

Casting Future **SOLUTIONS**



COMPONENTA

25.4.2014

A man with short brown hair and a slight smile, wearing a blue work vest over a black t-shirt, stands in a factory setting. The background is filled with stacks of large, rectangular objects, possibly metal or plastic, under a strong red light. The overall atmosphere is industrial and professional.

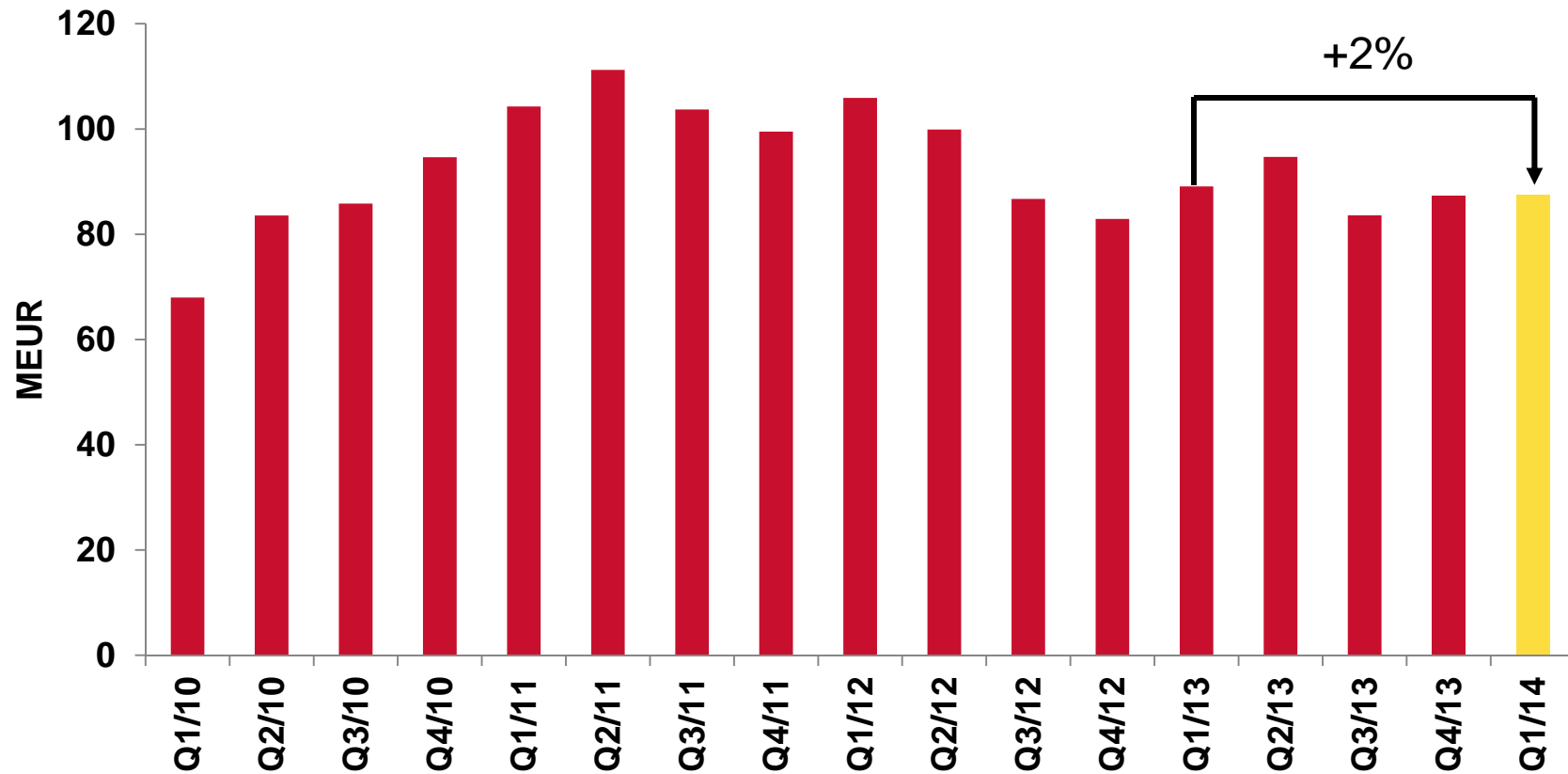
COMPONENTA INTERIM REPORT 1.1. - 31.3.2014

Heikki Lehtonen
President and CEO

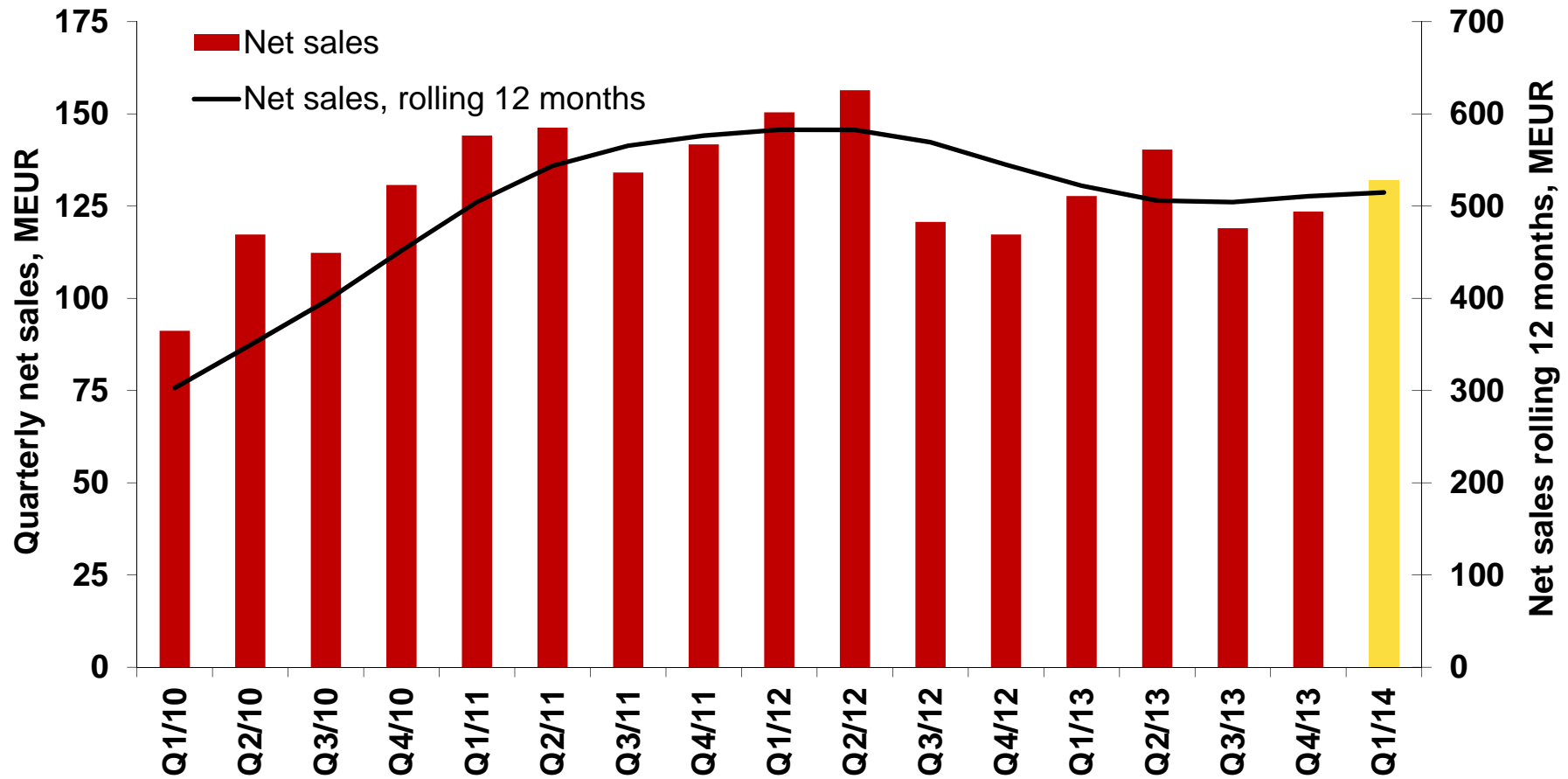
Income Statement

MEUR	Q1 2014	Q1 2013	Change
Order book	91	89	+2%
Net sales	132	128	+3%
EBITDA, excl. one-time items	12.1	8.2	+48%
Operating profit, excl. one-time items	7.4	3.8	+93%
Net financial expenses	-7.5	-6.0	+25%
Result after financial items, excl. one-time items	-0.1	-2.2	-96%
One-time items	-0.9	-0.5	+83%
Taxes	-0.3	0.8	n/m
Net profit	-1.3	-1.9	-30%
Earnings/share, excl. one-time item, EUR	-0.06	-0.09	-32%

Quarterly development of order book (including orders for the next two months)



