

Casting Future **SOLUTIONS**

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Componenta Corporation Interim report 1 January - 30 June 2011

Heikki Lehtonen
President and CEO

15 July 2011



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Q1-Q2/2011 briefly

MEUR	2011	2010	Change
	Q1-Q2	Q1-Q2	
Order book	111	84	33%
Net sales	301	209	44%
Operating profit, excluding one-time items	19.2	4.3	346%
Financial income and expenses	-11.9	-12.1	-2%
Result after financial items, excluding one-time items	7.3	-7.8	n/m
One-time items	-3.1	0.0	n/m
Net result	3.3	-5.7	n/m
Earnings/share, excluding one-time items, EUR	0.29	-0.33	n/m
Cash flow from operations	-1.3	15.6	n/m
Capacity utilization rate	74%	54%	31%

- **Unused committed credit facilities and cash in bank at the end of review period were MEUR 57.**

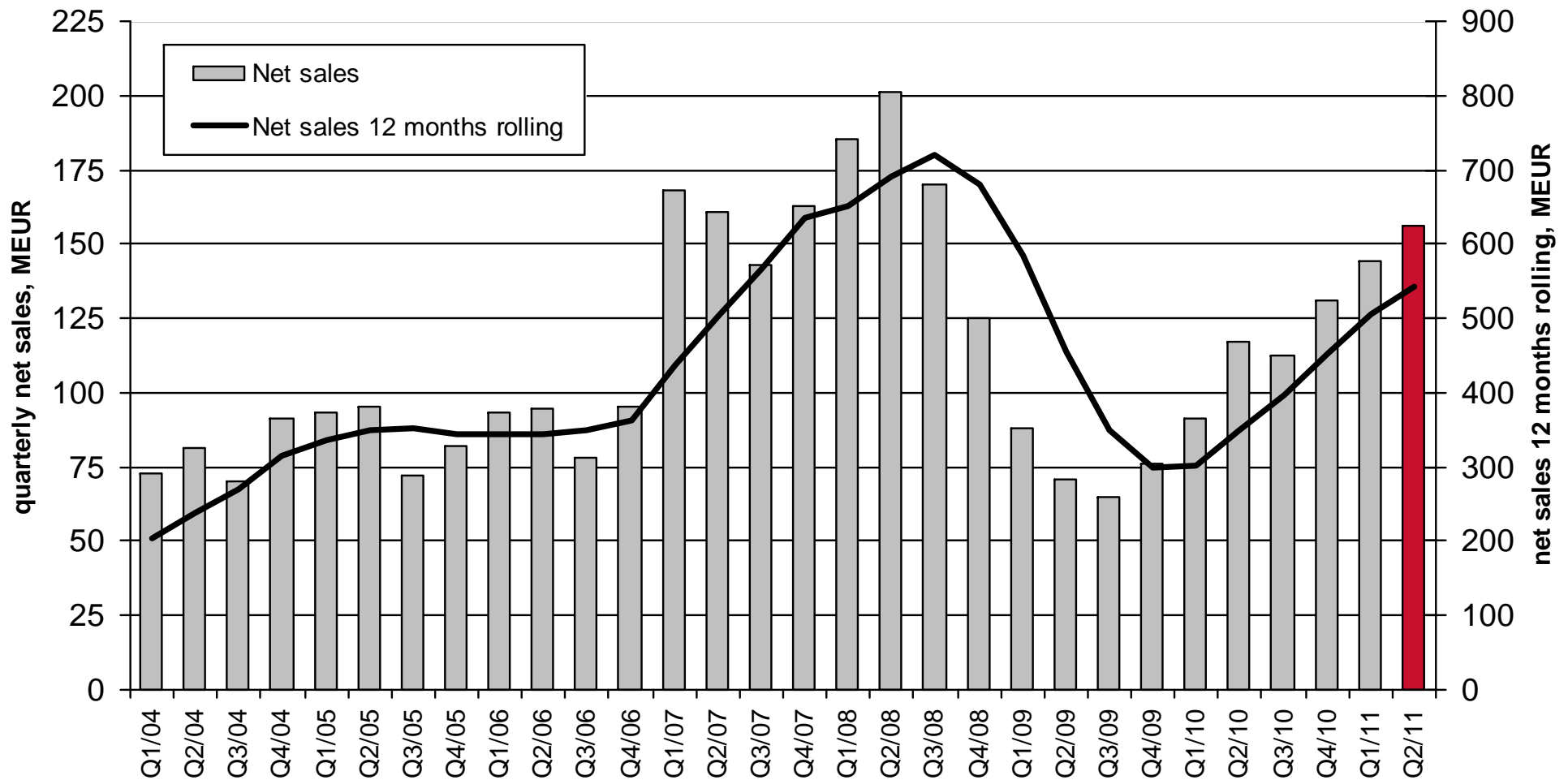
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Q2/2011 briefly

MEUR	2011	2010	Change
	Q2	Q2	
Net sales	156.5	117.3	33%
Operating profit, excluding one-time items	10.7	4.0	170%
Financial income and expenses	-6.6	-6.2	7%
Result after financial items, excluding one-time items	4.1	-2.2	n/m
One-time items	-0.6	0.0	n/m
Net result	2.5	-1.6	n/m
Earnings/share, excluding one-time items, EUR ,	0.16	-0.10	n/m
Cash flow from operations	5.3	12.1	-57%
Capacity utilization rate	76%	58%	31%

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Quarterly net sales development 2004 – Q2/2011



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Key ratios

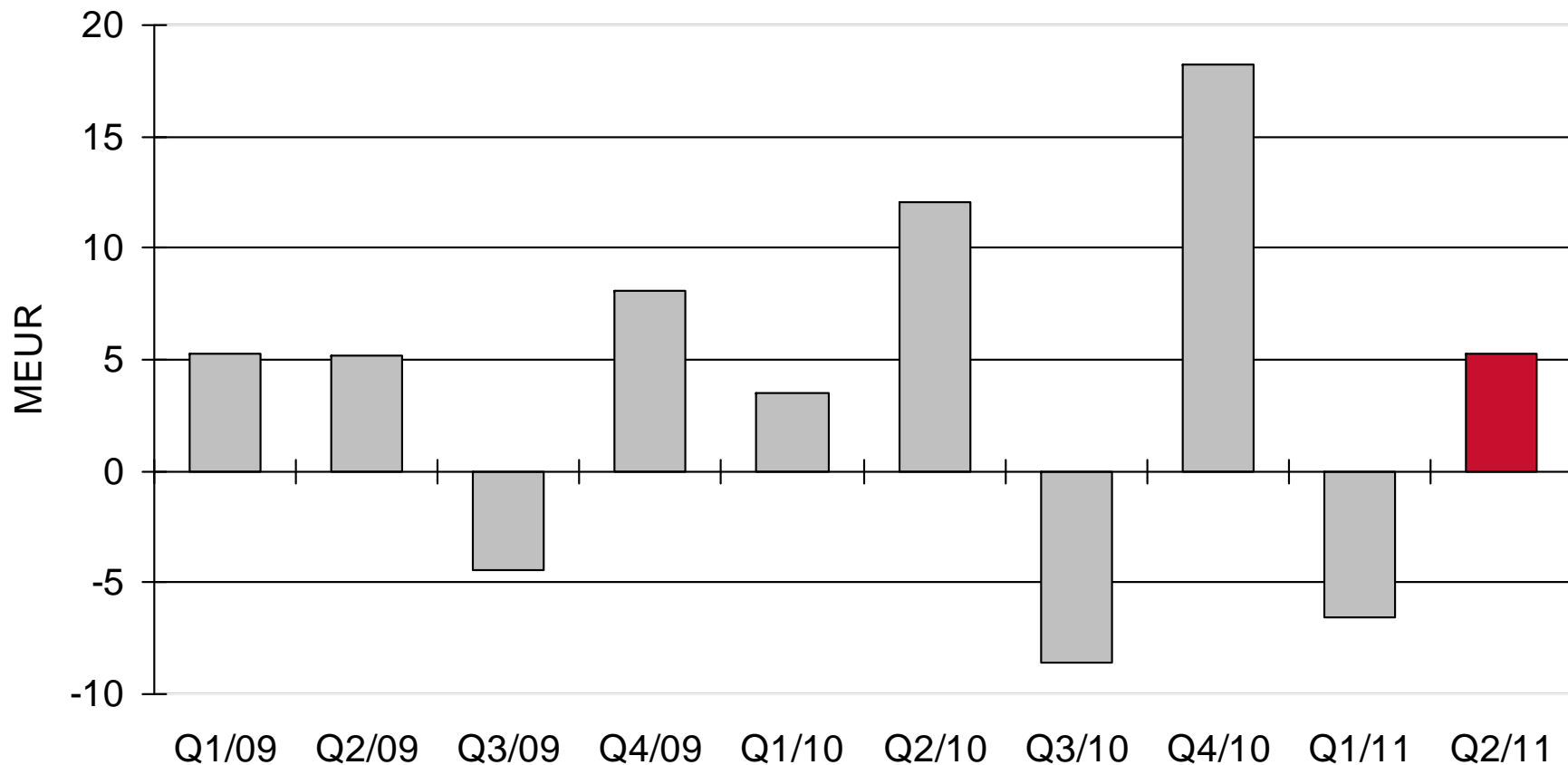
	30.6.2011	30.6.2010	31.12.2010
Equity ratio (preferred capital note in equity), %	22.5	24.5	26.4
Return on equity (excl. one-time items), %	18.7	-15.6	-10.2
Return on equity, %	10.7	-15.6	-10.3
Return on investment (excl. one-time items), %	13.1	3.4	5.0
Return on investment, %	11.1	3.4	5.0
Net interest bearing debt (preferred capital note in equity), MEUR	195.8	206.9	189.4
Net gearing (preferred capital note in equity), %	208.8	192.4	170.5
Order book, MEUR	111.2	83.6	94.6
Investments in production facilities, MEUR	7.4	3.4	8.5
Personnel at the end of period (incl. leased personnel)	4,815	4,261	4,414

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Cash flow statement

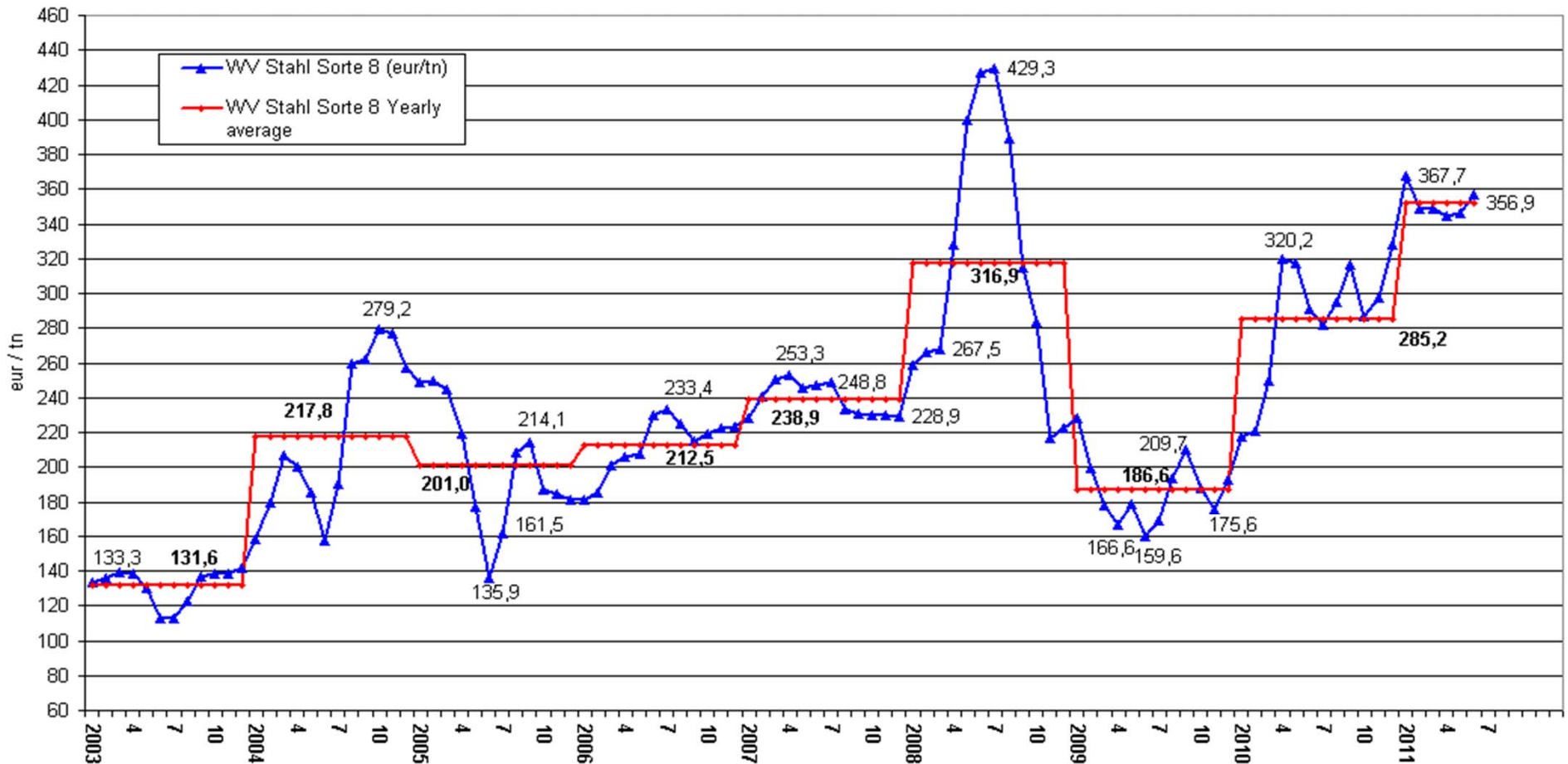
MEUR	2011 Q1-Q2	2010 Q1-Q2	2010 Q1-Q4
Cash flow from operations before change in net working capital, financing and taxes	27.5	14.5	31.3
Change in net working capital	-18.5	10.9	13.6
Cash flow from operations before financing and taxes	9.0	25.4	44.8
Net cash flow from operations	-1.3	15.6	25.2
Net cash flow from investing activities	-7.0	-5.5	-10.4
Net cash flow from financing activities	4.2	-3.5	-11.7
Change in liquid assets	-4.1	6.5	3.1

