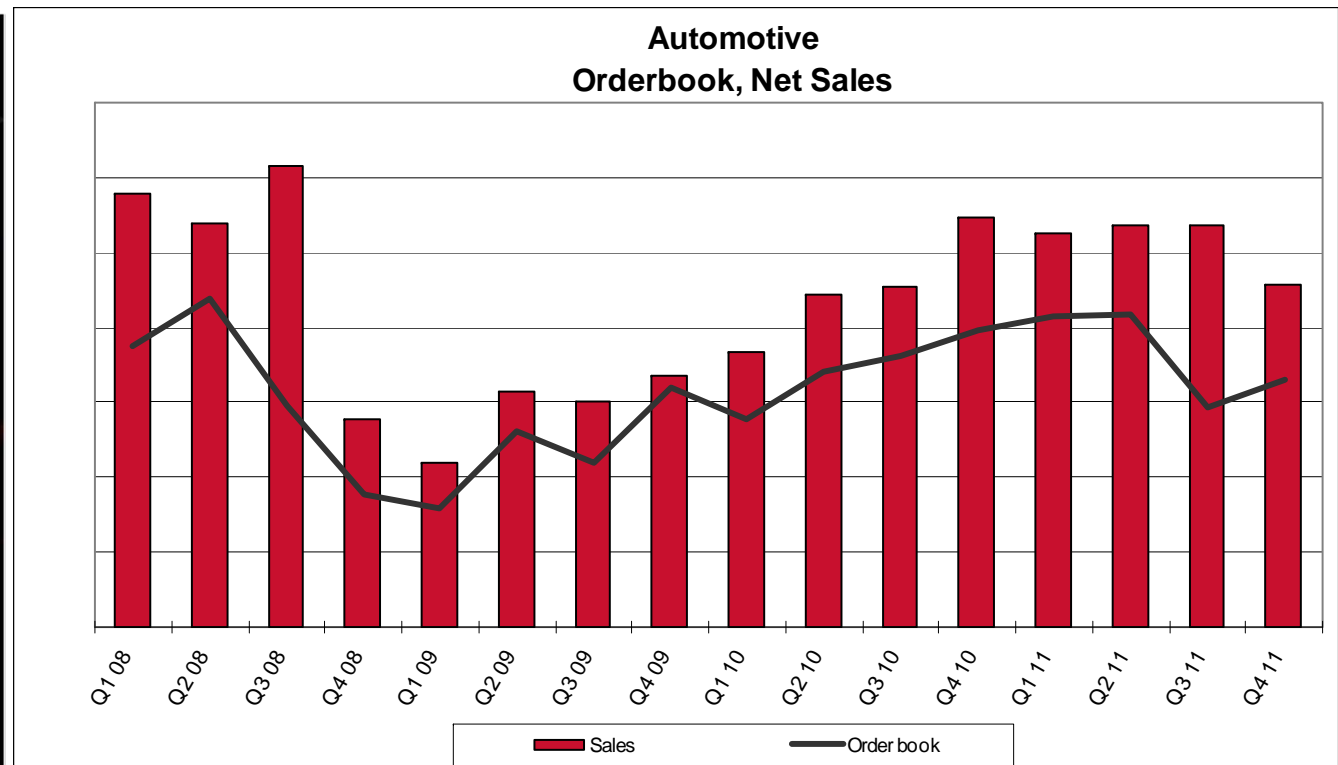
Registrations of new passenger cars in Europe (EU27)



Source: ACEA

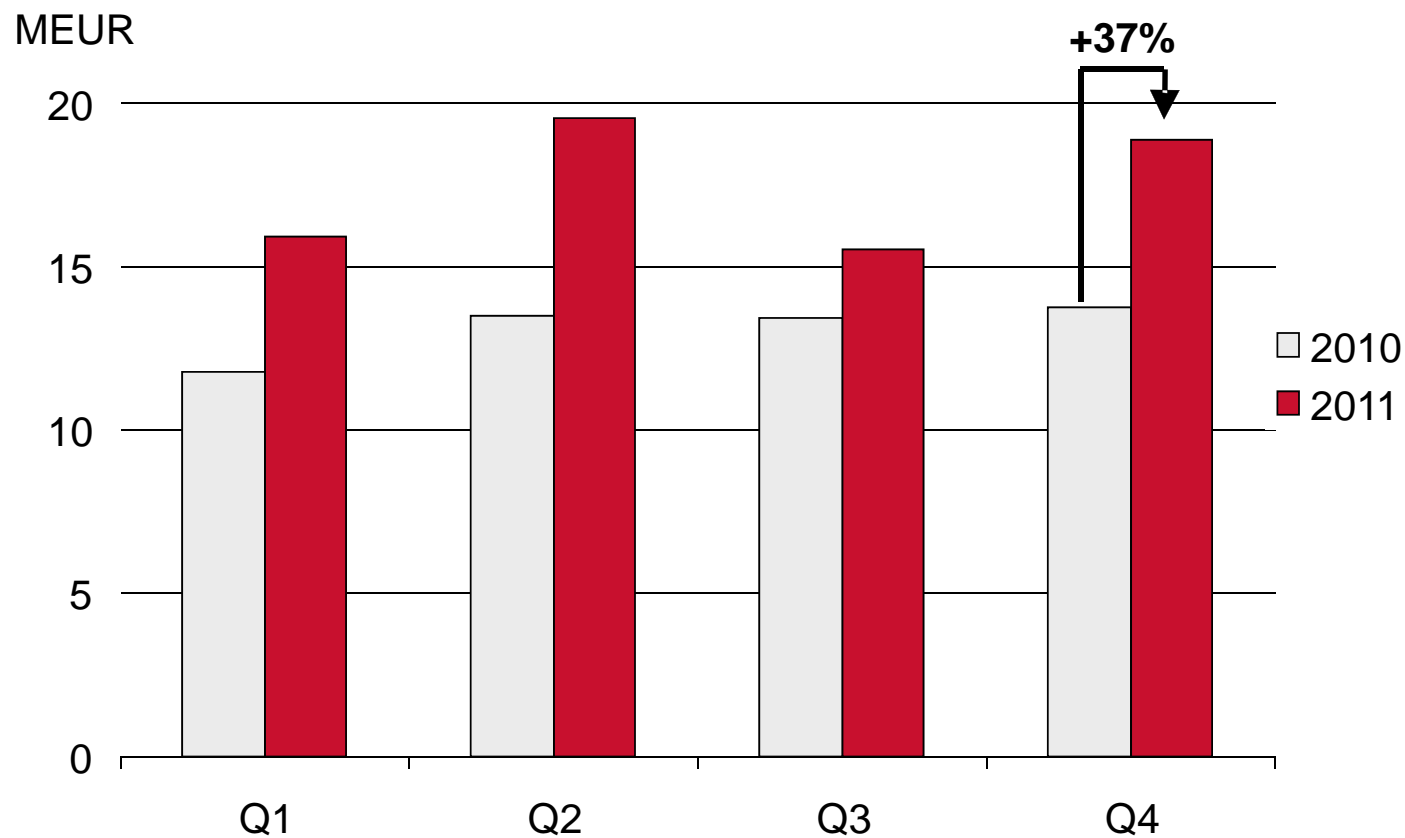
Development of sales and order book in automotive industry