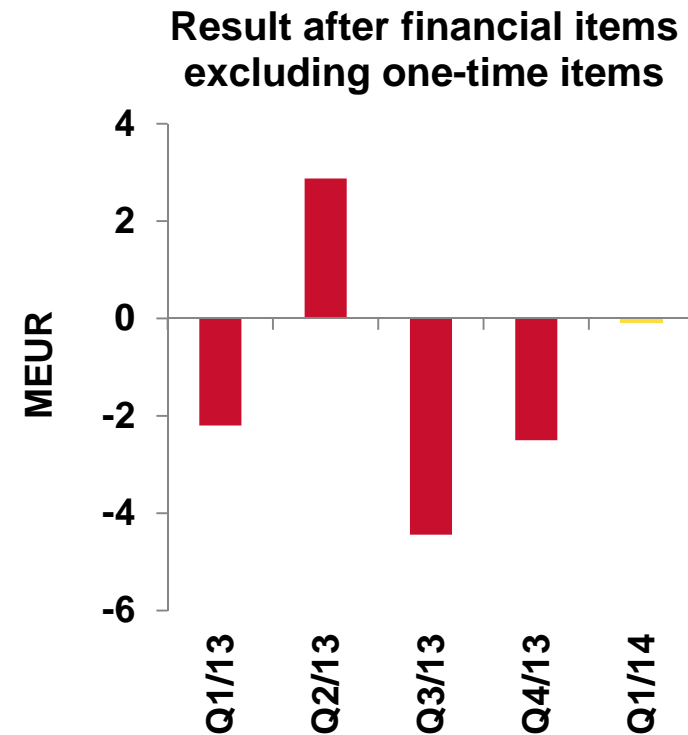
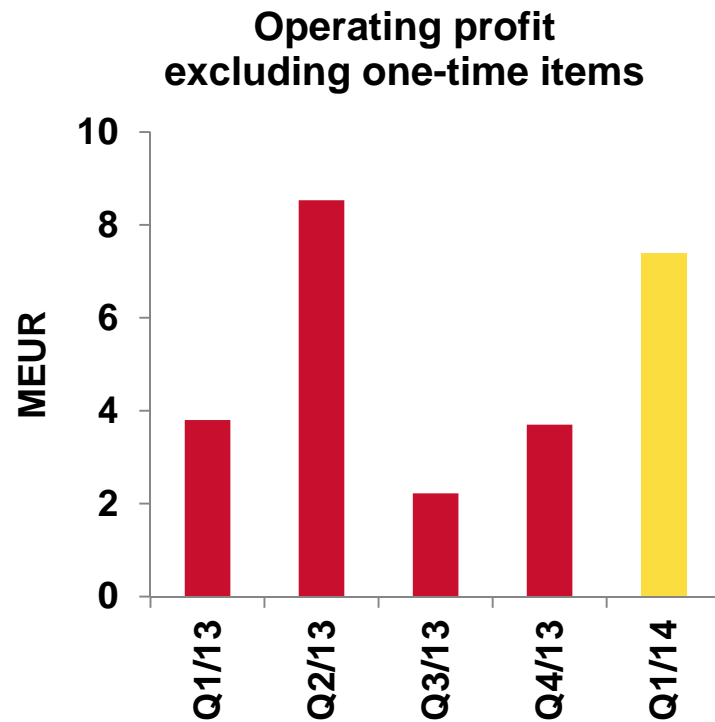
Quarterly development of net sales 2010 - Q1 2014



Analysis of changes in income statement excluding one-time items

MEUR	Q1 2014	Q1 2013	Change
Net sales	131.9	127.7	+3%
Value of production	135.9	130.4	+4%
Materials	-55.0	-53.9	+2%
Direct wages and external services	-28.5	-29.0	-2%
Other variable and fixed costs	-40.3	-39.3	+3%
Total costs	-123.8	-122.2	+1%
EBITDA	12.1	8.2	+48%

Quarterly operating profit and result after financial items excluding one-time items



Key ratios

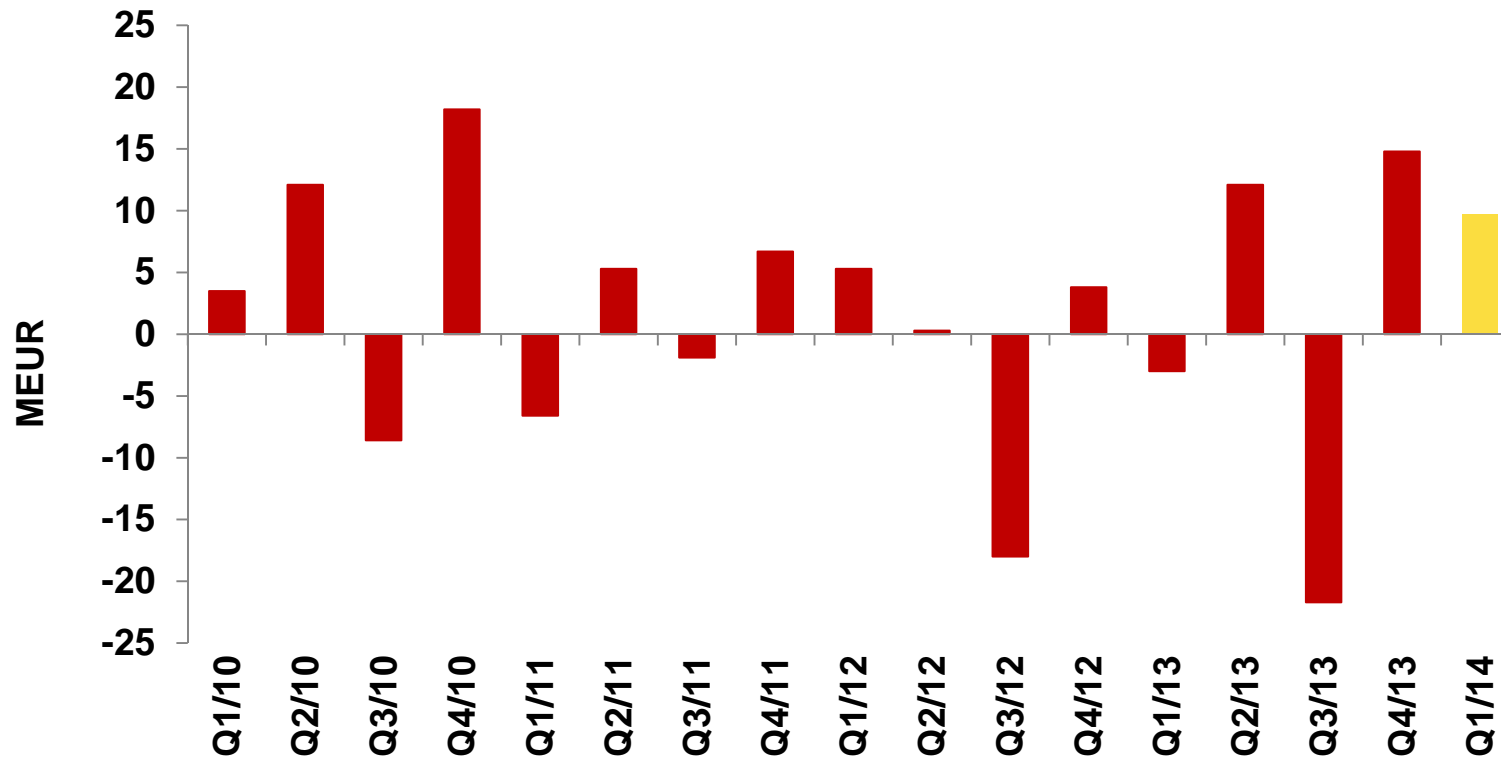
MEUR	31.3.2014	31.3.2013	31.12.2013
Equity ratio, %	18.0	15.9	18.9
Return on equity, excluding one-time items, %	-2.9	-7.2	-12.8
Return on equity, %	-6.4	-9.7	-18.6
Return on investment, excluding one-time items, %	9.5	4.9	5.9
Return on investment, %	8.5	4.4	4.9
Net interest bearing debt, MEUR	223	248	230
Net gearing, %	267	330	270
Investments in production facilities, MEUR	4.0	3.4	18.9
Personnel at the end of period, including leased personnel	4,512	4,313	4,431