Development of net cash flow from operations



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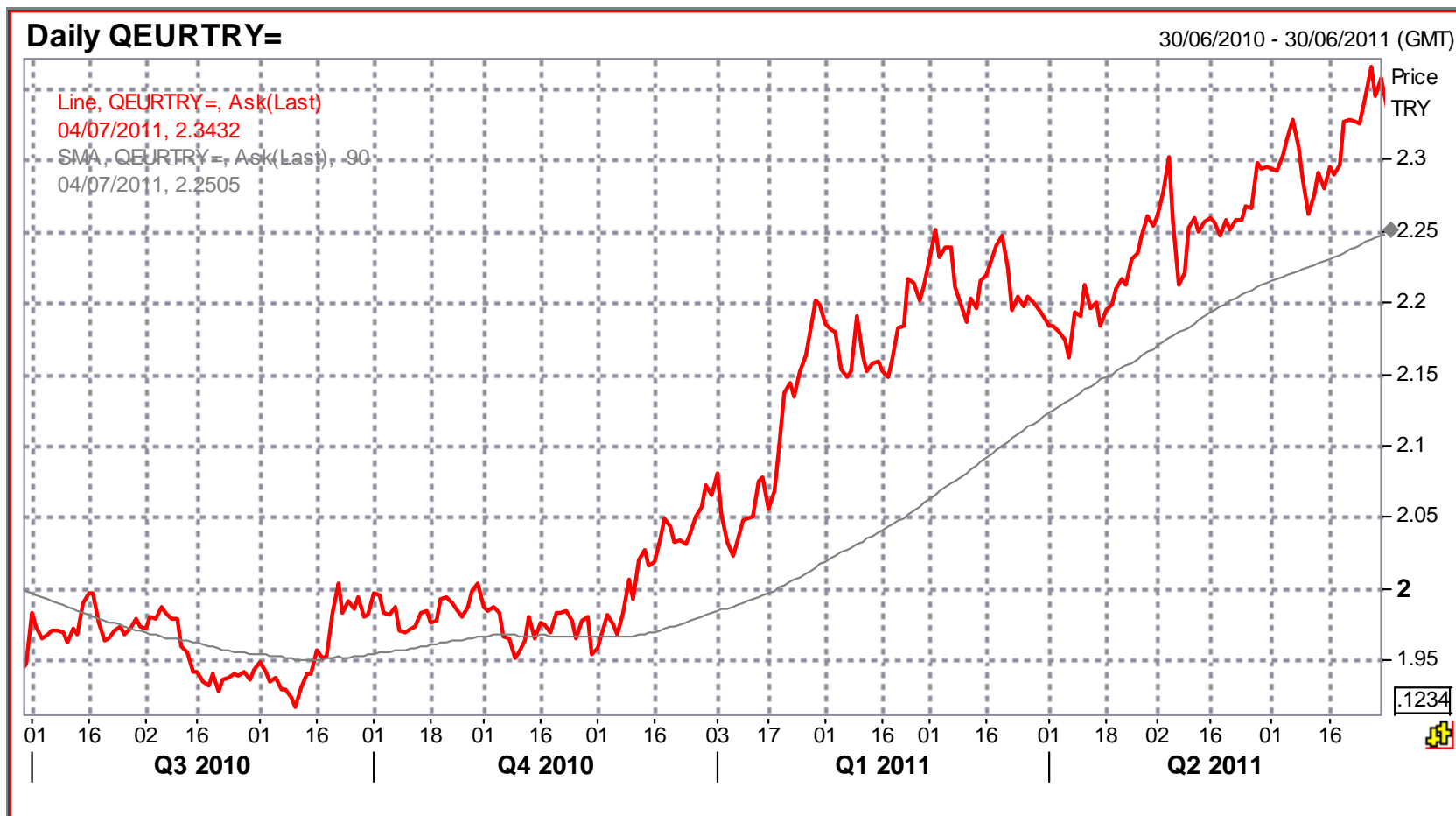
Wvstahl Sorte 8/package recycled metal (EUR/ton)



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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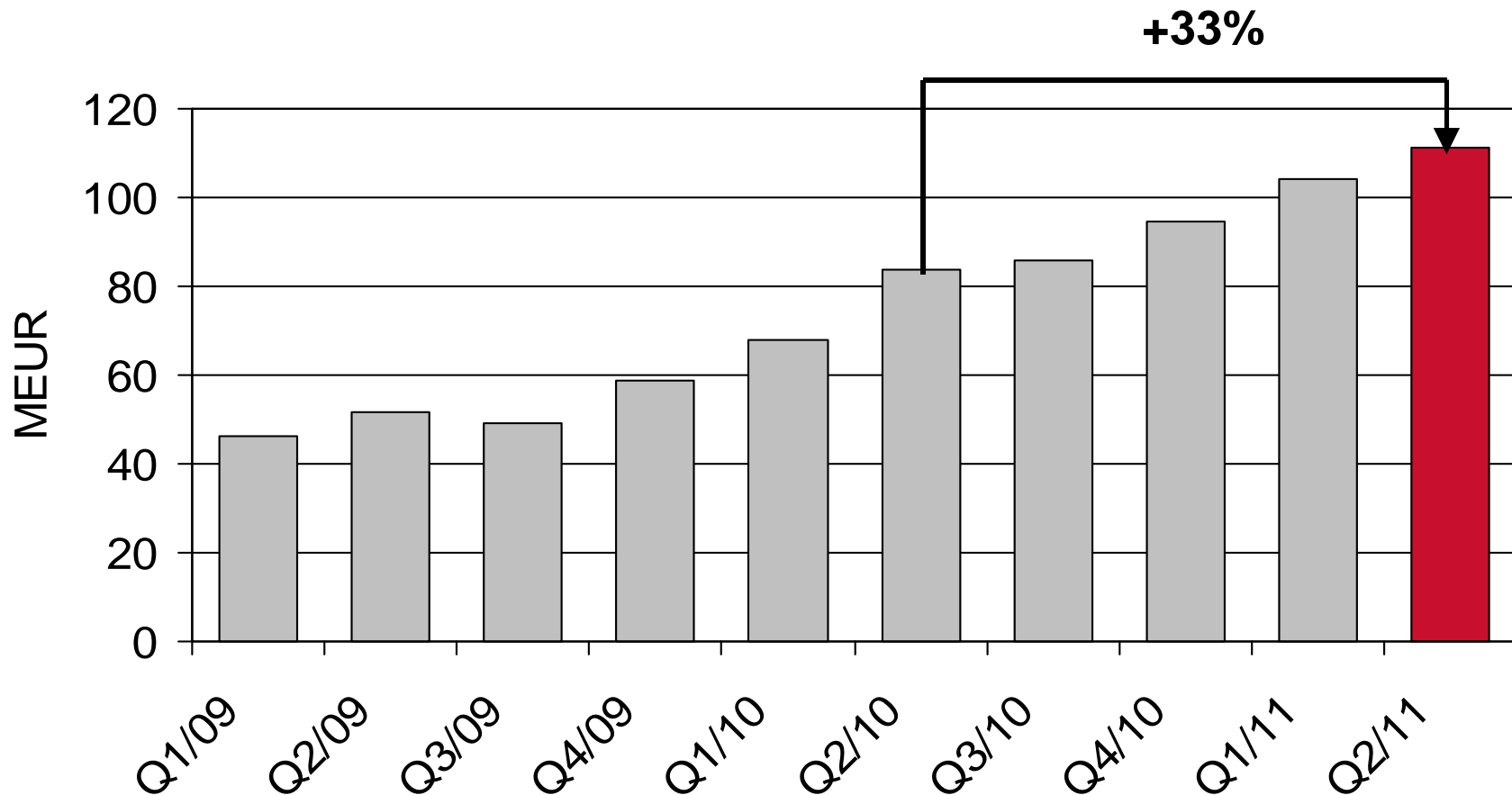
Development of exchange rates Swedish krona



Source: Reuters

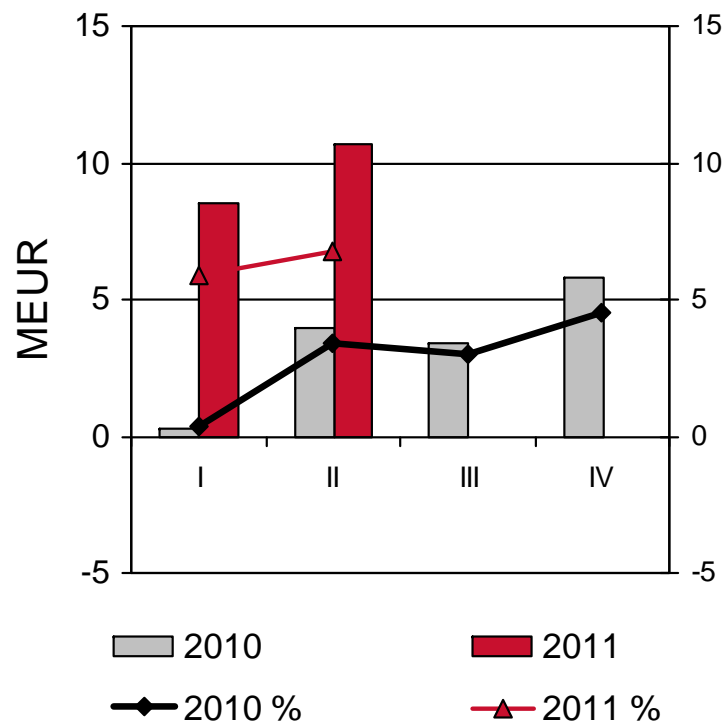
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Quarterly development of order book (incl. orders for coming two months)