- The order book was 17% down from the previous year.



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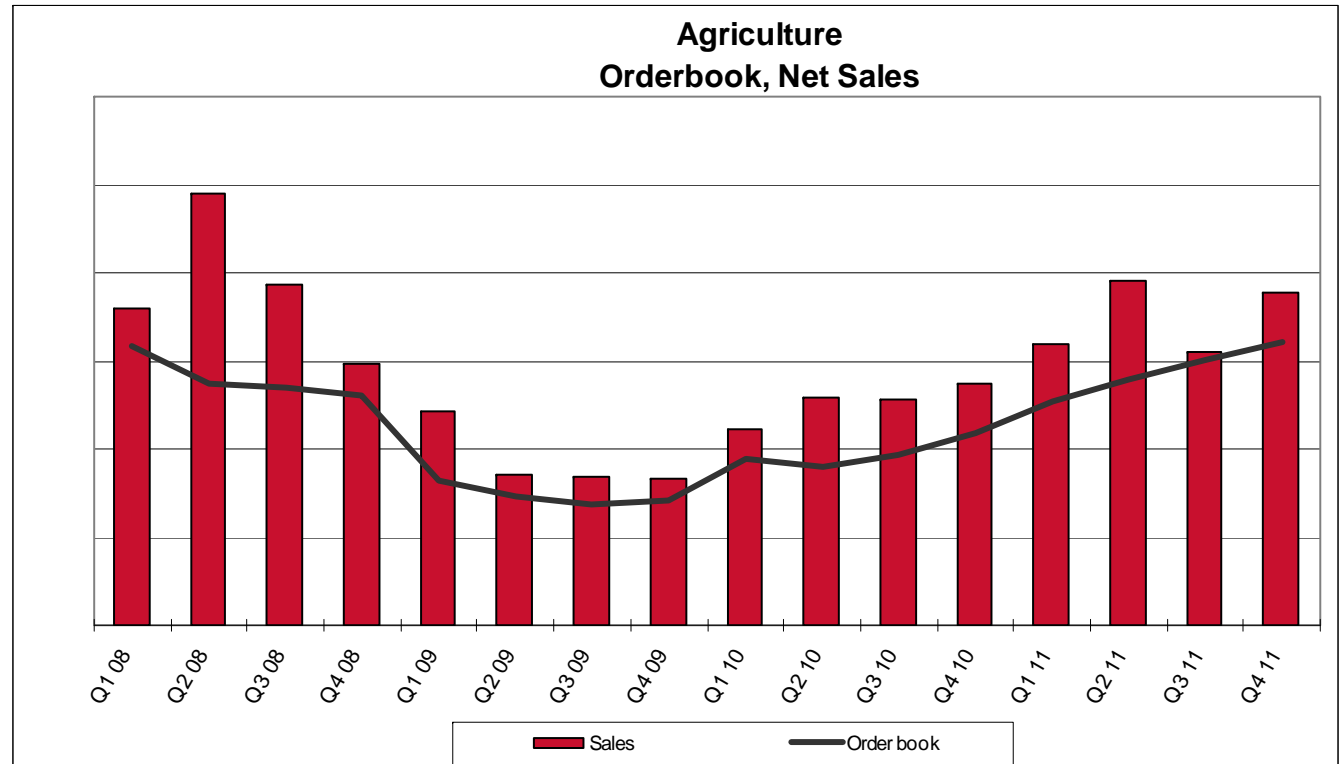
Comparable sales to agricultural machinery industry quarterly