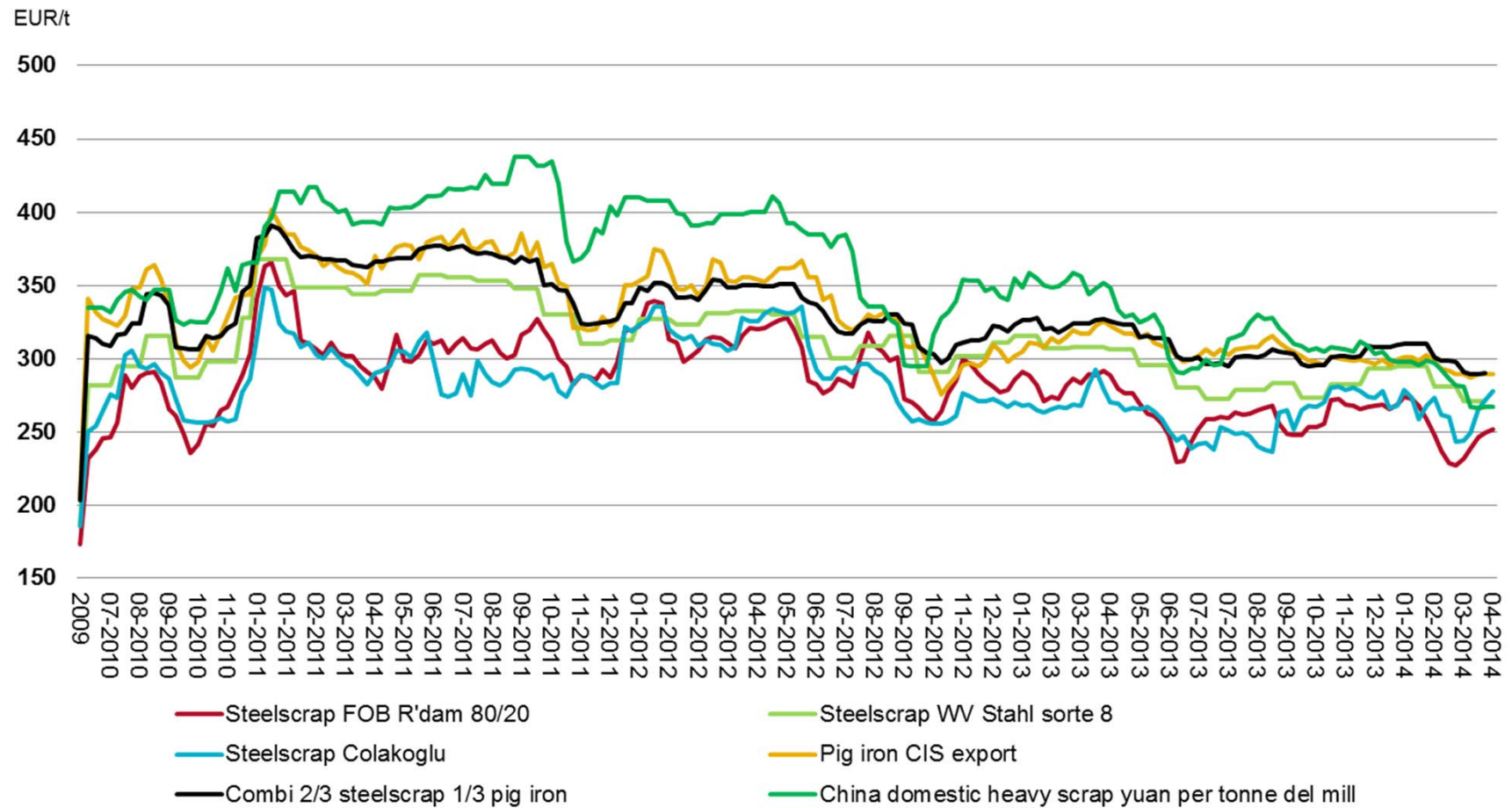
Cash flow statement

MEUR	Q1 2014	Q1 2013
Cash flow from operations before change in net working capital, financing and taxes	11.2	6.8
Change in net working capital	5.0	-4.1
Cash flow from operations before financing and taxes	16.2	2.8
Cash flow from operations	9.7	-3.0
Cash flow from investments	-1.0	-3.8
Cash flow from financing activities	-5.6	-1.6
Change in liquid assets	3.0	-8.5