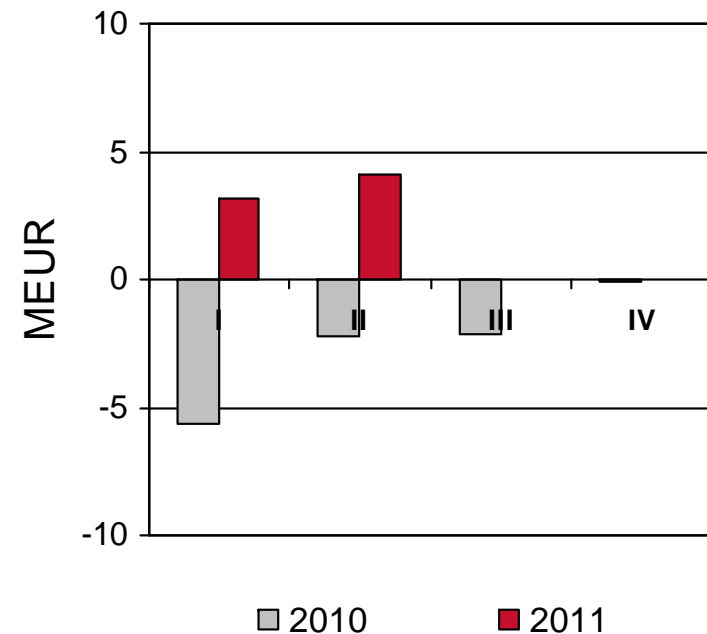


Quarterly operating profit and result after financial items excl. one-time items

Operating profit excluding one-time items

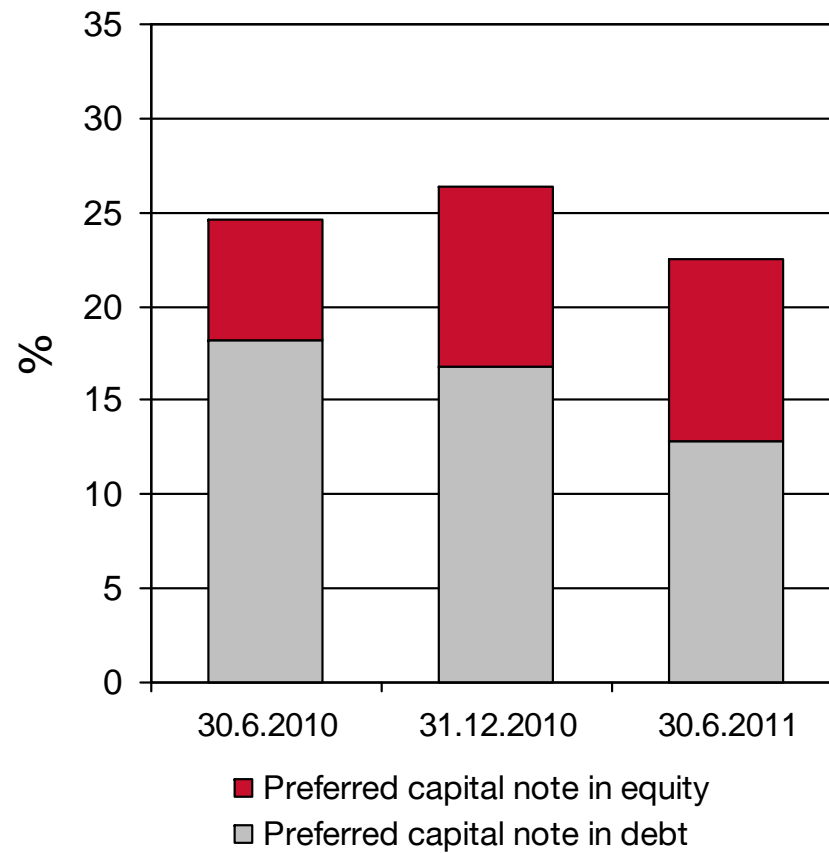


Result after financial items excluding one-time items



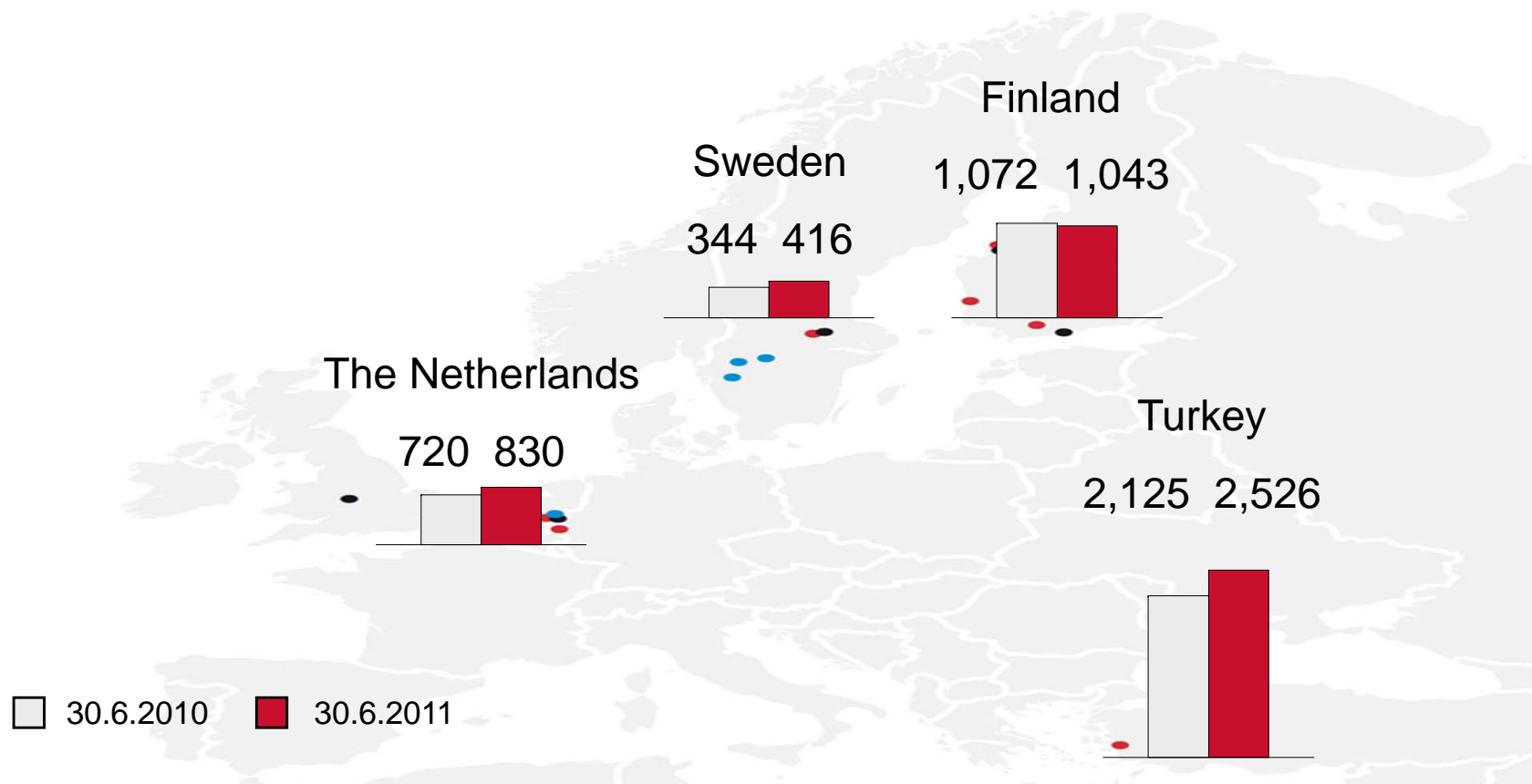
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Equity ratio



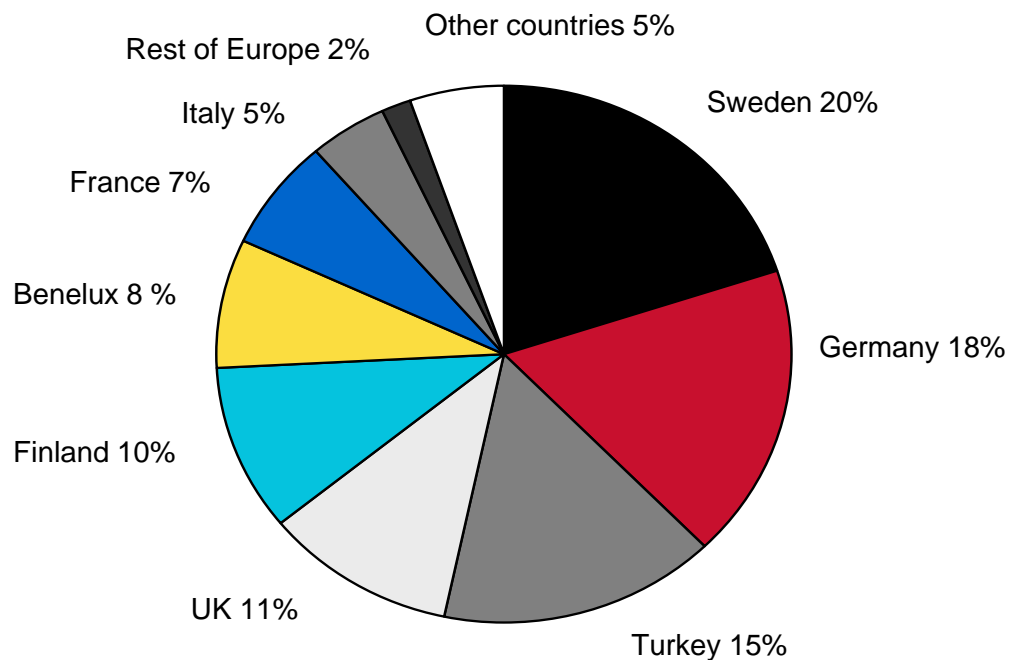
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Personnel by country including leased personnel