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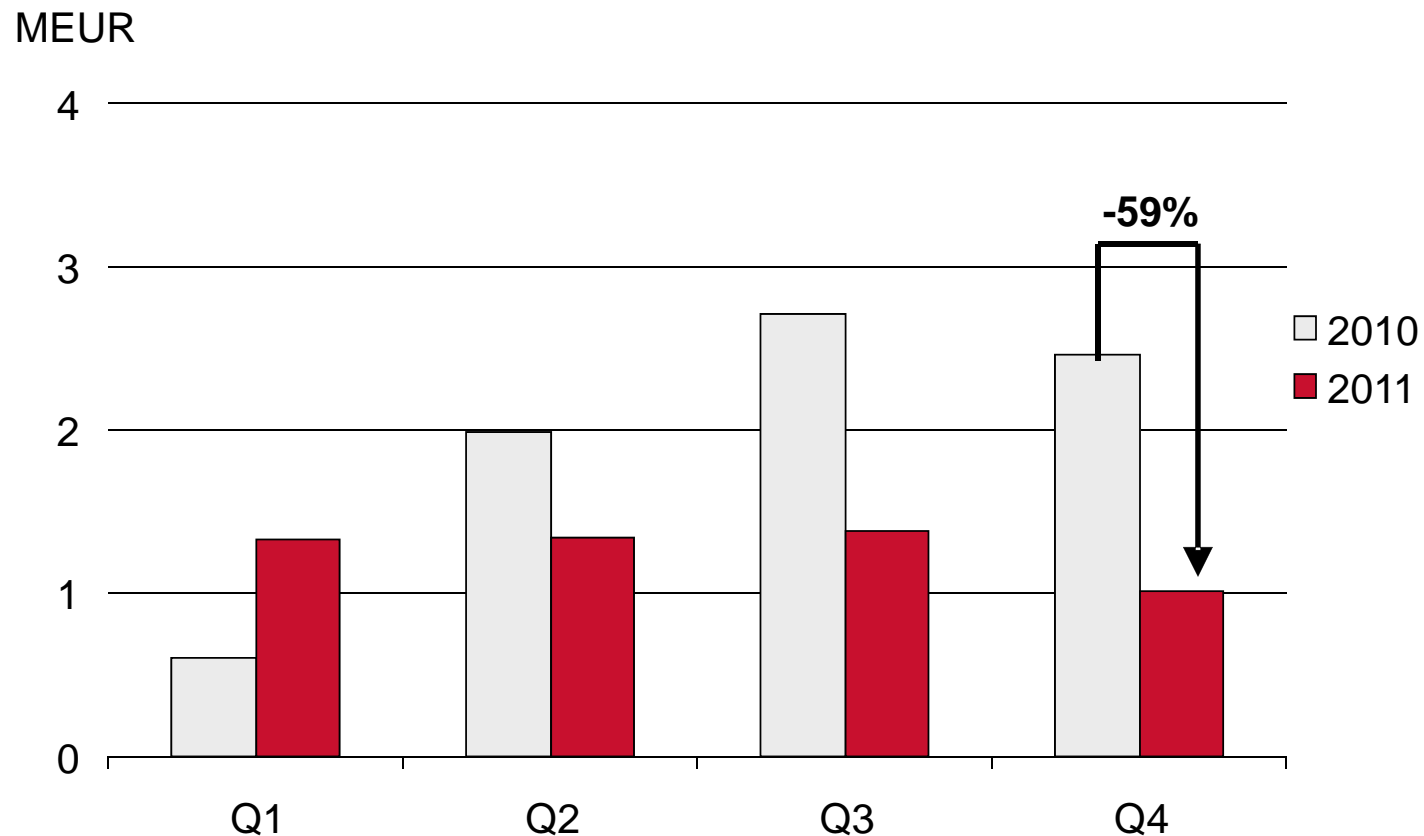
Development of sales and order book in agricultural machinery industry

- The order book was 47% higher than in the previous year.