Development of cash flow from operations



Pig iron and steel scrap indexes



Sources: Reuters Metal Bulletin, WV Stahl

Development of exchange rates Turkish lira

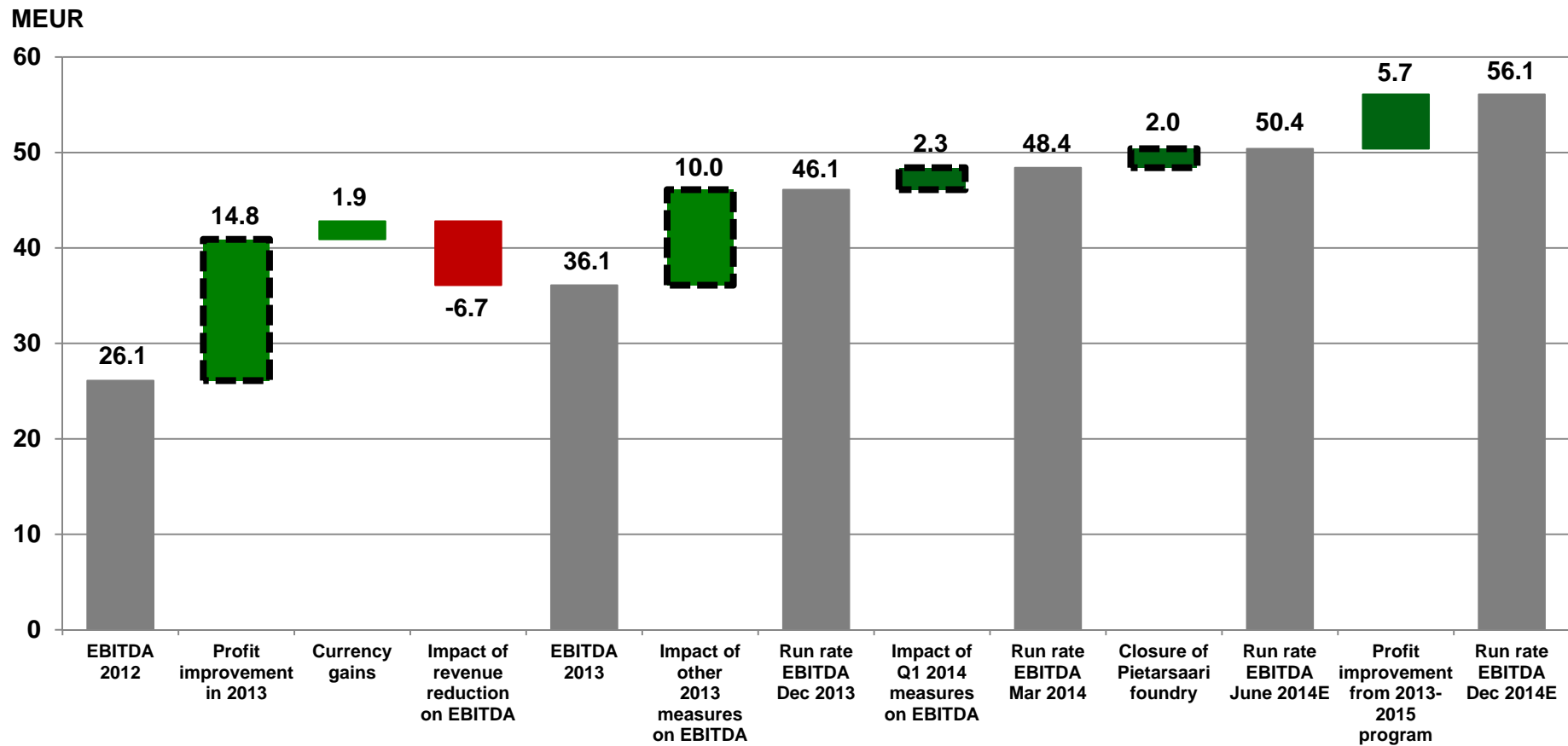


Source: Reuters



EFFICIENCY IMPROVEMENT PROGRAM

Achieved run rate improvement of MEUR 29 in EBITDA in Q1 2014

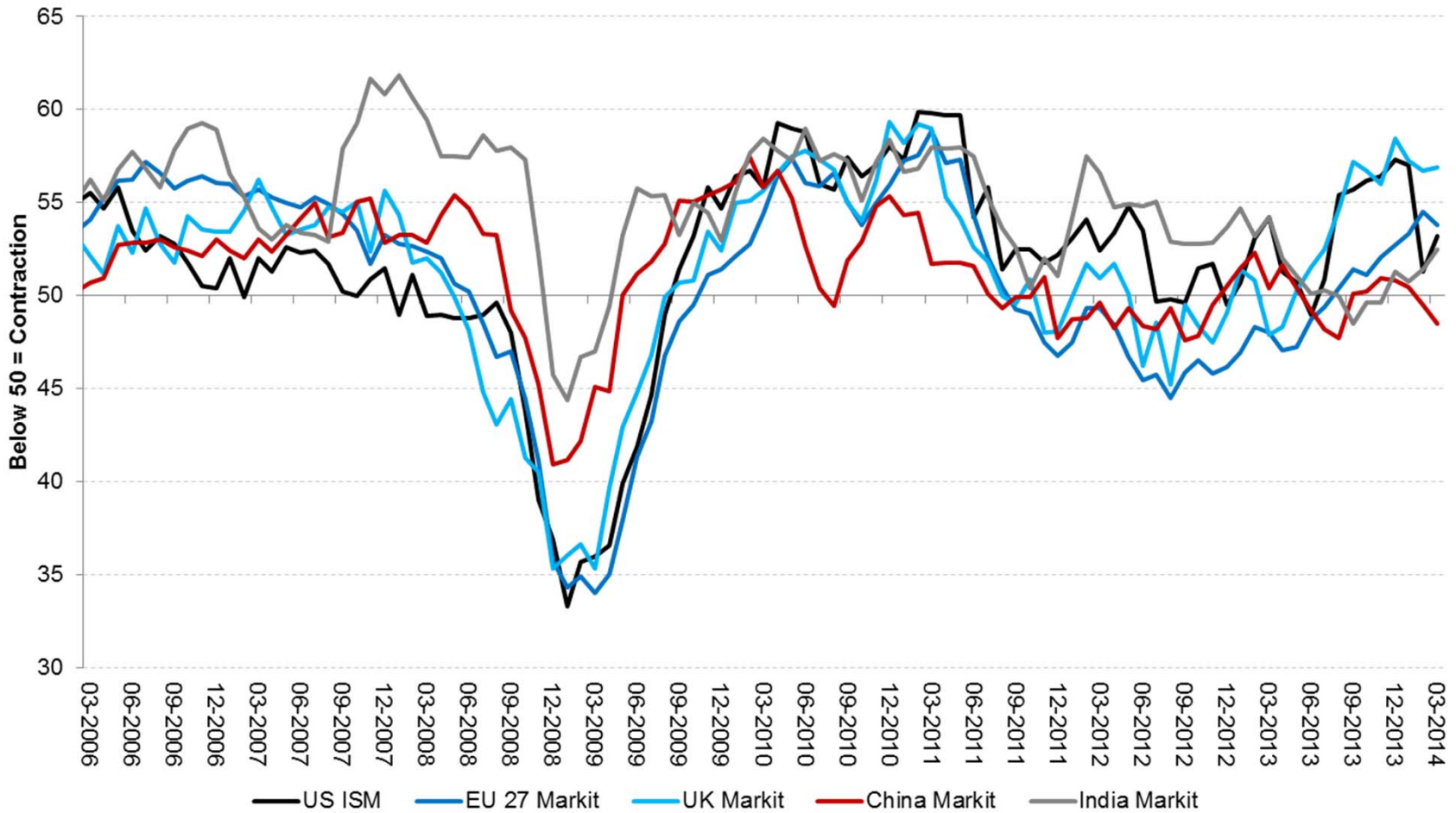


Note! Year 2014 estimates do not include volume neither currency rate changes.

A woman with short brown hair, wearing a dark blue blazer over a light blue button-down shirt, stands in a red-tinted office. She is smiling and holding a silver laptop under her left arm, with her right hand on her hip. The background features a red wall with a framed picture and a window with blinds. The text 'INDICATORS OF ECONOMY' is overlaid in white on the left side of the image.