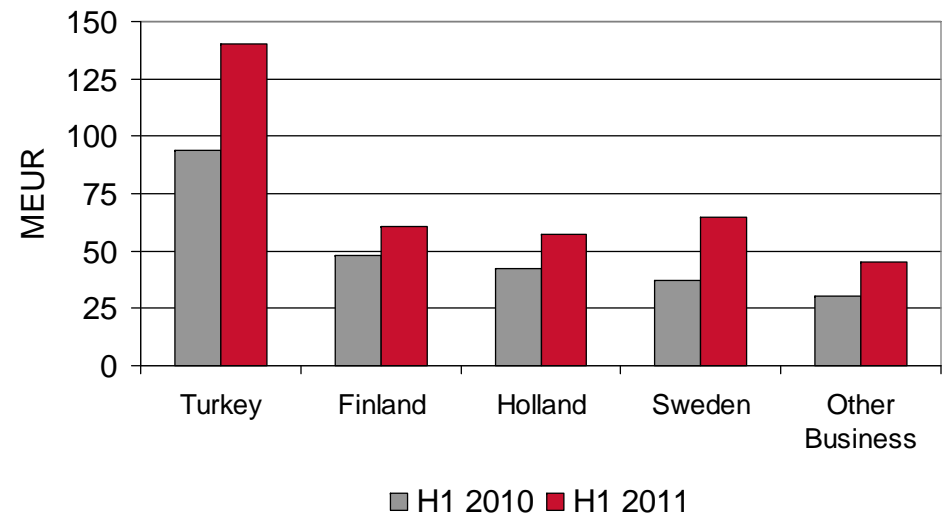


Distribution of sales

Sales by market area H1/2011

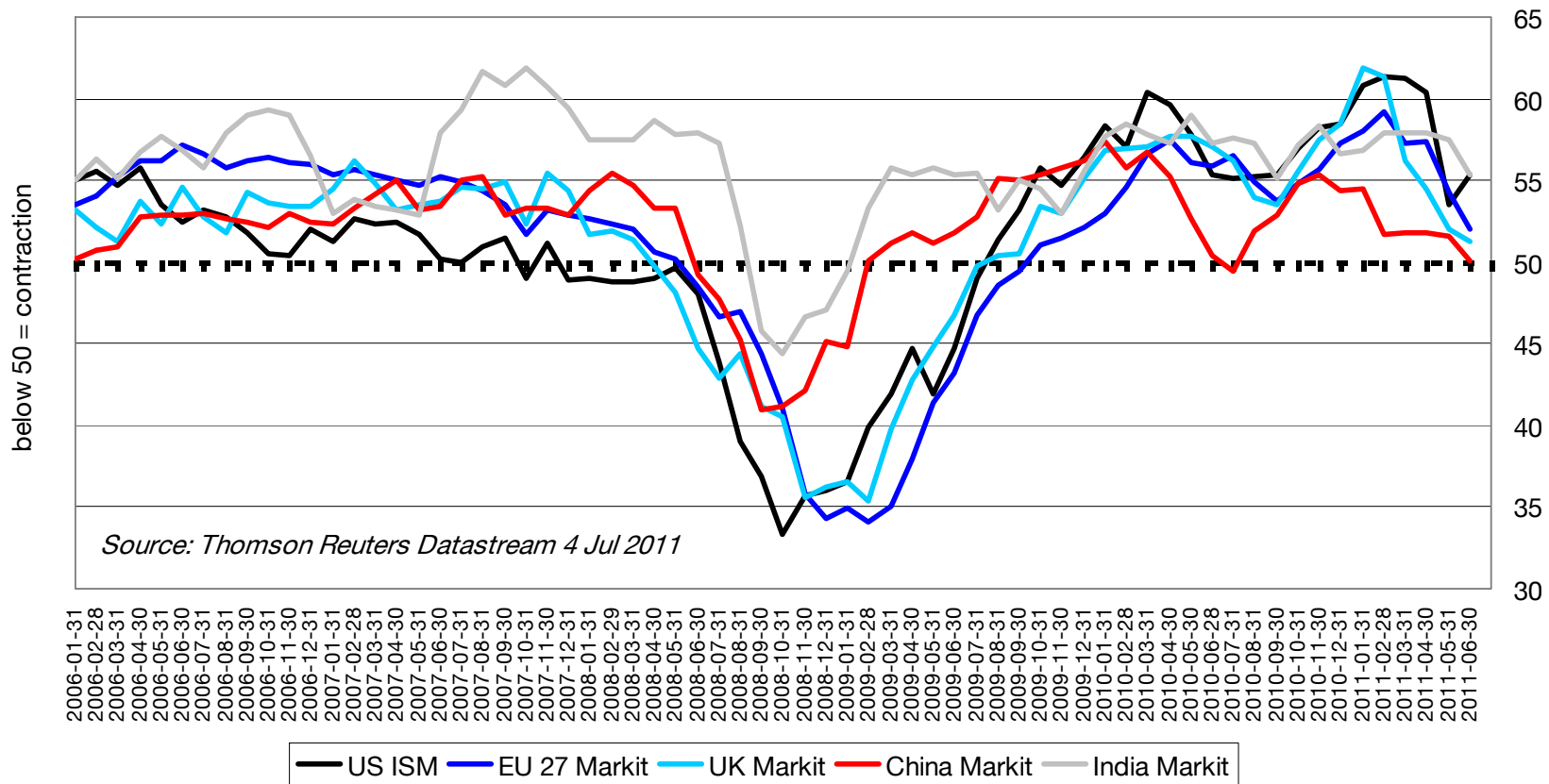


Sales by operations H1/2011



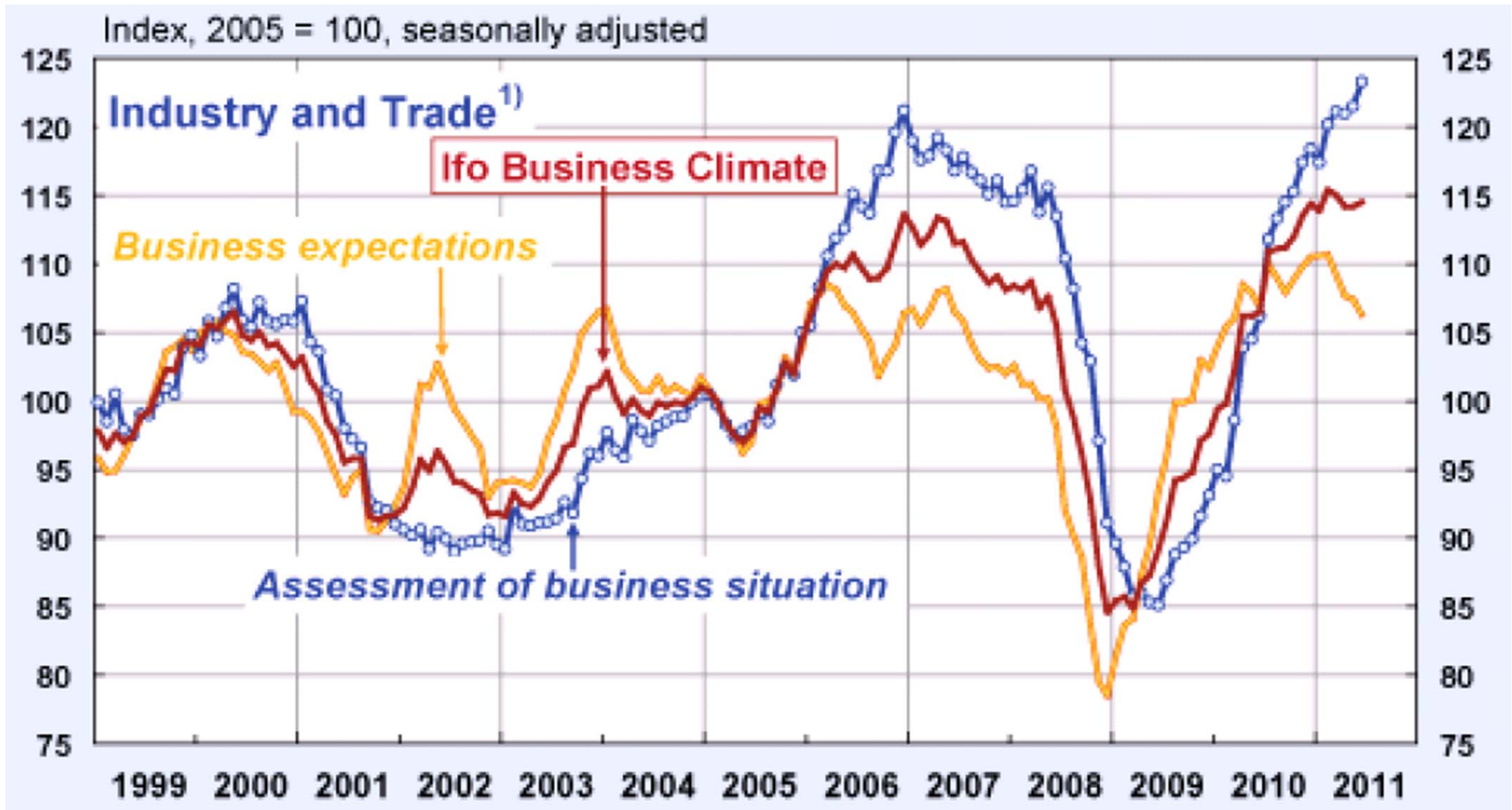
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Manufacturing Purchasing Manager Indices



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Ifo expectations



Source: IFO

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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

28% (25%)



Construction and mining

23% (21%)



Machine building

18% (20%)



Automotive

17% (19%)



Agricultural machinery

12% (12%)



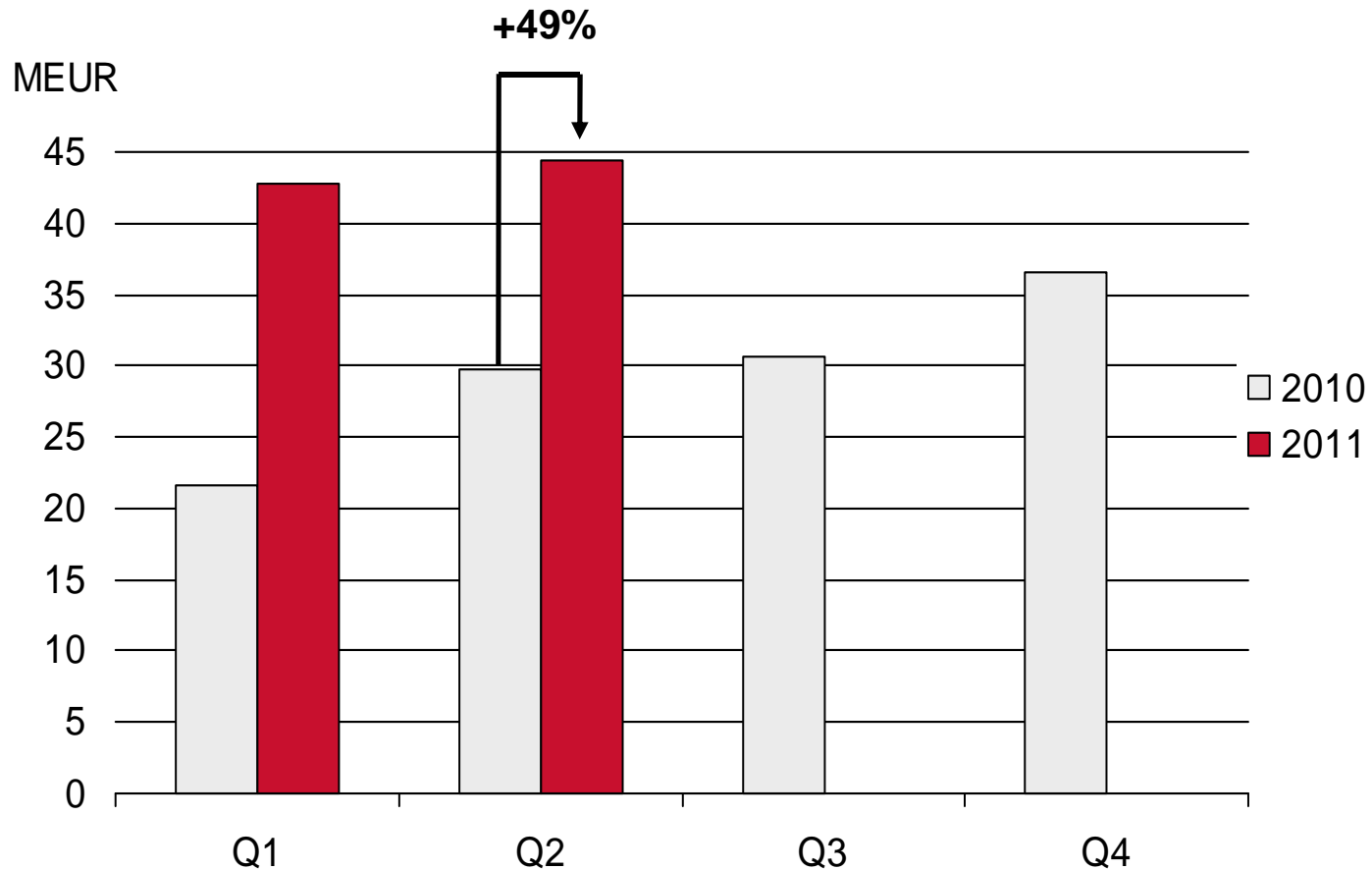
Wind power

1% (1%)

Note: Other sales 0% (1%)

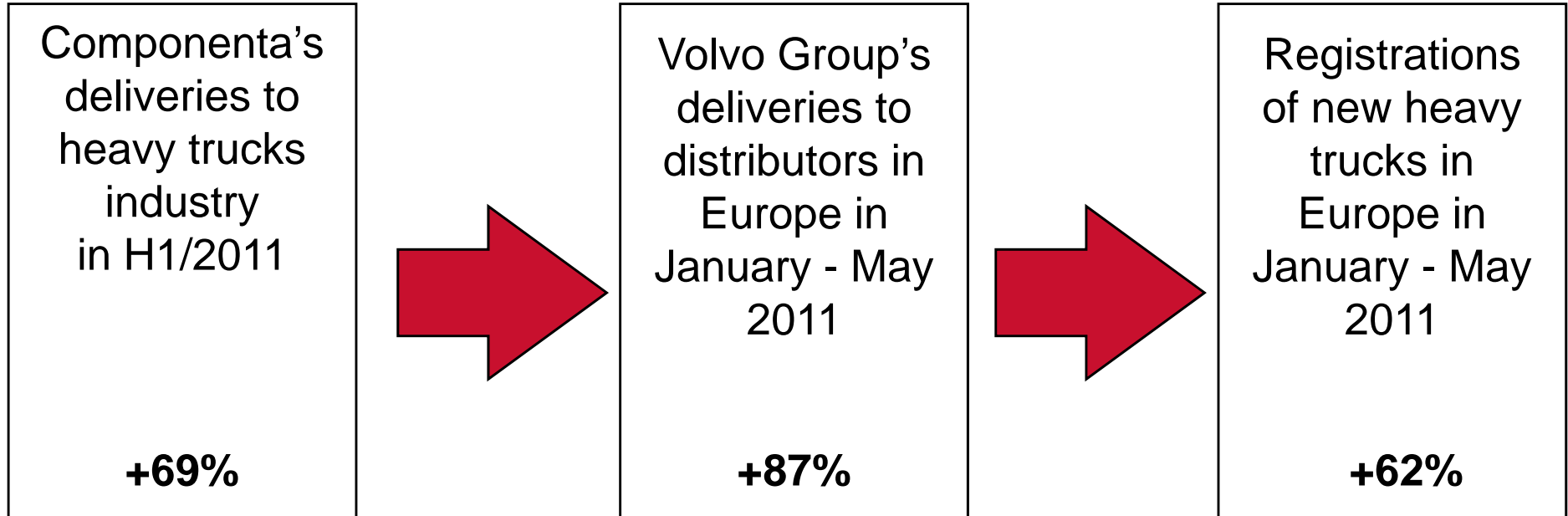
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Comparable sales to heavy trucks industry quarterly



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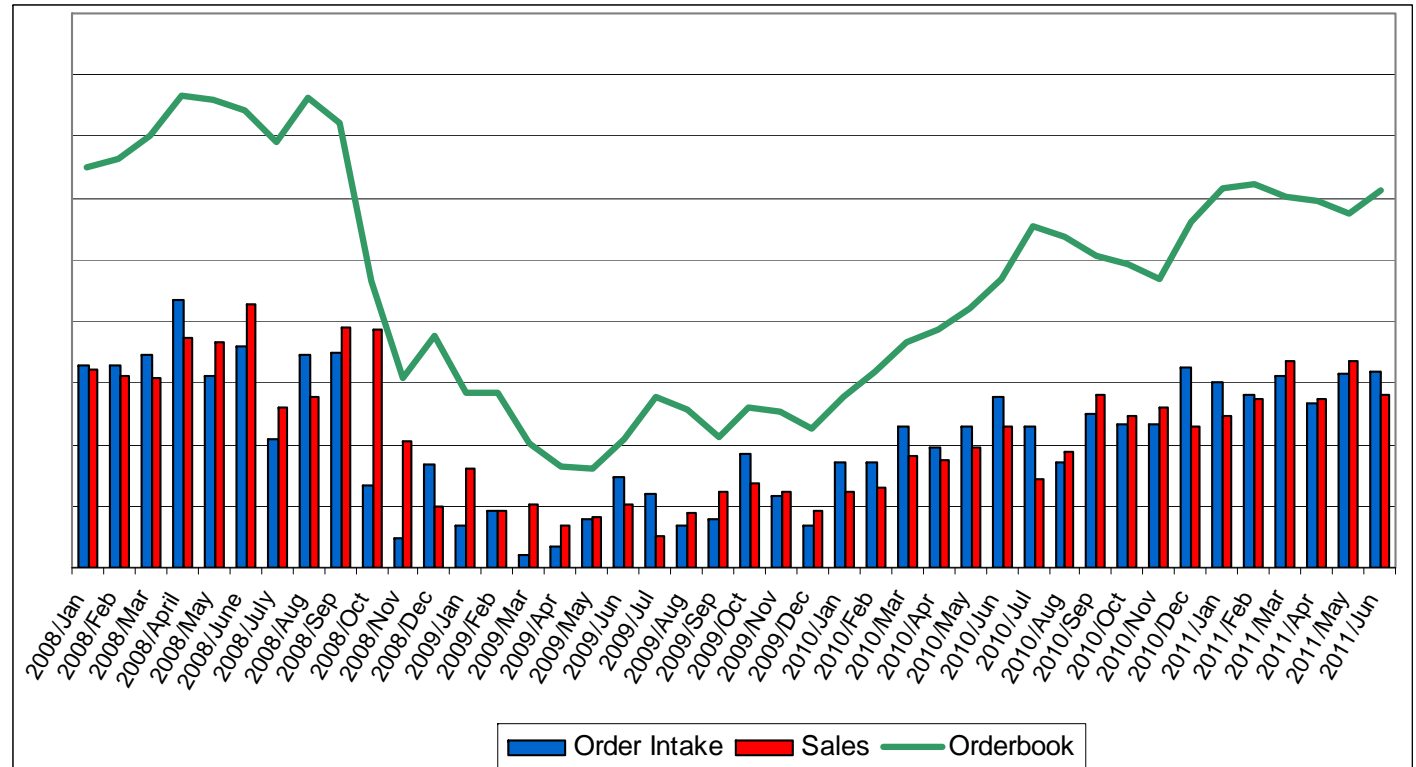
Development of supply chain in heavy trucks industry