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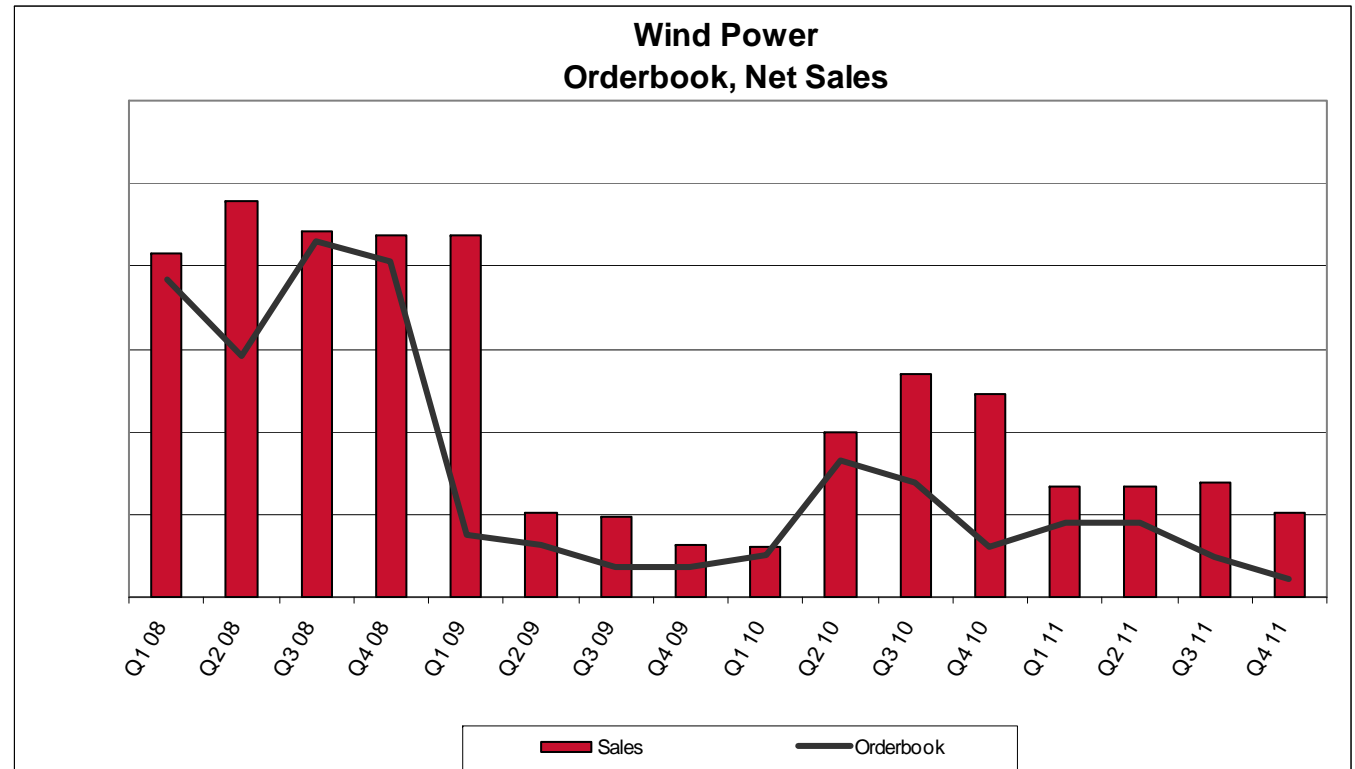
Comparable sales to wind power industry quarterly



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Development of sales and order book in wind power industry

- The order book was 63% down from the previous year.



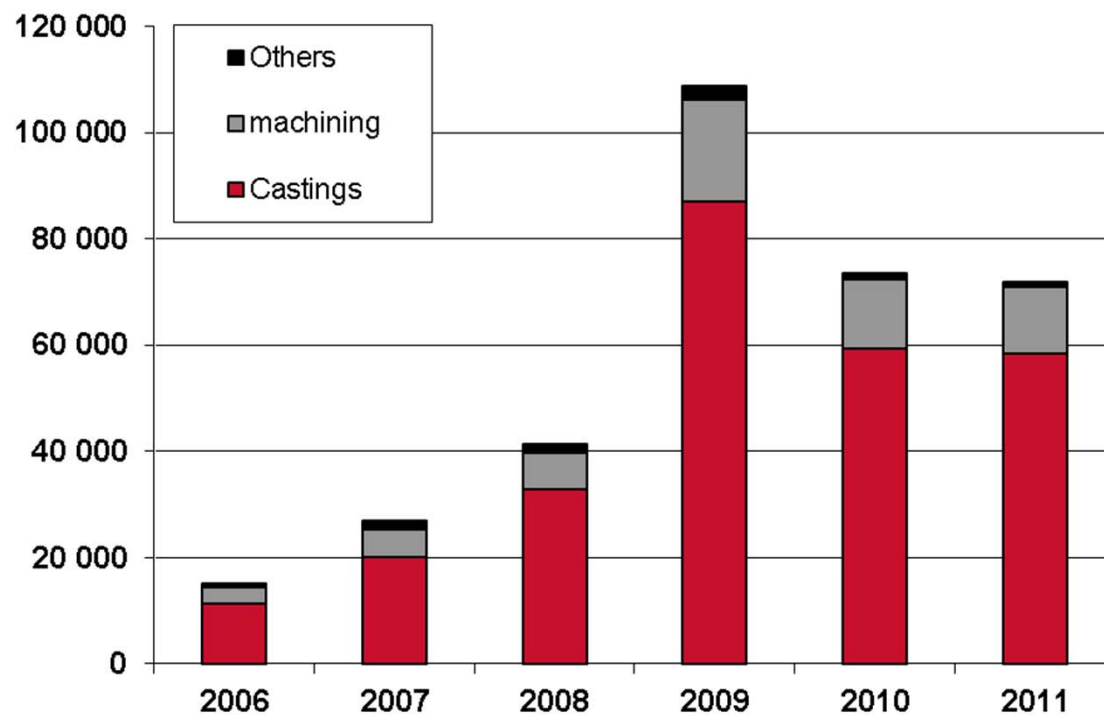
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Analysis of changes in income statements excl. one-time items Q1 - Q4/2011 vs. Q1 - Q4/2010

MEUR	Q1/11	Q1/10	Diff %	Q2/11	Q2/10	Diff %	Q3/11	Q3/10	Diff %	Q4/11	Q4/10	Diff %
Net sales	144.1	91.2	58%	156.5	117.3	33%	134.1	112.3	19%	141.7	130.7	8%
Value of production	150.0	94.4	59%	159.1	119.0	34%	132.3	113.0	17%	136.5	128.3	6%
Materials	-61.5	-34.3	79%	-64.4	-45.5	42%	-53.9	-43.3	24%	-57.3	-49.7	15%
Direct wages and external services	-33.6	-24.1	39%	-36.1	-29.3	23%	-29.8	-27.7	8%	-30.5	-31.2	-2%
Other variable and fixed costs	-41.6	-32.4	29%	-43.0	-35.7	21%	-40.7	-34.6	17%	-38.3	-37.6	2%
Total costs	-136.7	-90.8	51%	-143.6	-110.4	30%	-124.3	-105.6	18%	-126.1	-118.5	7%
EBITDA	13.3	3.6	267%	15.5	8.6	80%	8.0	7.4	8%	10.4	9.8	5%