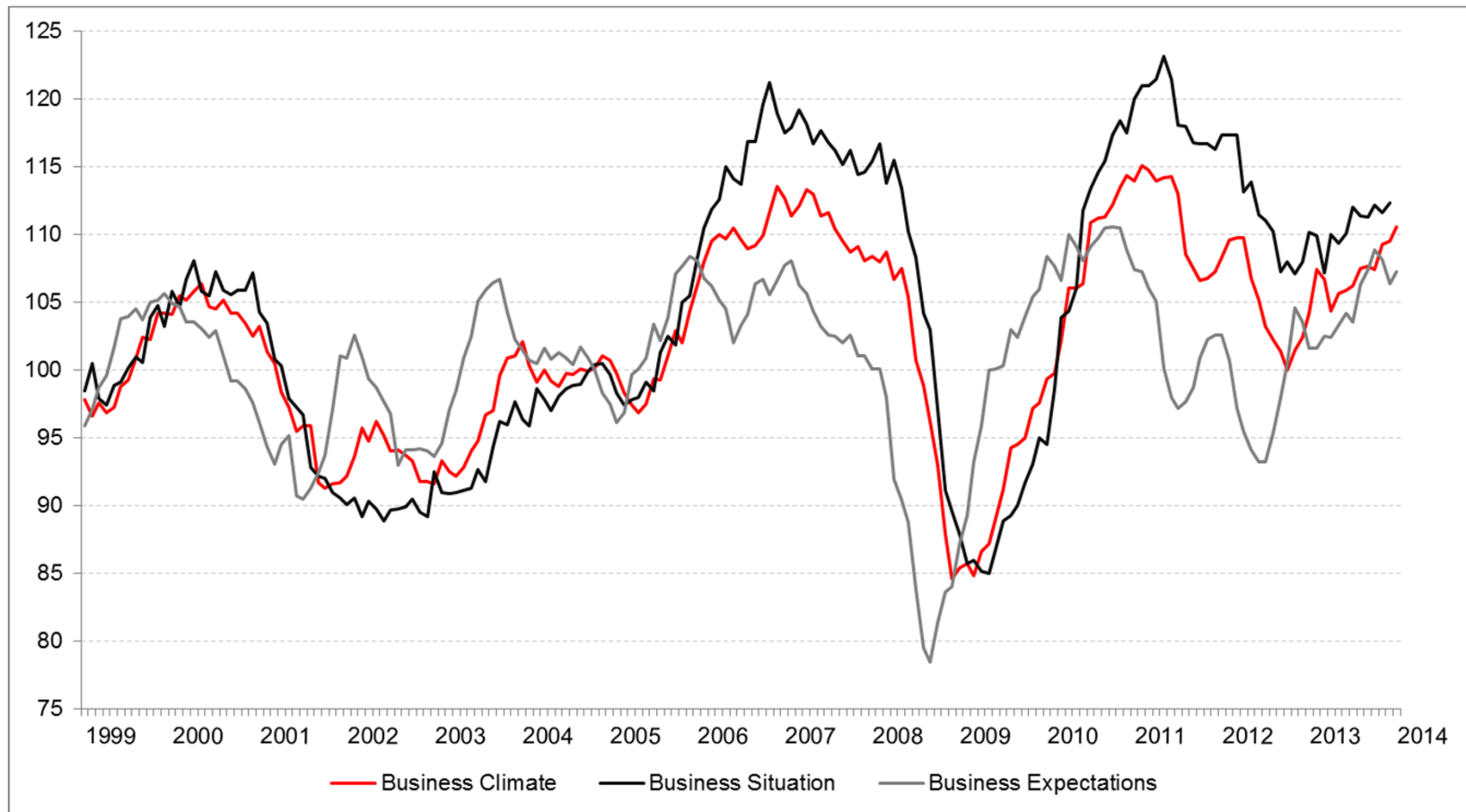
INDICATORS OF ECONOMY

Manufacturing Purchasing Manager Indices



Source: Reuters

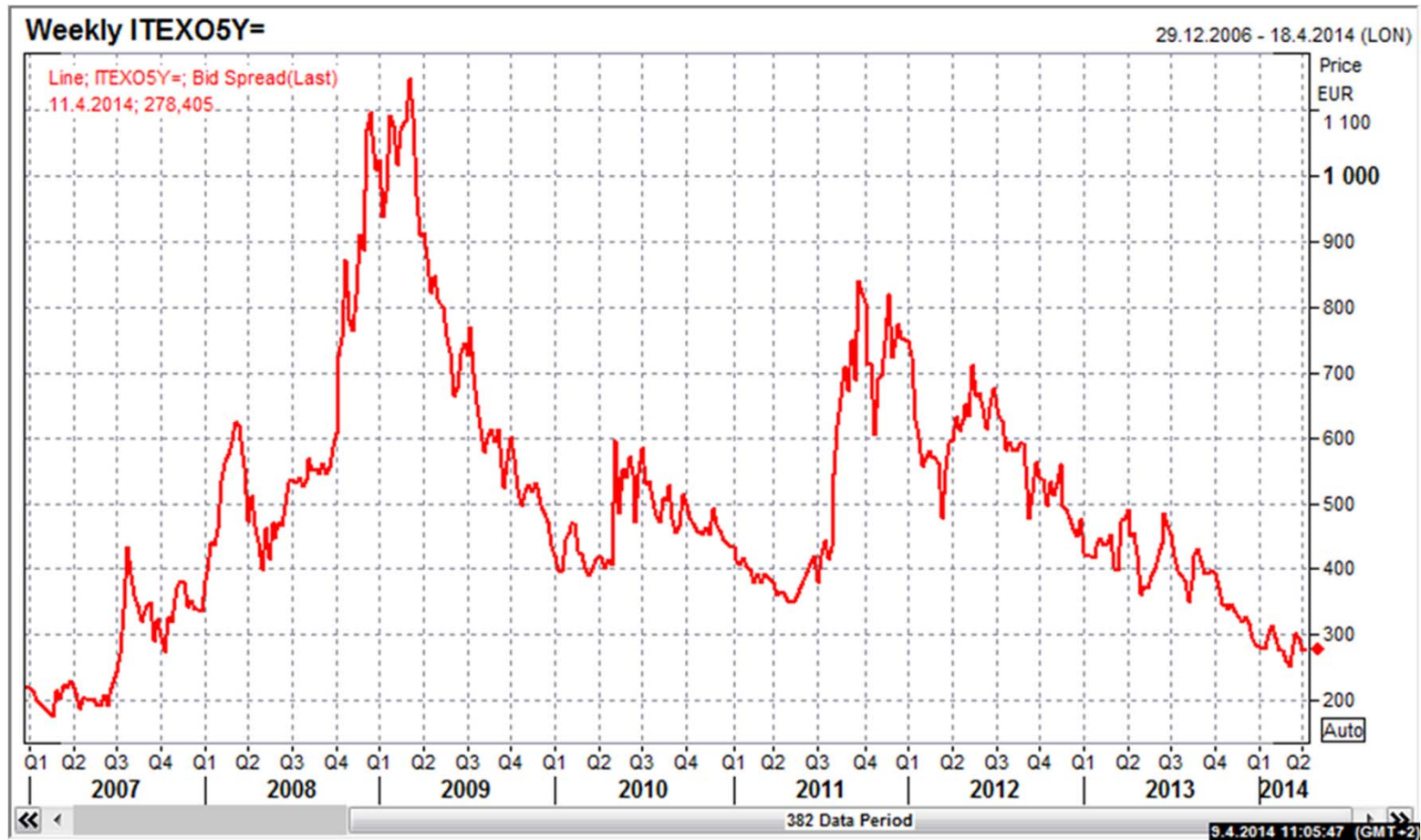
IFO expectations



Source: IFO



CDS Index



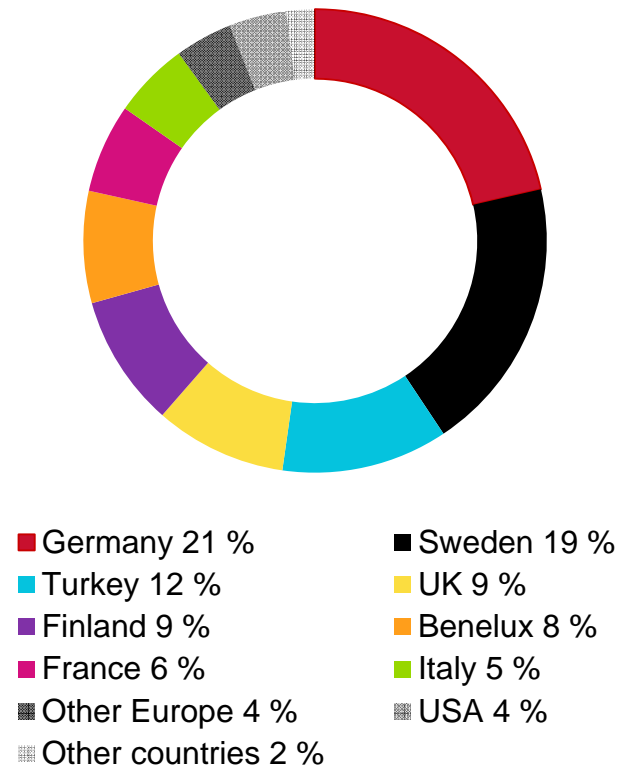
Source: Reuters

A man and a woman in business attire are looking at a laptop in a red-walled office. The man is on the left, wearing a dark suit, light blue shirt, and patterned tie. The woman is on the right, wearing a dark blazer over a white shirt. They are both looking at the laptop screen. The background is a solid red wall with a framed picture on the left and a window with blinds on the right.

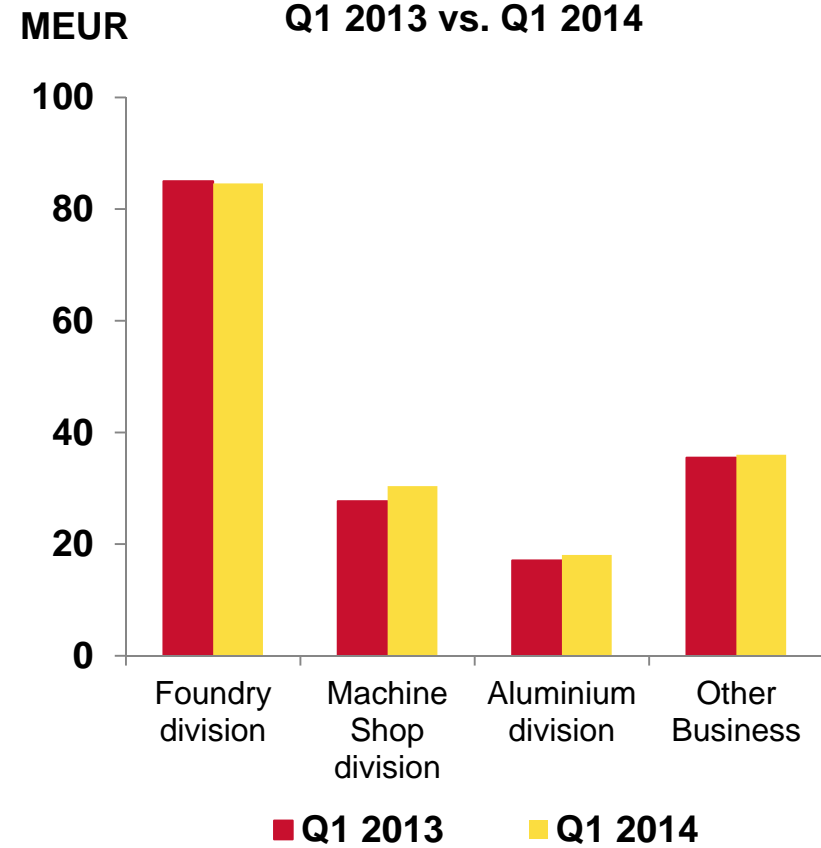
DEVELOPMENT OF SALES AND ORDER BOOK

Sales distribution Q1 2014

Sales by market area Q1 2014

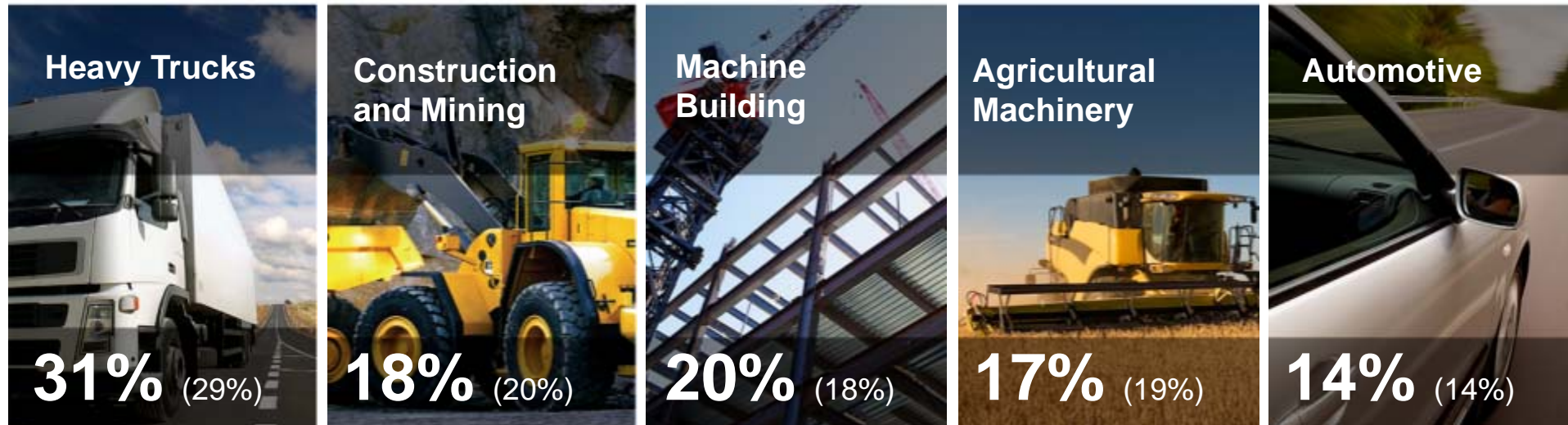


Sales by business segment *)
Q1 2013 vs. Q1 2014



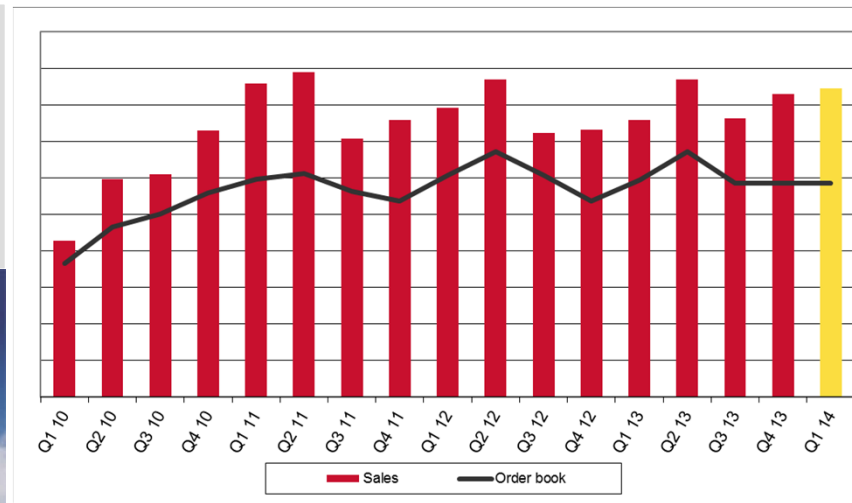
*) Figures excluding internal eliminations