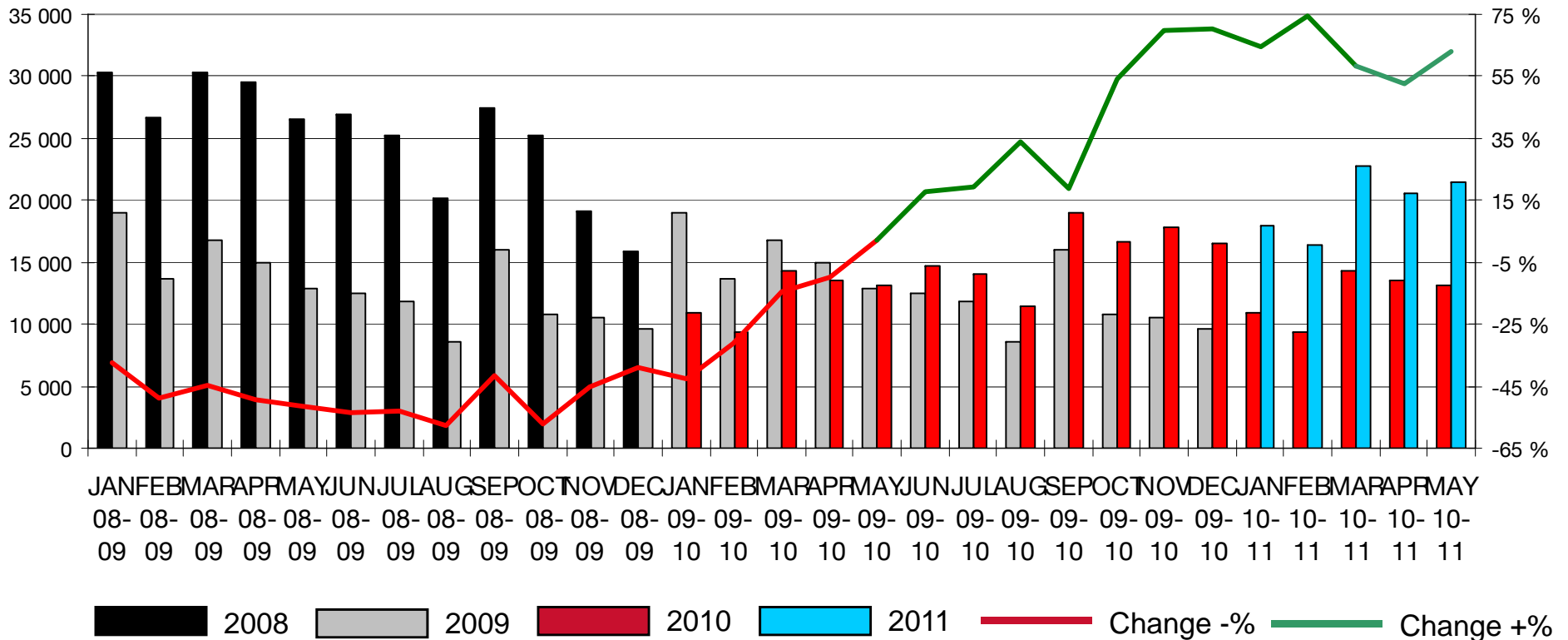
Sources: Volvo web pages, ACEA

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Development of sales and order book in heavy trucks industry



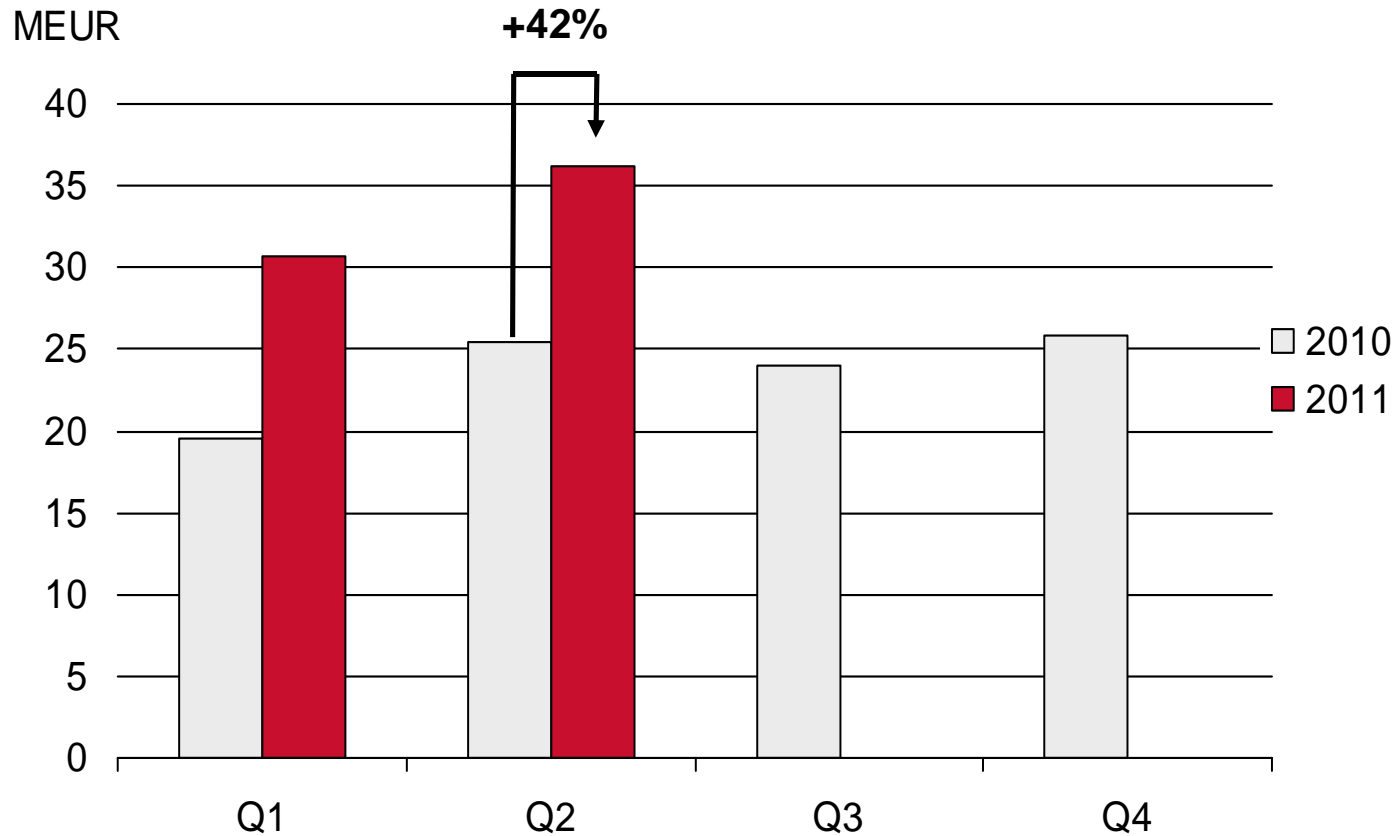
Registrations of new heavy trucks in Europe (EU27)



Source: ACEA

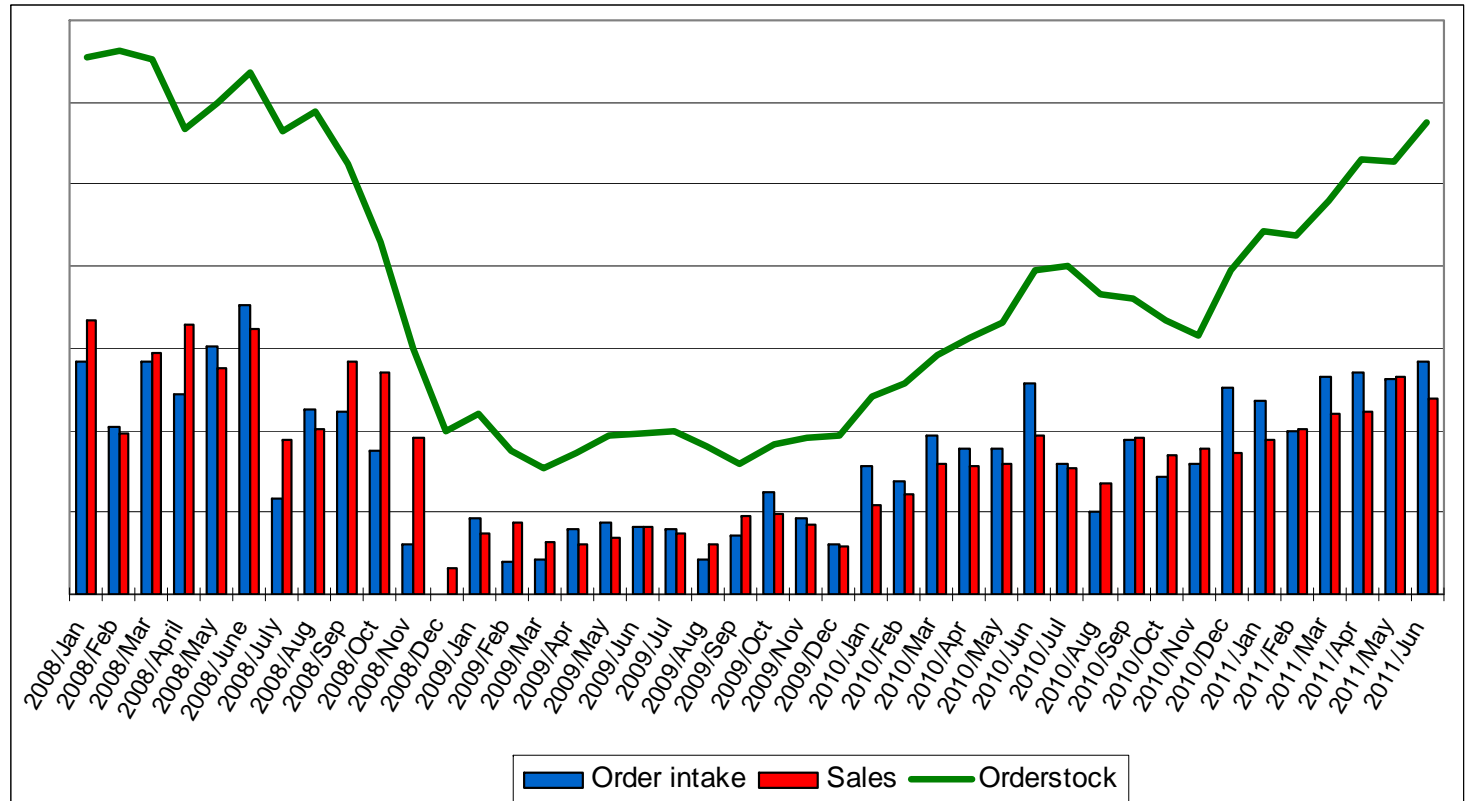
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Comparable sales to construction and mining industry quarterly



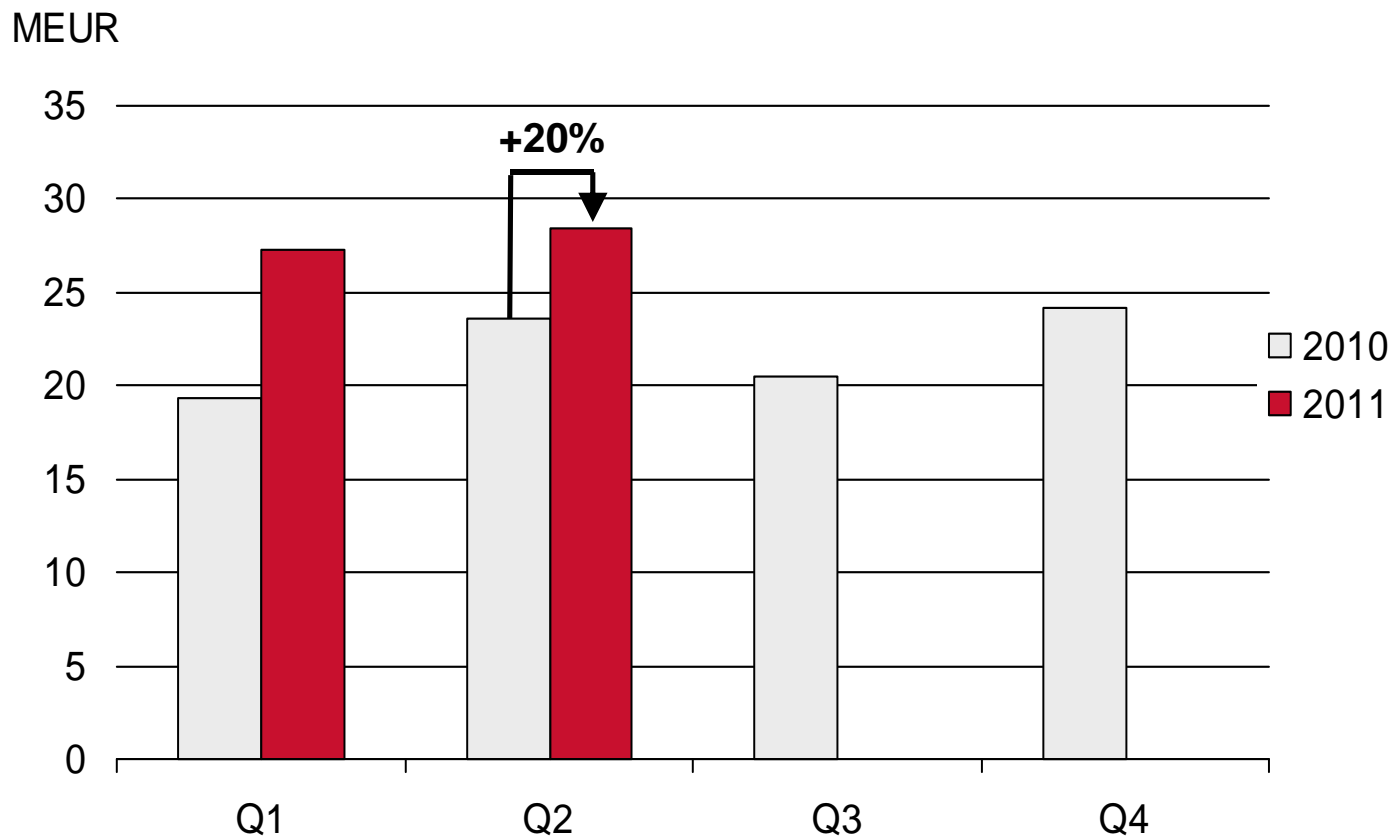
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Development of sales and order book in construction and mining industry