Offers and new sales

Monthly offers > 100,000 EUR

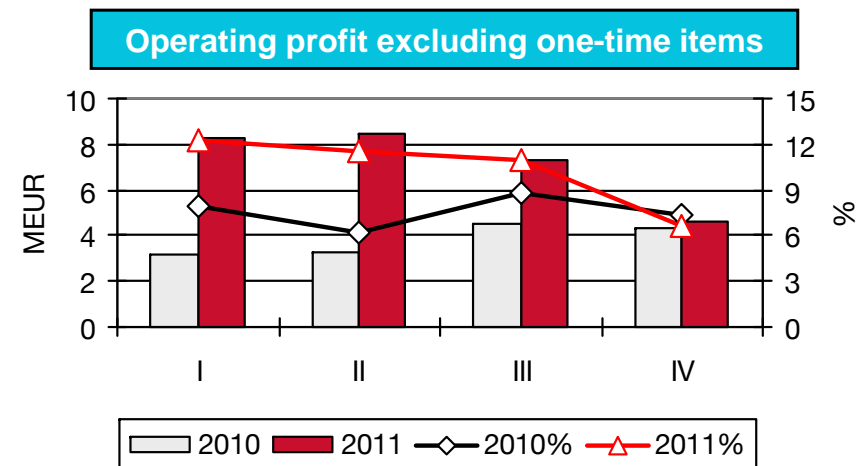
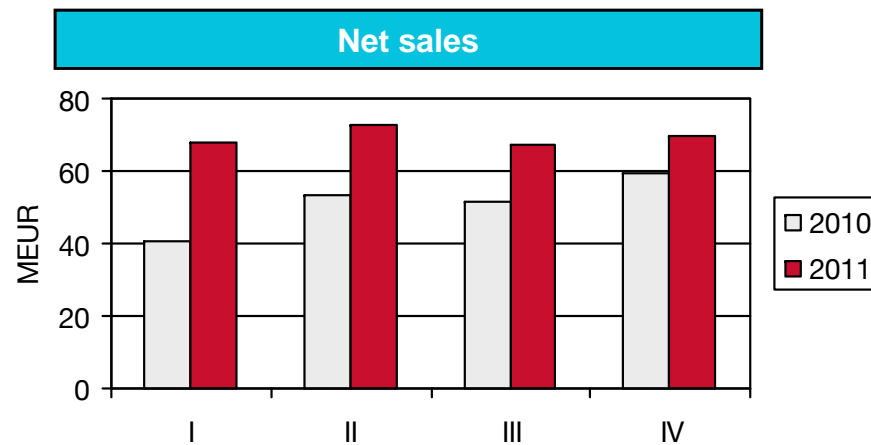


- The offers submitted by the Group stayed almost at the same level as year before.
- Componenta's new sales developed well during 2011.



Performance of Operations

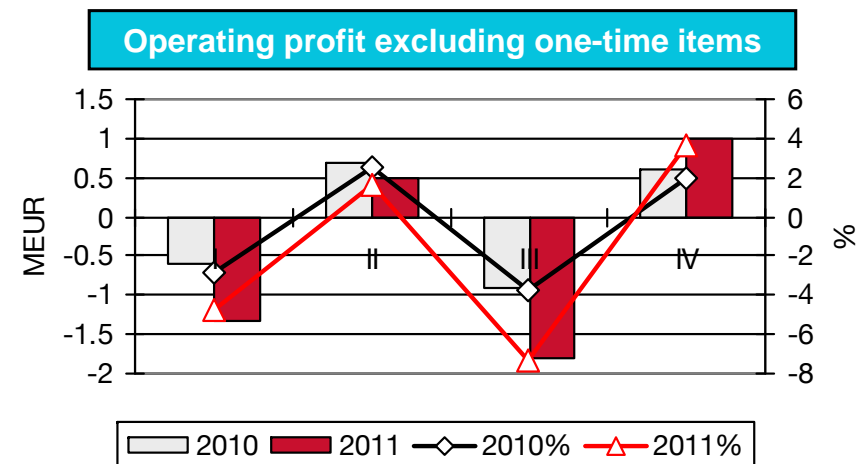
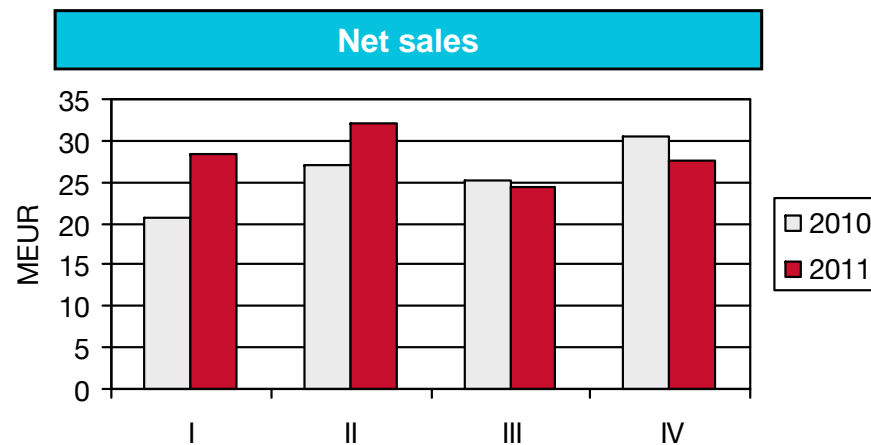
Performance of the Turkey operations