Sales by customer industry Q1 2014



Development of sales and order book in Heavy Trucks industry

Order book
Q1 2014 vs. Q1 2013
-1%



Sales to

Heavy Trucks industry

Q1 2014 vs. Q1 2013

+10%

Development of supply chain in Heavy Trucks industry compared to previous year

Componenta's deliveries to heavy trucks industry in Q1/2014 vs. Q1/2013

+10%



Volvo Group's deliveries to distributors in Europe Q1/2014 vs. Q1/2013

+9%

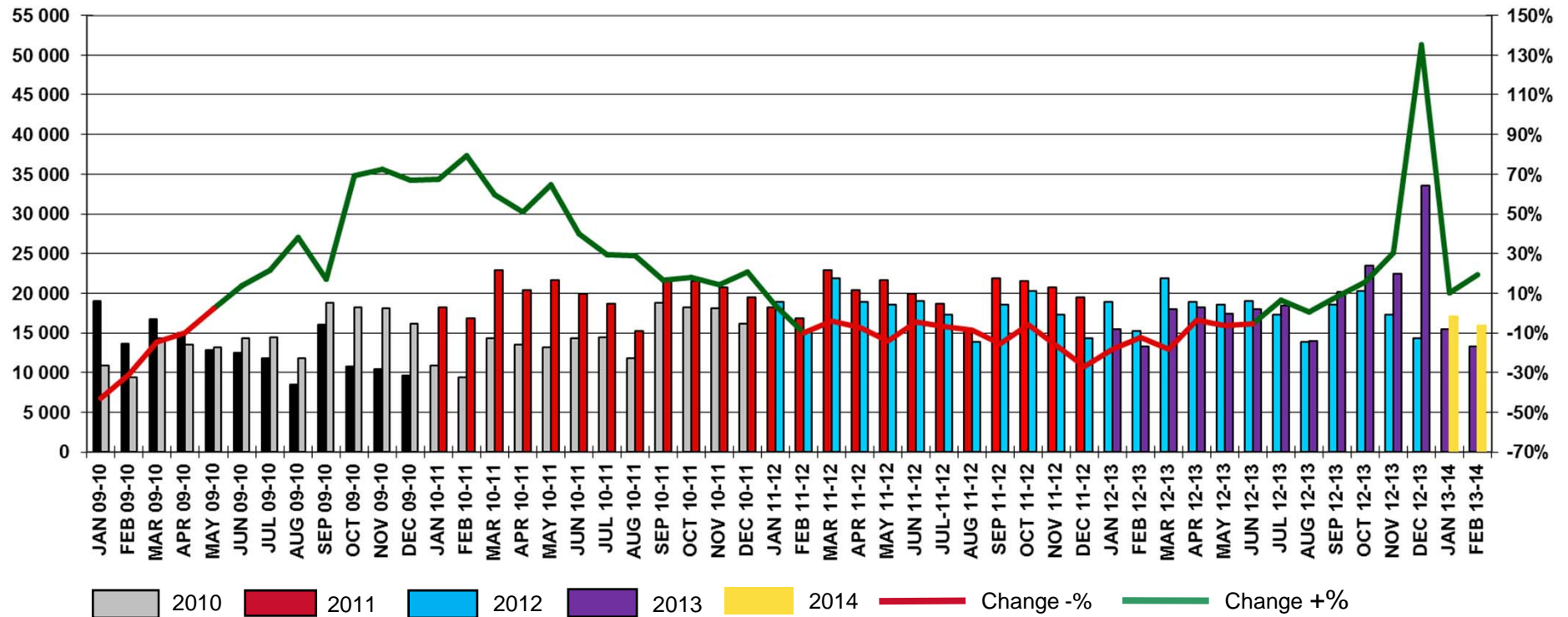


Registrations of new heavy trucks in Europe 1-2/2014 vs. 1-2/2013

+14%

Sources: Volvo website, ACEA

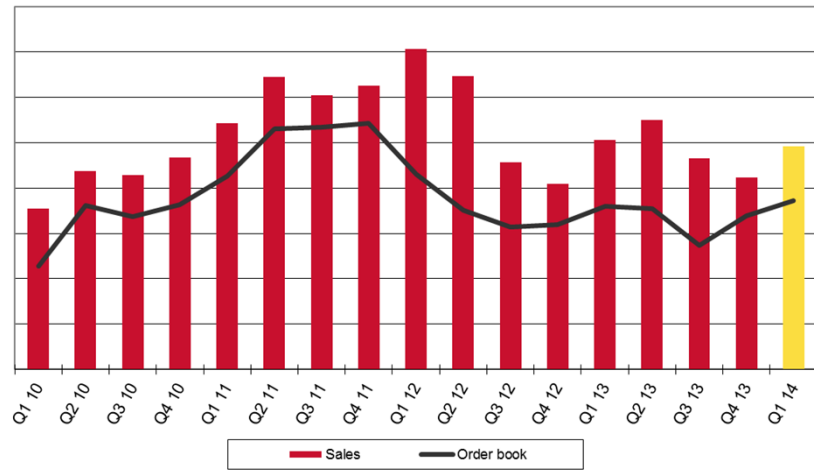
Registrations of new heavy trucks in Europe (EU27)