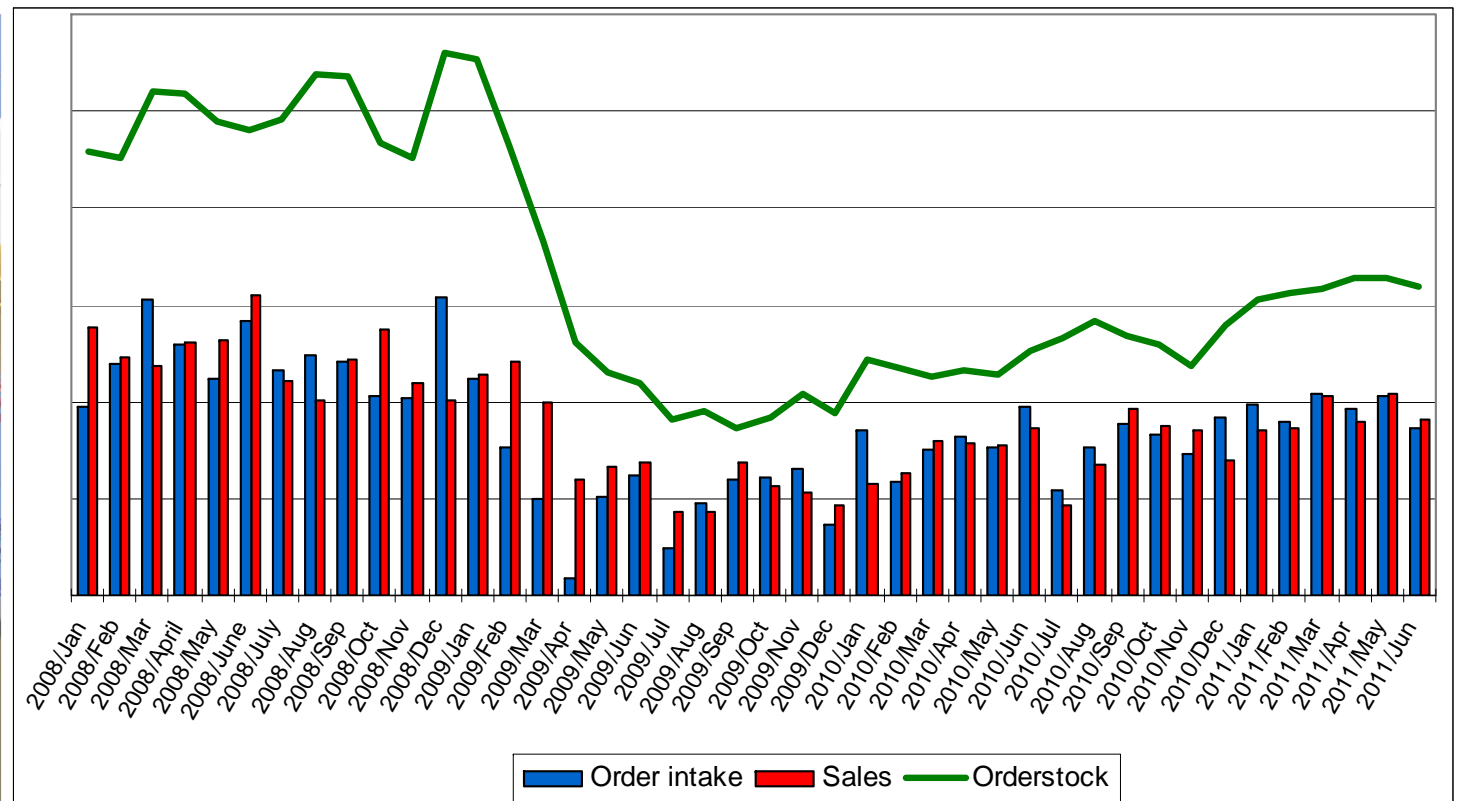
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Comparable sales to machine building industry quarterly



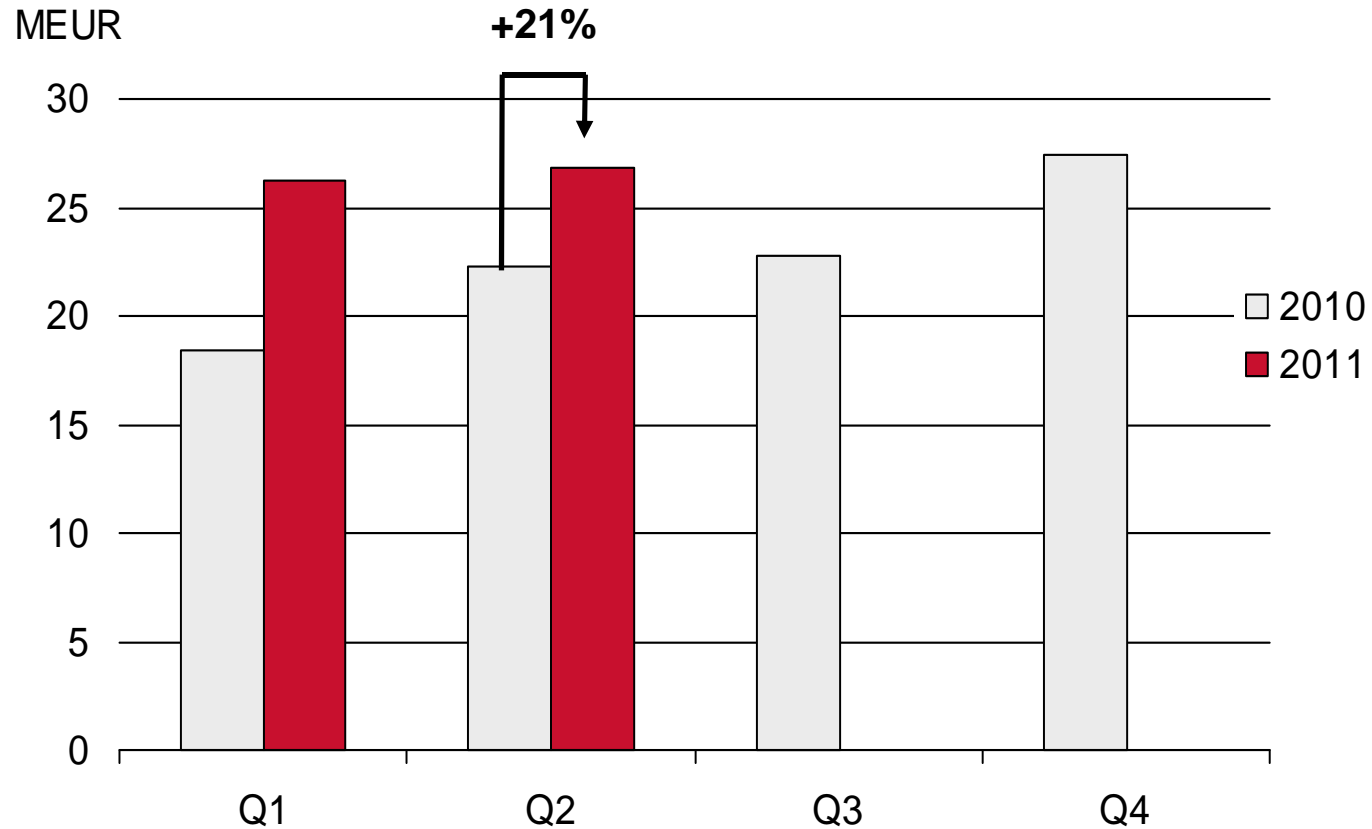
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Development of sales and order book in machine building industry

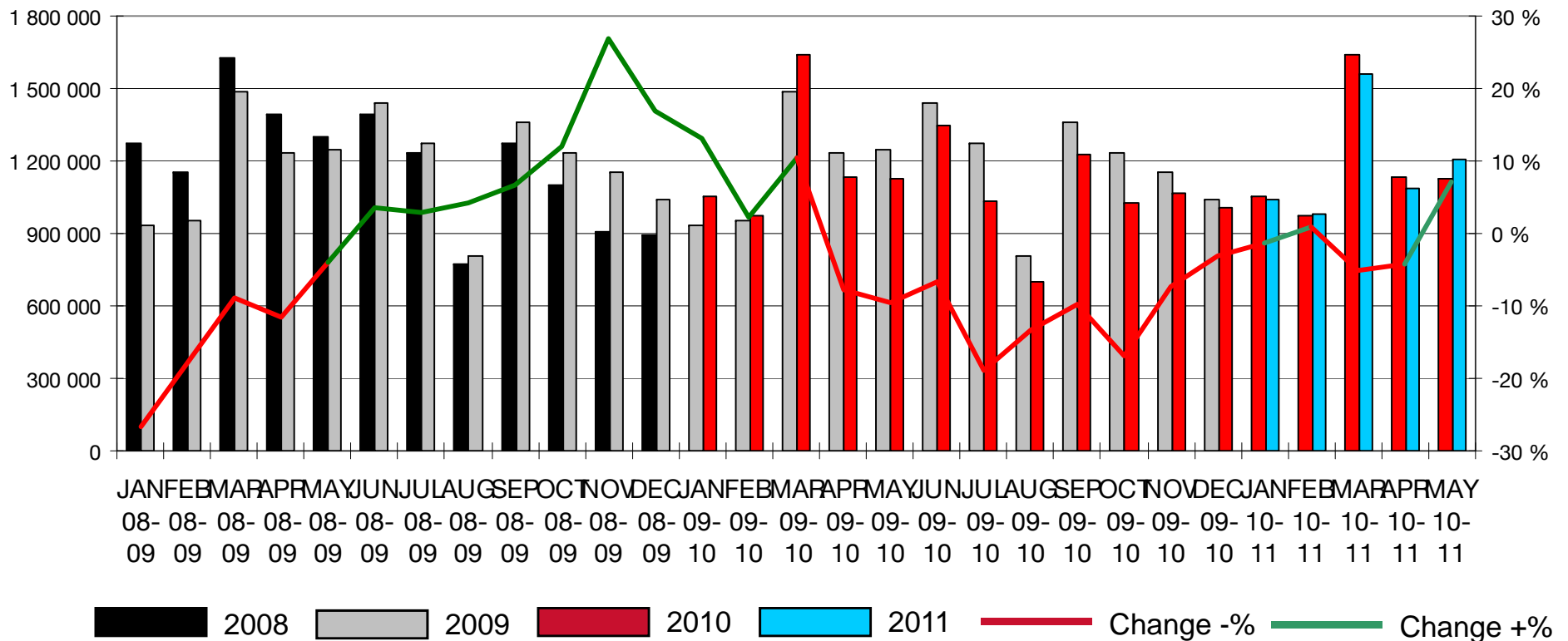


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Comparable sales to automotive industry quarterly



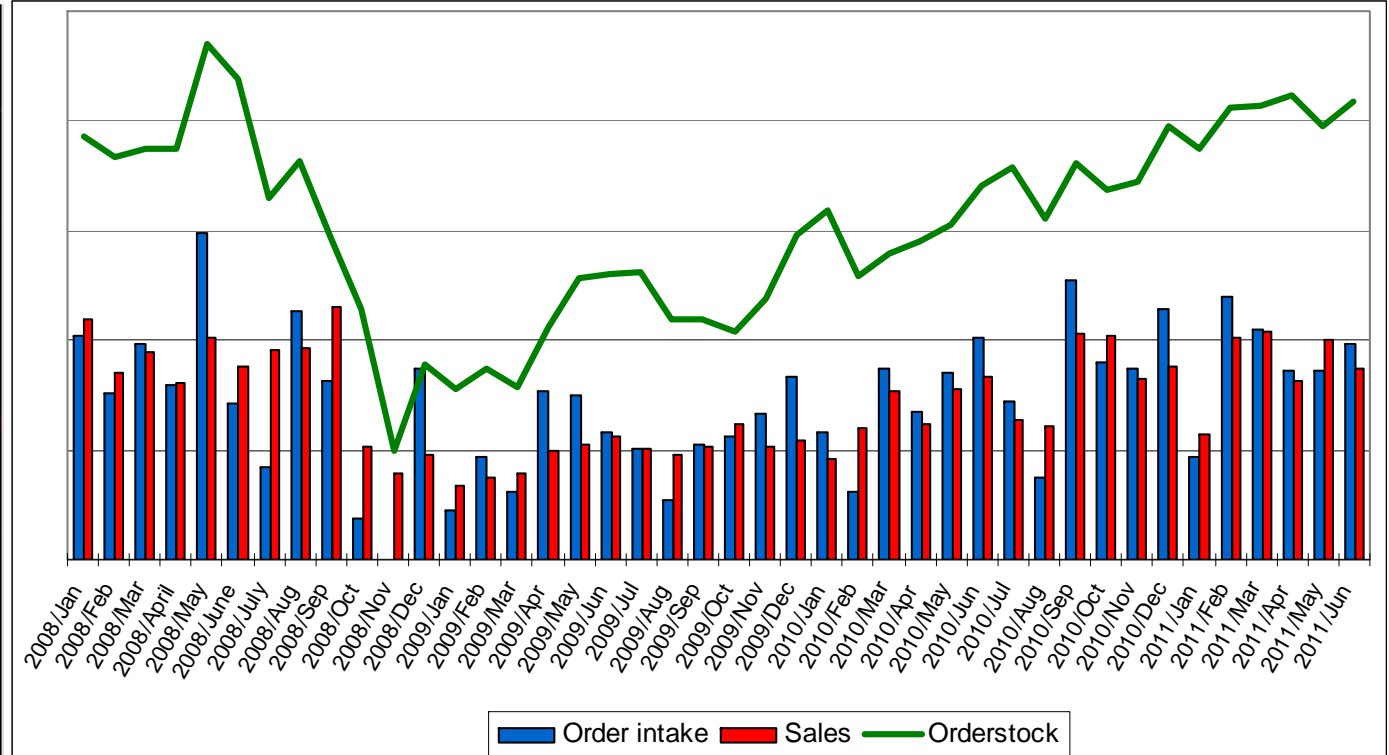
Registrations of new passenger cars in Europe (EU27)