MEUR	Q4/ 2011	Q4/ 2010	Change	Q1-Q4/ 2011	Q1-Q4/ 2010	Change
Order book	51.8	47.8	8%	51.8	47.8	8%
Net sales	69.5	59.6	17%	277.2	204.8	35%
Operating profit	4.6	4.3	7%	28.7	15.2	89%
Capacity utilization rate	63%	64%	n/m	68%	55%	n/m

- The operating profit for the review period was weakened by the rise in the prices of certain raw materials not covered by raw material surcharges, amounting to some EUR -5.3 million.
- The quality fault and the resulting costs for the process alterations had a total impact of more than EUR 4 million on the result in the second half of the year.

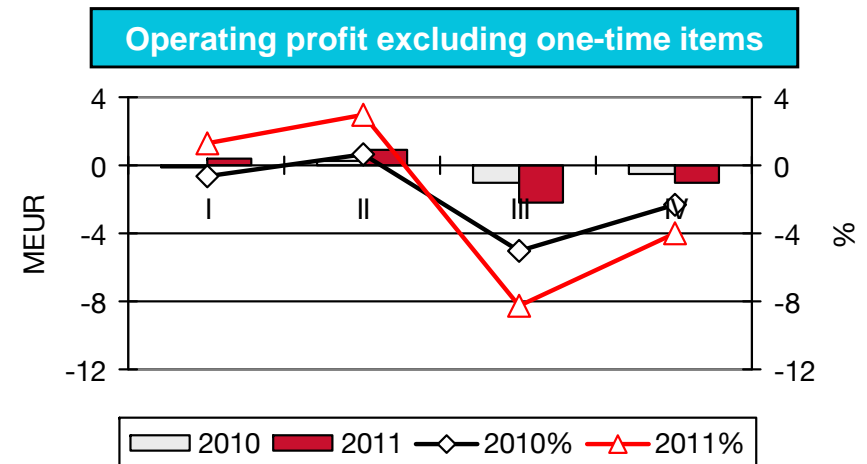
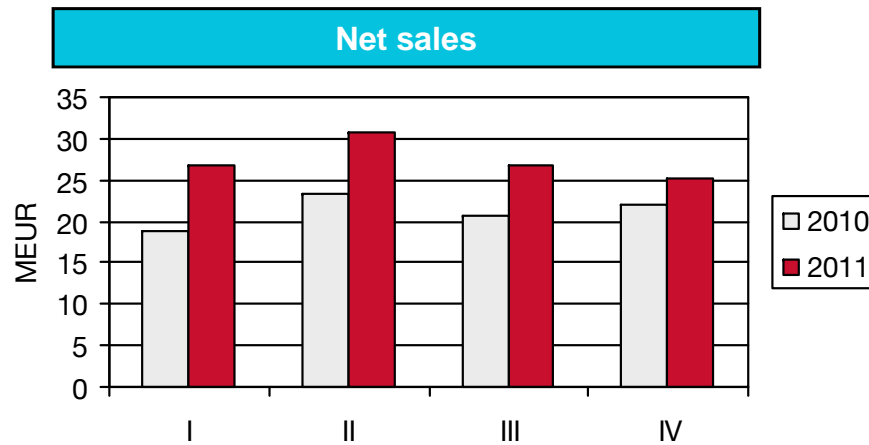
Performance of the Finland operations



MEUR	Q4/ 2011	Q4/ 2010	Change	Q1-Q4/ 2011	Q1-Q4/ 2010	Change
Order book	13.8	15.7	-12%	13.8	15.7	-12%
Net sales	27.6	30.6	-10%	112.8	103.6	9%
Operating profit	1.0	0.6	66%	-1.6	-0.2	n/m
Capacity utilization rate	42%	74%	n/m	63%	63%	n/m

- Operating profit was weakened by EUR -3.1 million by the rise in the prices of certain raw materials that were not covered by raw material surcharges.