Source: ACEA

Development of sales and order book in Construction and Mining industry

Order book
Q1 2014 vs. Q1 2013
+3%



Sales to

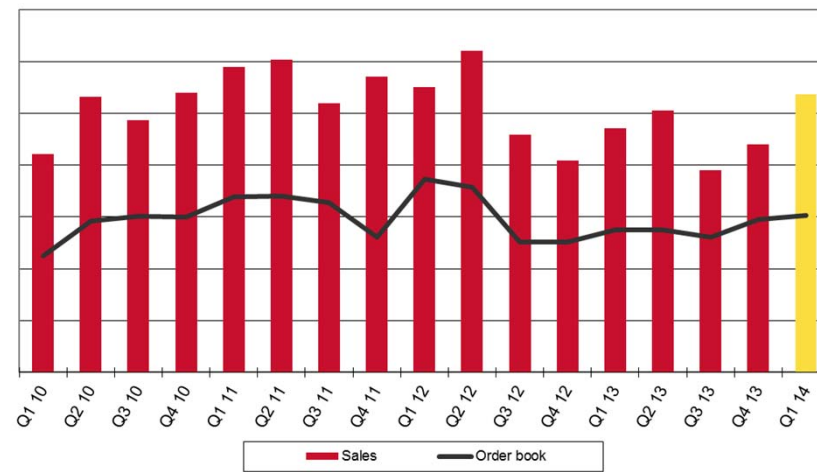
Construction and Mining industry

Q1 2014 vs. Q1 2013

-5%

Development of sales and order book in Machine Building industry

Order book
Q1 2014 vs. Q1 2013
+10%



Sales to

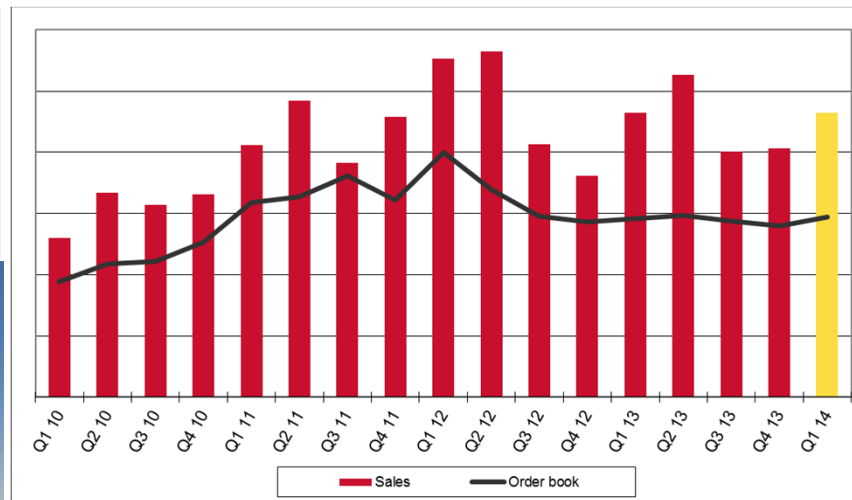
Machine Building industry

Q1 2014 vs. Q1 2013

+12%

Development of sales and order book in Agricultural Machinery industry

**Order book
Q1 2014 vs. Q1 2013
+1%**



Sales to

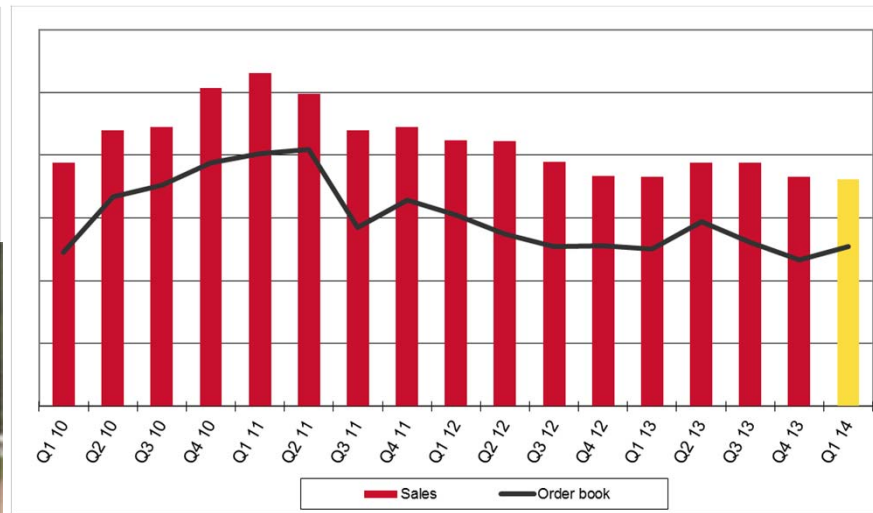
Agricultural Machinery industry

Q1 2014 vs. Q1 2013

-2%

Development of sales and order book in Automotive industry

**Order book
Q1 2014 vs. Q1 2013
+2%**



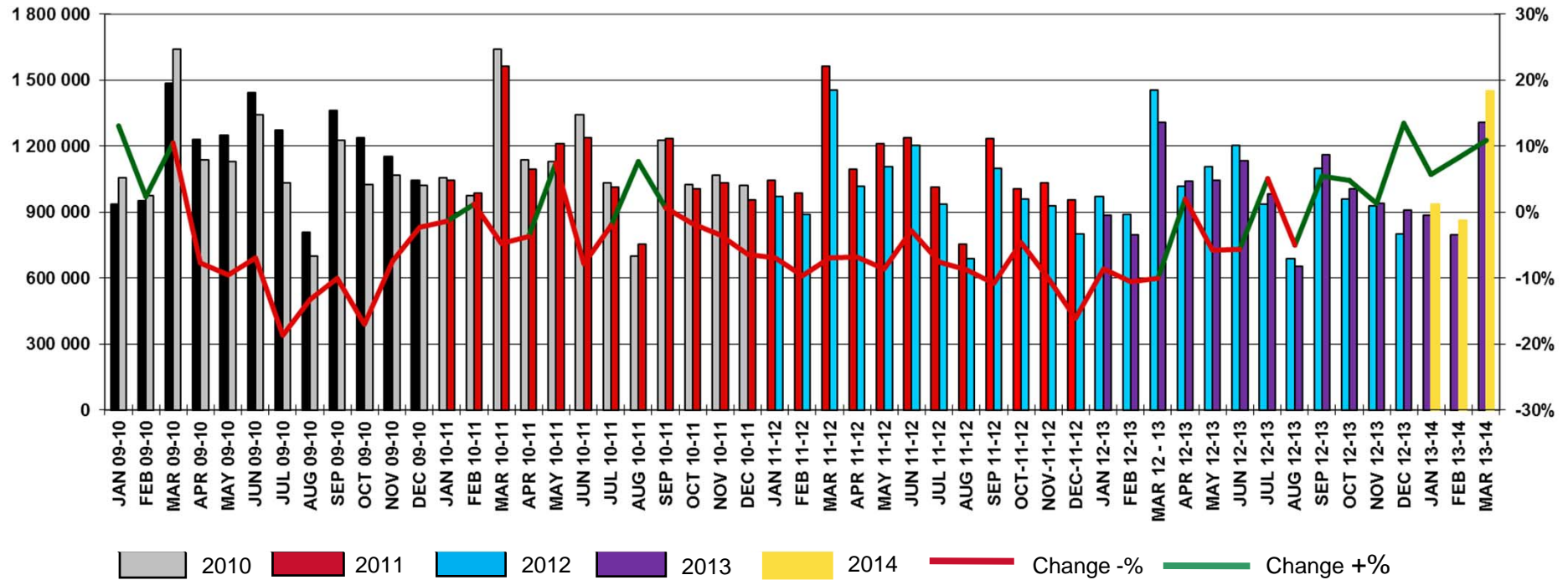
Sales to

Automotive industry

Q1 2014 vs. Q1 2013

-3%

Registrations of new passenger cars in Europe (EU27)

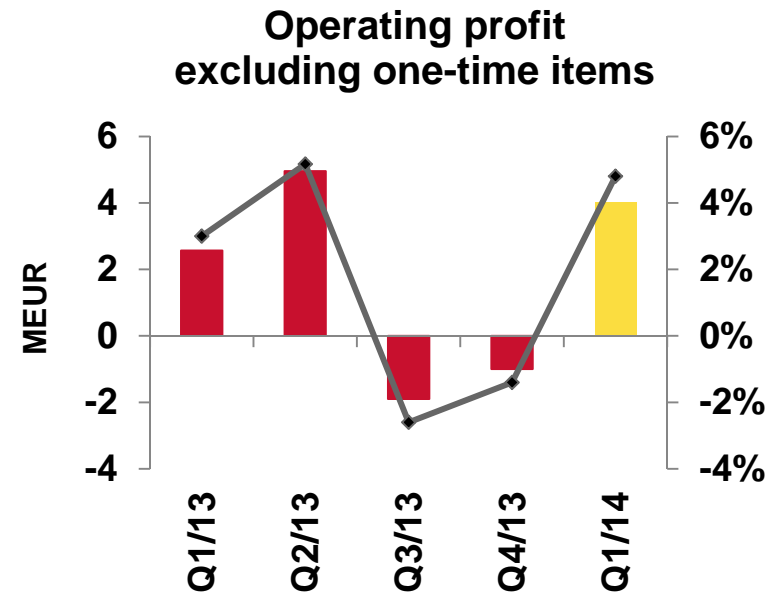
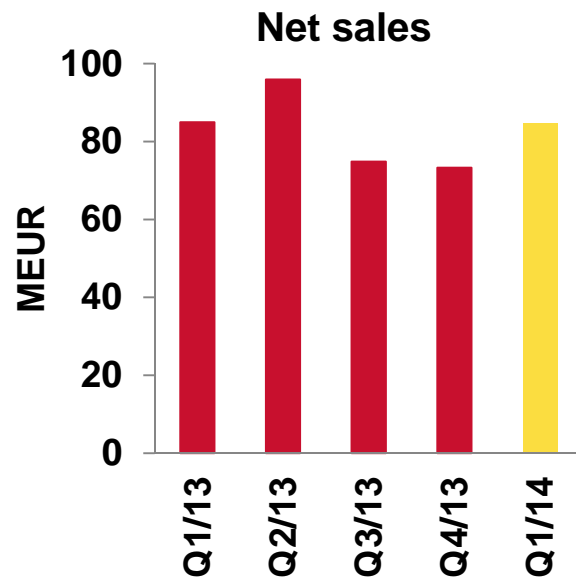


Source: ACEA

A photograph of three men in a factory setting, overlaid with a red tint. The man on the left is wearing a blue and black work vest and is pointing at a red 3D printed part held by the man in the center. The man in the center is wearing a white button-down shirt and jeans, smiling. The man on the right is wearing a dark blue work jacket and is looking at the part. The background shows industrial machinery and a large door.