Source: ACEA

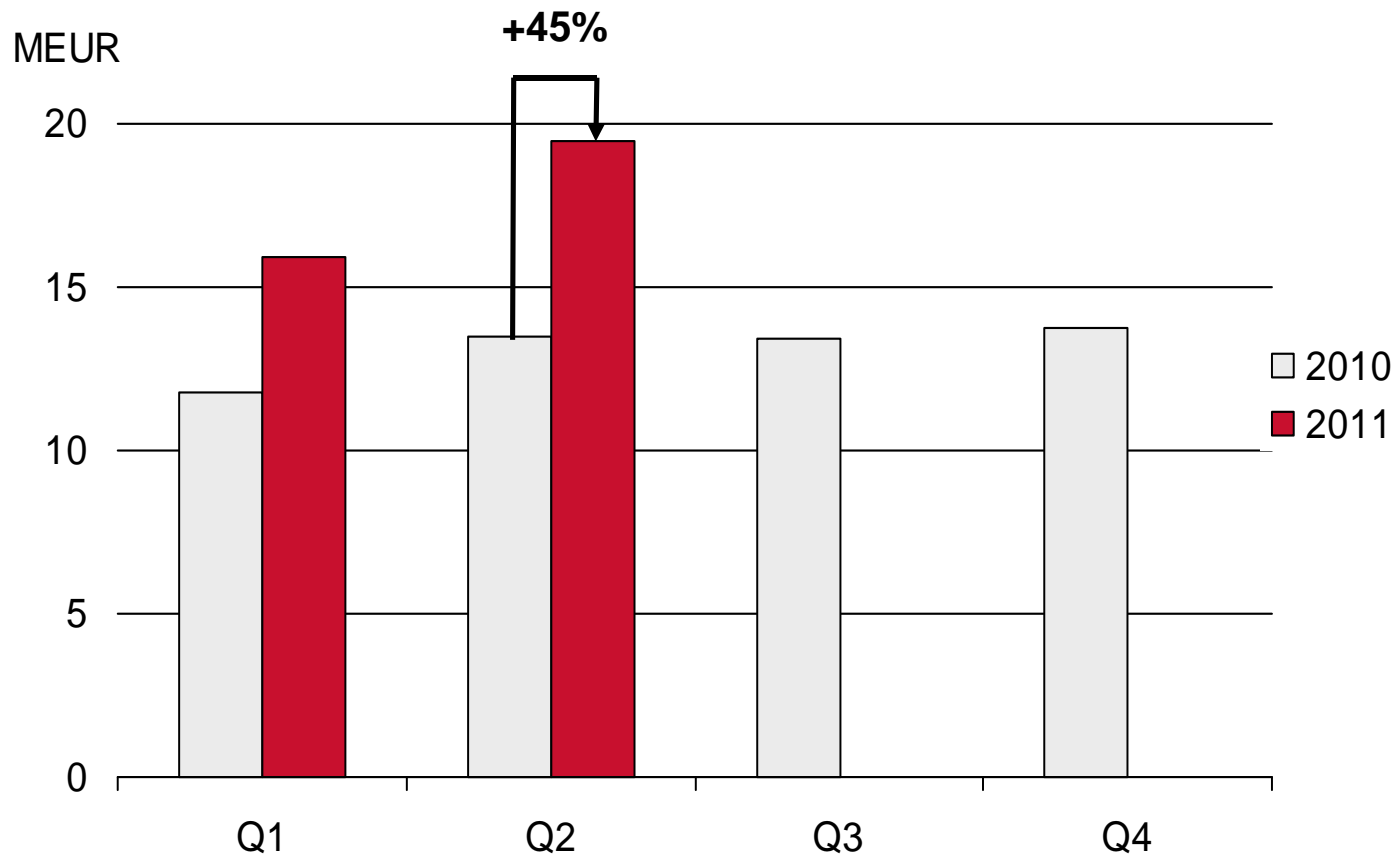
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Development of sales and order book in automotive industry



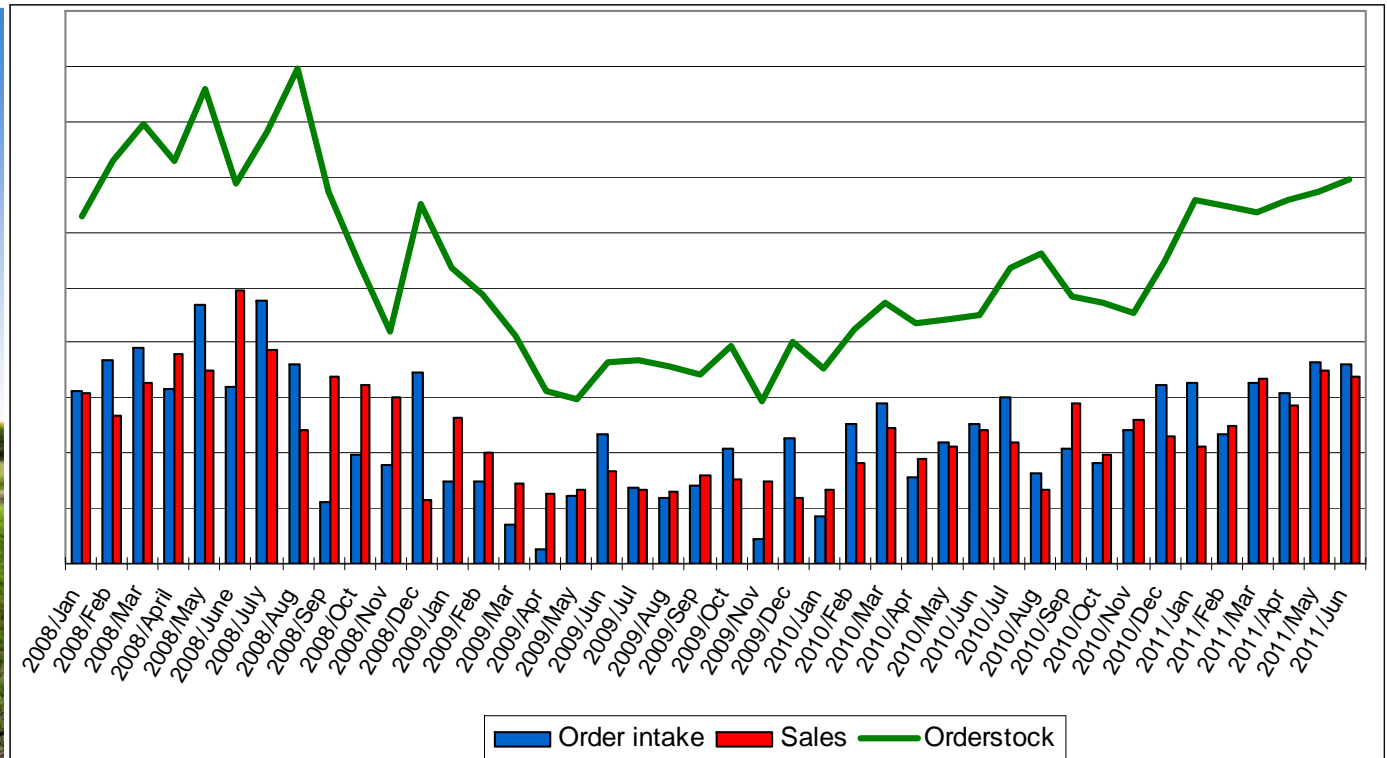
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Comparable sales to agricultural machinery industry quarterly



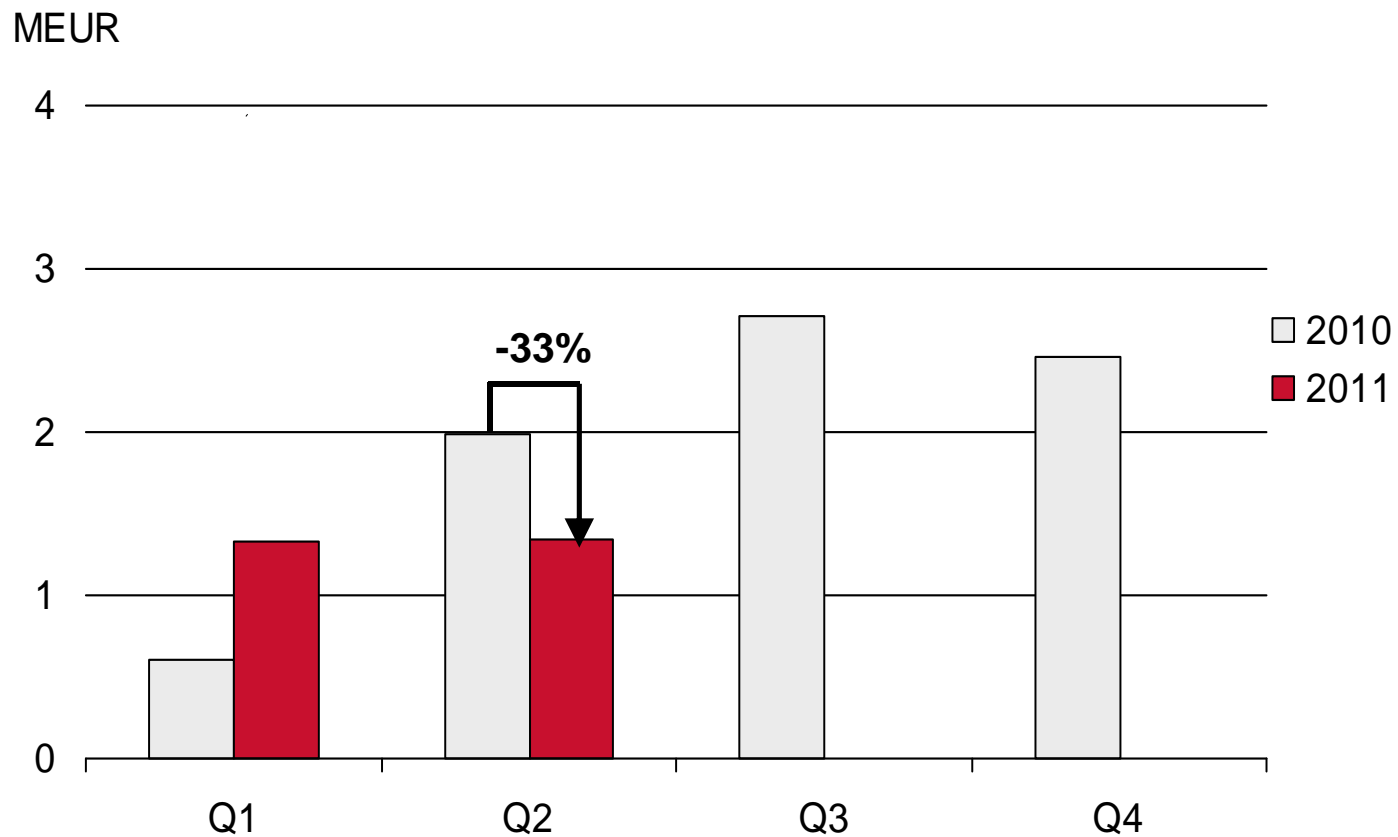
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Development of sales and order book in agricultural machinery industry



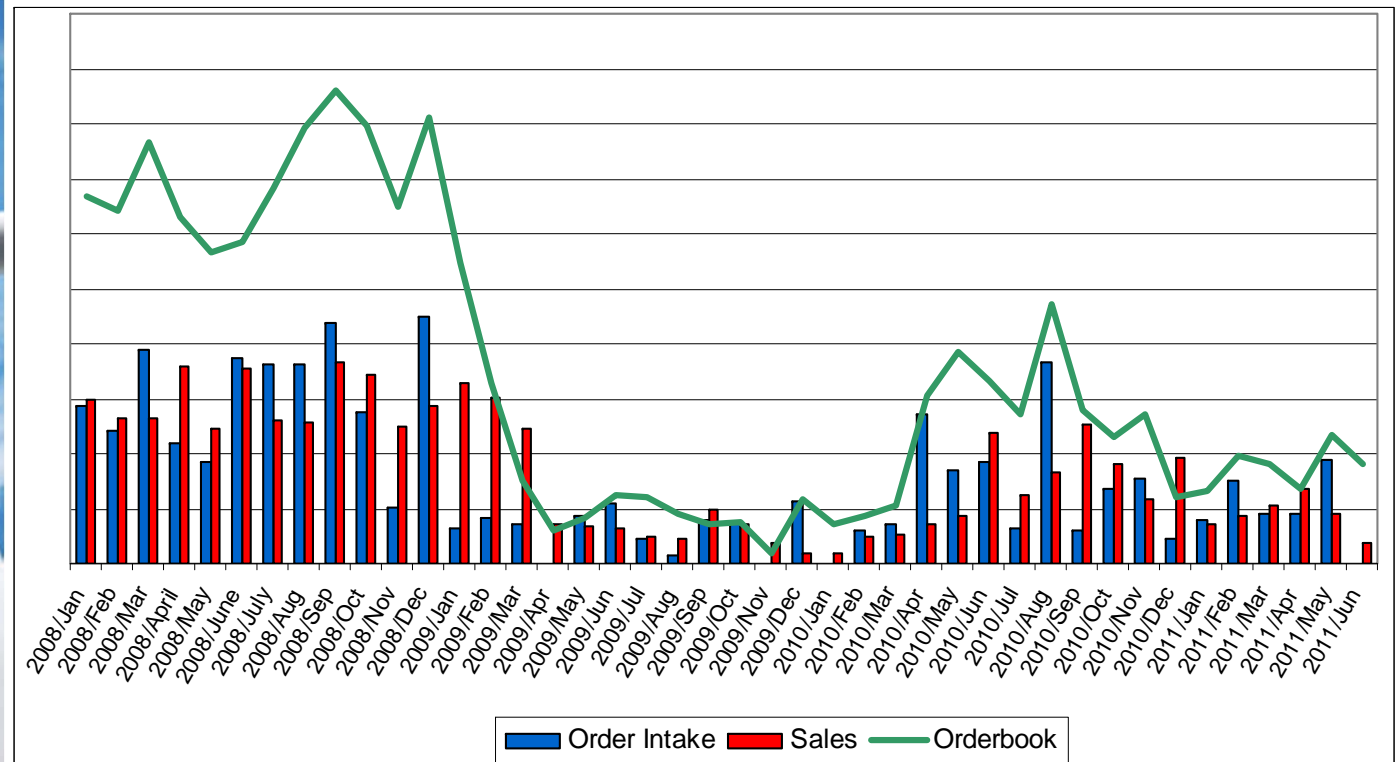
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Comparable sales to wind power industry quarterly