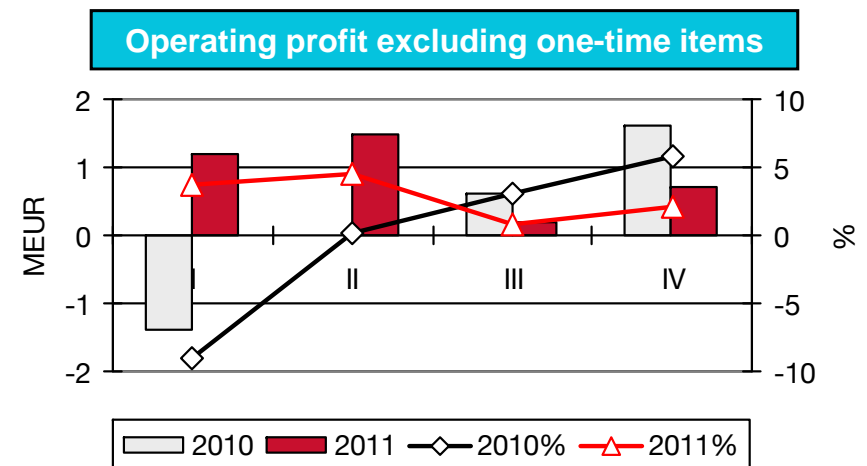
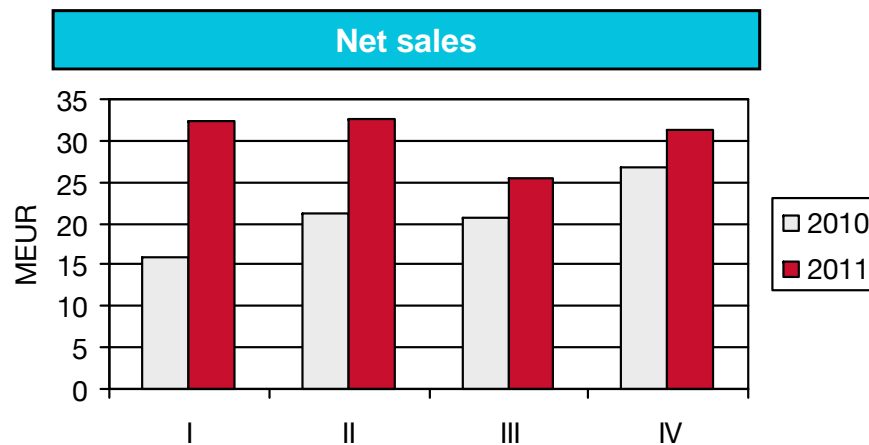
Performance of the Holland operations



MEUR	Q4/ 2011	Q4/ 2010	Change	Q1-Q4/ 2011	Q1-Q4/ 2010	Change
Order book	20.1	16.4	22%	20.1	16.4	22%
Net sales	25.2	22.1	14%	109.3	85.1	28%
Operating profit	-1.0	-0.5	96%	-1.9	-1.5	25%
Capacity utilization rate	61%	47%	n/m	65%	47%	n/m

- Operating result was weakened by EUR -2.4 million by the rise in the prices of certain raw materials that were not covered by raw material surcharges.

Performance of the Sweden operations



MEUR	Q4/ 2011	Q4/ 2010	Change	Q1-Q4/ 2011	Q1-Q4/ 2010	Change
Order book	19.8	22.0	-10%	19.8	22.0	-10%
Net sales	31.2	26.9	16%	121.5	84.7	43%
Operating profit	0.7	1.6	-57%	3.6	0.8	n/m
Capacity utilization rate	75%	71%	n/m	73%	56%	n/m

- Operating profit improved from the previous year due to significantly increased production volumes, especially in the heavy trucks industry.



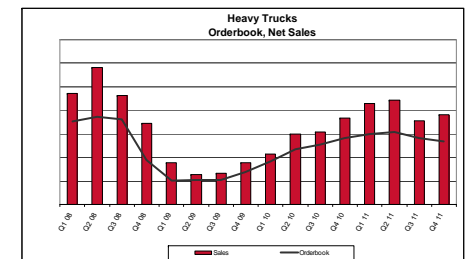
Prospects 2012

Market outlook in 2012

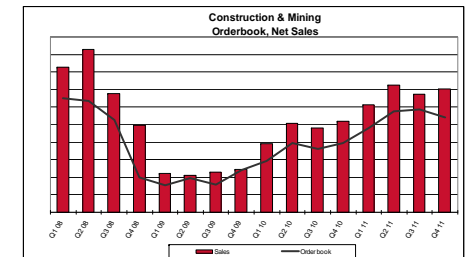
- Group's demand outlook is satisfactory at the beginning of 2012.



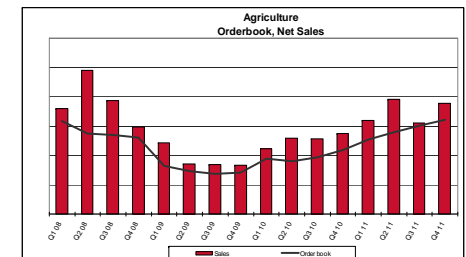
Demand prospects in the heavy trucks industry are uncertain at the beginning of 2012. The order book was 5 % down on the previous year.



Demand for construction and mining machinery components is expected to continue to develop favorably mainly due to the high level of activity in the mining industry and in developing markets. The order book at the end of 2011 was 38 % higher than in the previous year.



Demand for agricultural machinery is estimated to rise from the previous year mainly as the result of relatively high food prices. The order book at the end of 2011 was 47 % higher than in the previous year.



Market outlook in 2012 (cont'd)



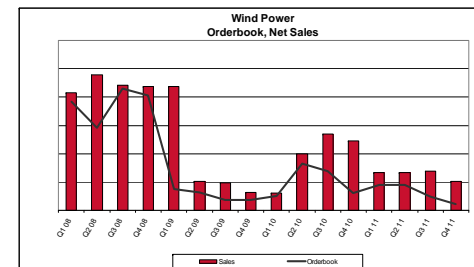
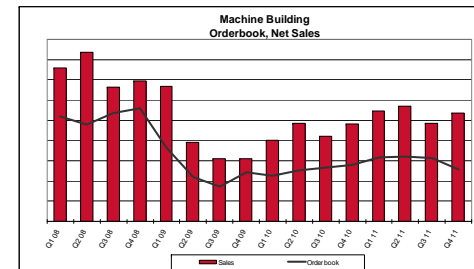
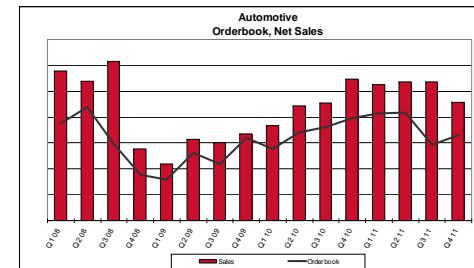
Demand in the automotive industry is expected to remain at the same level as in the previous year mainly due to the increase in market share. The order book at the beginning of 2012 was 17 % lower than at the corresponding time in the previous year.