DEVELOPMENT OF BUSINESS SEGMENTS

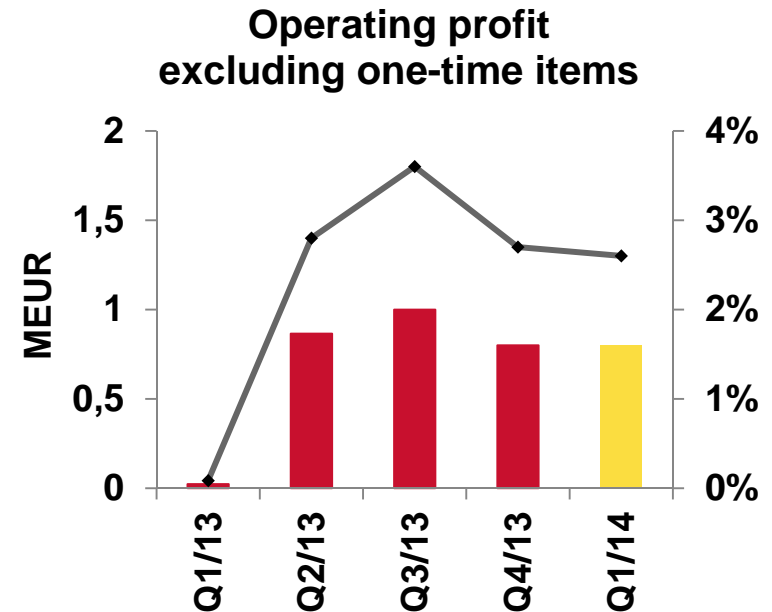
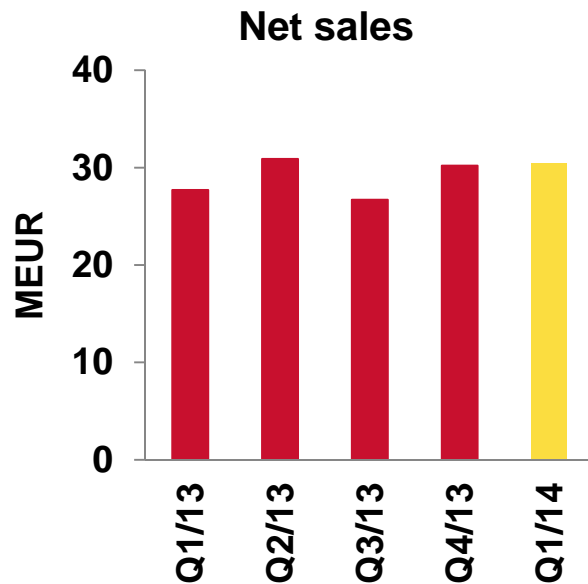
Development of Foundry Division



MEUR	Q1 2014	Q1 2013	Change
Order book	55.3	58.7	-6%
Net sales	84.6	85.0	-0%
Operating profit	4.0	2.6	+55%
Personnel avg.	2,843	2,822	+1%

- Net sales of the Foundry division stayed flat compared to the previous year.
- Operating profit improved 55% from the previous year due to more efficient production and gained cost savings.

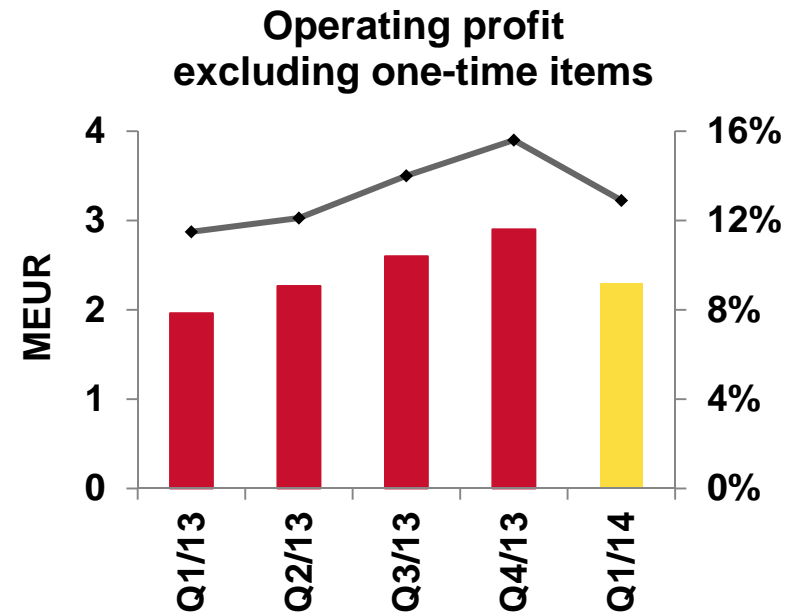
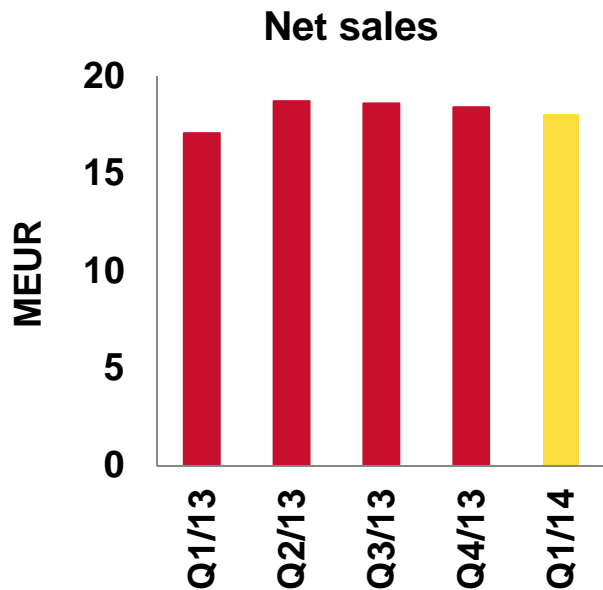
Development of Machine Shop Division



MEUR	Q1 2014	Q1 2013	Change
Order book	23.2	20.4	+13%
Net sales	30.4	27.7	+10%
Operating profit	0.8	0.0	n/m
Personnel avg.	374	369	+1%

- Net sales of the Machine Shop division increased 10% from the previous year.
- Operating profit improved by 0.8 MEUR from the previous year due to higher volumes and gained cost savings.

Development of Aluminium Division



MEUR	Q1 2014	Q1 2013	Change
Order book	14.1	12.4	+14%
Net sales	18.1	17.1	+6%
Operating profit	2.3	2.0	+19%
Personnel avg.	819	678	+21%

- Net sales of the Aluminium division increased 6% from the previous year.
- Operating profit improved 19% from previous year due to higher volumes.

A man with a short haircut, wearing a light blue button-down shirt, stands in a hallway with red walls and ceiling. He is holding a tablet in his left hand and pointing at it with his right hand. The hallway has a door and a potted plant in the background.

PROSPECTS 2014

Business environment 2014



At the end of first quarter the order book for Componenta's Heavy Trucks customer industry was **1% lower** than in the previous year.

Demand for heavy trucks in Europe is expected to decrease in 2014.

Componenta's sales to heavy trucks customer segment is expected to stay similar to last year or to increase due to the growing market share.

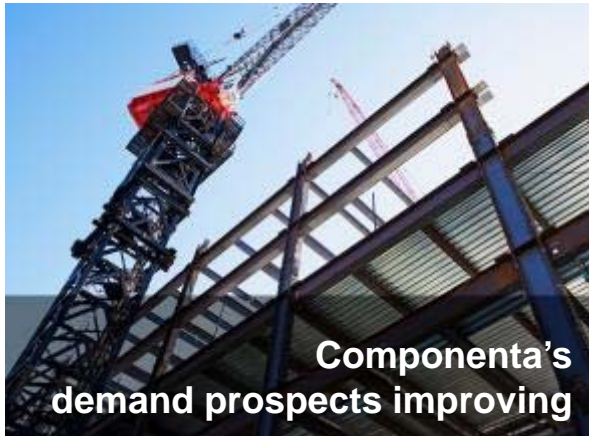


The order book for Componenta's Construction and Mining customer industry was **3% higher** at the end of first quarter than at the same time in the previous year.

Demand is expected to remain at the same level as in the previous year.

Customers reduced their stocks during 2012 and 2013 due to weaker prospects in particular for mining machinery industry. Demand prospects for Componenta are stable due to higher demand from end customers.

Business environment 2014



Componenta's demand prospects improving

The order book for Componenta's Machine building customer segment was **10% higher** at the end of first quarter than at the same time in the previous year.

Componenta's sales to machine building customer segment are expected to increase in 2014.



Componenta's demand prospects stable

The order book for Componenta's Agricultural machinery customer sector was **1% higher** at the end of first quarter than at the same time in the previous year.

Demand for agricultural machinery is expected to remain stable in 2014.

Componenta's sales to agricultural machinery customer sector is expected to remain at the same level as in the previous year or to increase due to growing market share.



Componenta's demand prospects stable

The order book for Componenta's Automotive customer sector was **2% higher** at the end of first quarter than at the same time in the previous year.

In 2014, the market is expected to improve from the previous year.

Componenta's sales are expected to stay similar to last year or to increase in 2014.



Prospects for Componenta in 2014

- The prospects for Componenta in 2014 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 was 4% higher level than at year end 2013 and was EUR 91 (87) million.
- In consequence of the structural efficiency measures being carried out, the operating profit for the full year excluding one-time items is expected to improve from the previous year.

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