Demand in the machine building industry is expected to remain at the same level as in the previous year. The order book at the beginning of 2012 was 9 % down on the previous year.



Demand in the wind power sector is expected to remain on low level in Europe.

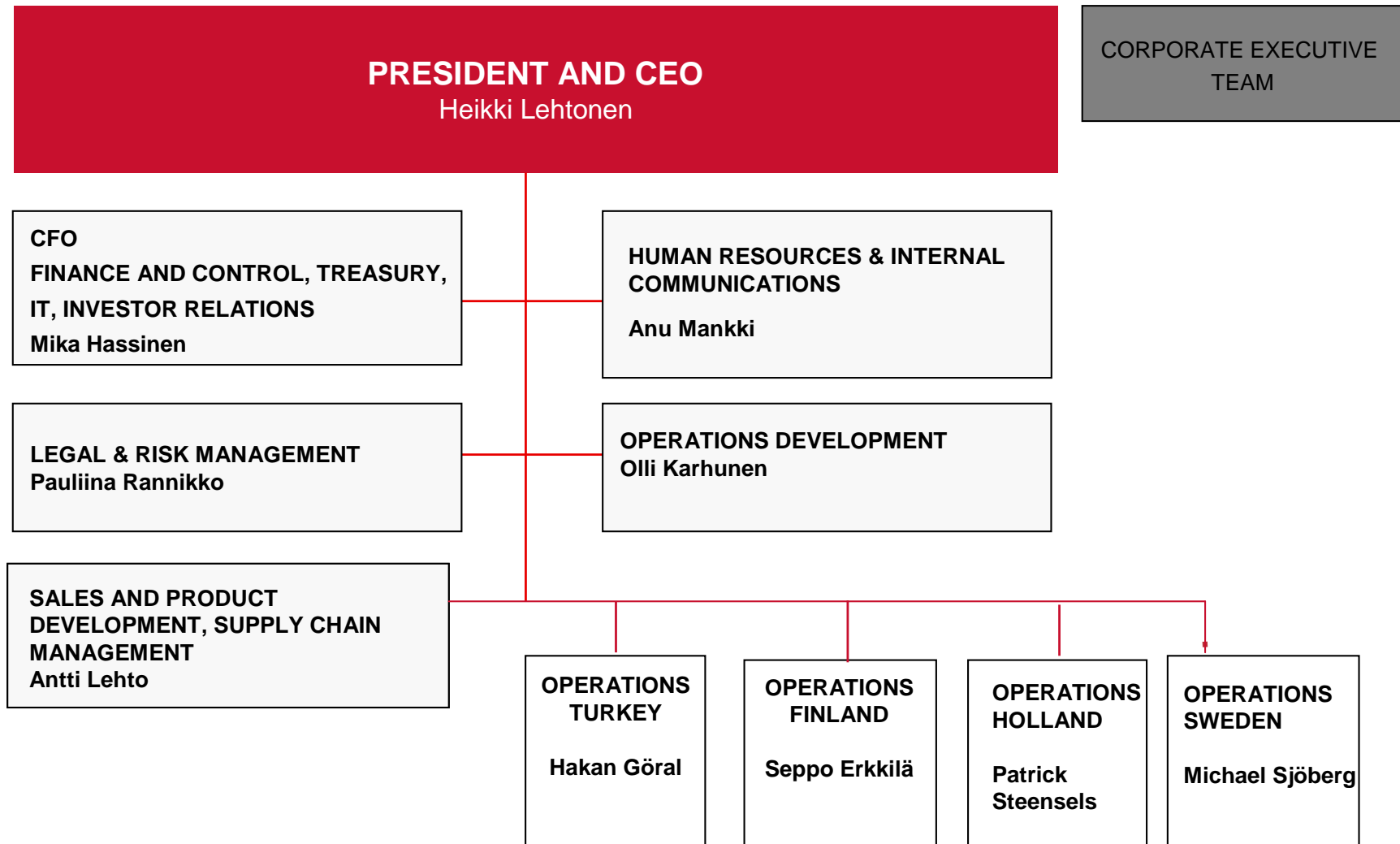


Componenta's prospects in 2012

- Componenta's prospects for 2012 are based on general external economic indicators, delivery forecasts given by customers, and on Componenta's order intake and order book.
- Componenta's order book at the beginning of 2012 was 5% higher than in the previous year.
- Net sales in the first quarter of 2012 are expected to be similar to that in the previous year. As a result of the implemented price increases and the improved cost structure, the operating result and result after financial items excluding one-time items is expected to improve from previous year.
- Net cash flow from operations in 2012 is expected to improve clearly and changes in working capital should remain moderate, due to the sale of trade receivables. Investments in production facilities in 2012 are estimated at some EUR 12 million.

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New organization as of 1 March 2012





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