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Development of sales and order book in wind power industry



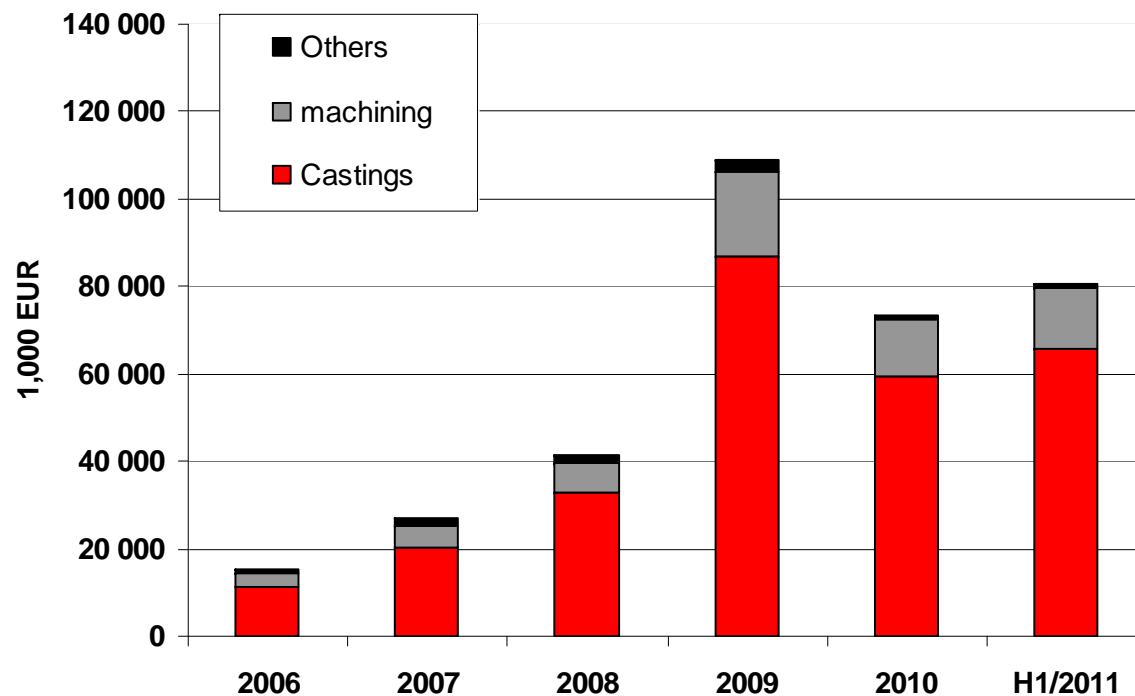
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Analysis of changes in income statements excl. one-time items Q1 - Q2/2011 vs. Q1 - Q2/2010

MEUR	Q1/11	Q1/10	Diff.	Q2/11	Q2/10	Diff.
Net sales	144.1	91.2	58%	156.5	117.3	33%
Value of production	150.0	94.4	59%	159.1	119.0	34%
Materials	-61.5	-34.4	79%	-64.4	-45.4	42%
Direct wages and external services	-33.6	-24.1	39%	-36.1	-29.3	23%
Other variable and fixed costs	-41.6	-32.4	29%	-43.0	-35.7	21%
Total costs	-136.7	-90.8	51%	-143.6	-110.4	30%
EBITDA	13.3	3.6	267%	15.5	8.6	80%

Offers and new sales

Monthly offers > 100,000 EUR

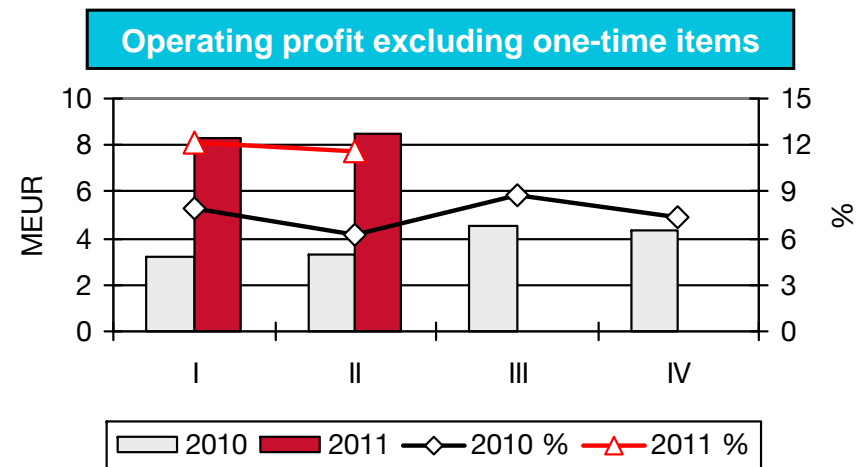
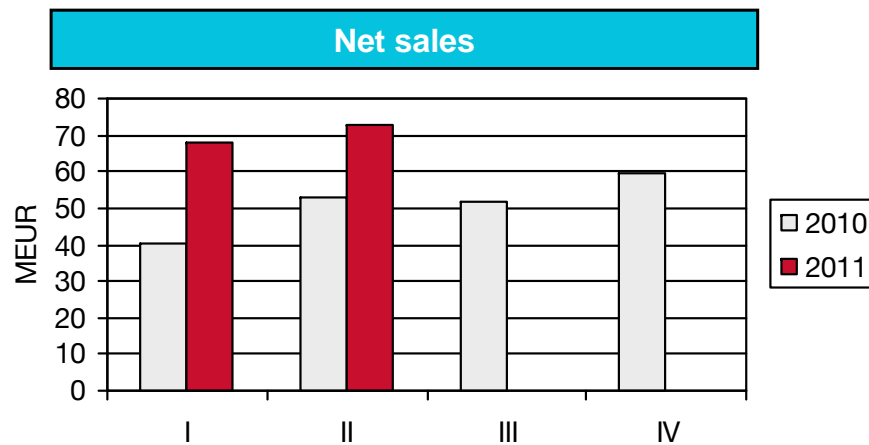


- The offers submitted by the Group have remained at a high level.
- Componenta's new sales developed well during H1/2011.



Performance of Operations

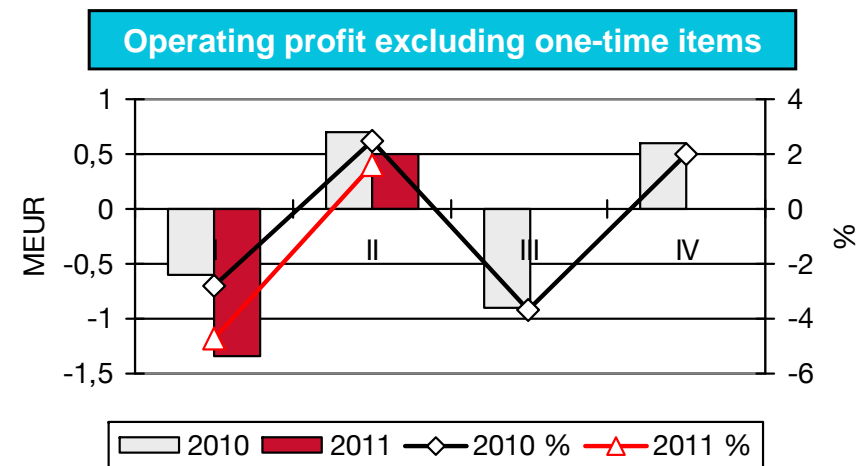
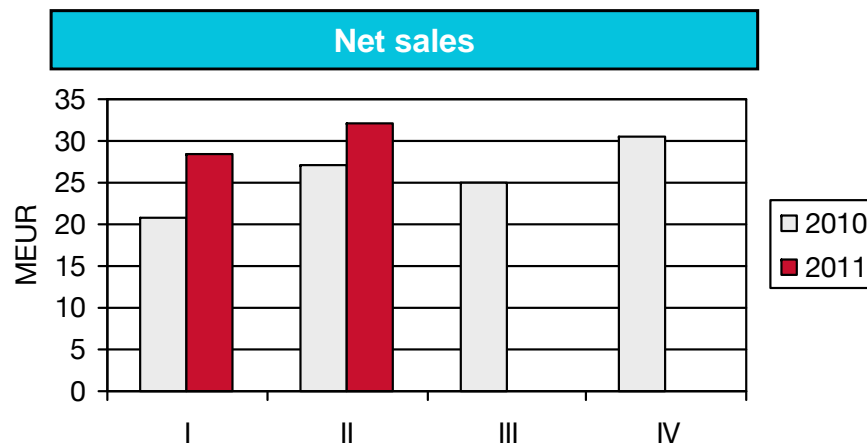
Performance of the Turkey operations



MEUR	Q2/ 2011	Q2/ 2010	Change	Q1-Q2/ 2011	Q1-Q2/ 2010	Change
Order book	59.4	42.4	40%	59.4	42.4	40%
Net sales	72.7	53.1	37%	140.5	93.7	50%
Operating profit	8.5	3.3	153%	16.8	6.5	159%
Cap. utilization rate	74%	56%	31%	73%	54%	36%

- Operating profit was boosted by good volume development especially in the construction and mining and automotive industries.

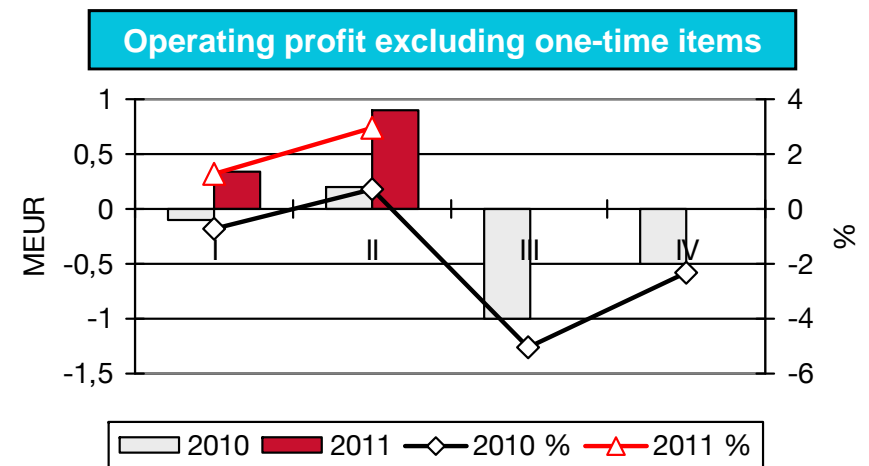
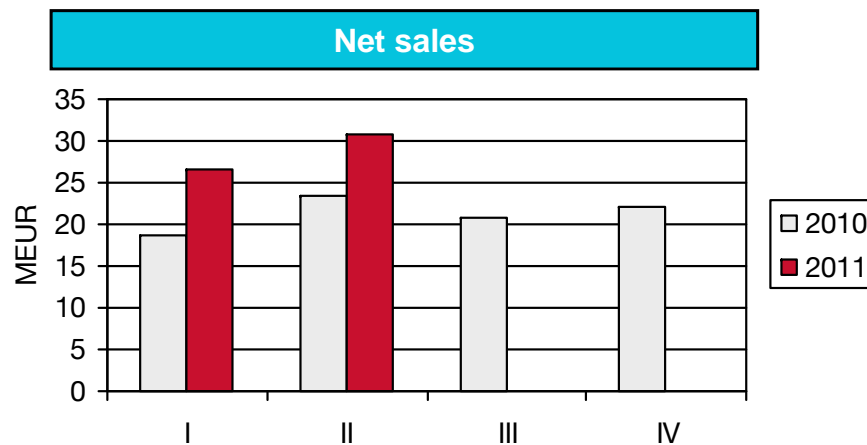
Performance of the Finland operations



MEUR	Q2/ 2011	Q2/ 2010	Change	Q1-Q2/ 2011	Q1-Q2/ 2010	Change
Order book	16.3	15.8	3%	16.3	15.8	3%
Net sales	32.2	27.0	19%	60.7	47.9	27%
Operating profit	0.5	0.7	-26%	-0.8	0.1	n/m
Cap. utilization rate	75%	63%	19%	74%	59%	27%

- Operating profit was burdened by MEUR -1.5 due to rapid increase in iron raw material prices and other local raw material prices.
- Pietarsaari business unit's operating profit weakened clearly.

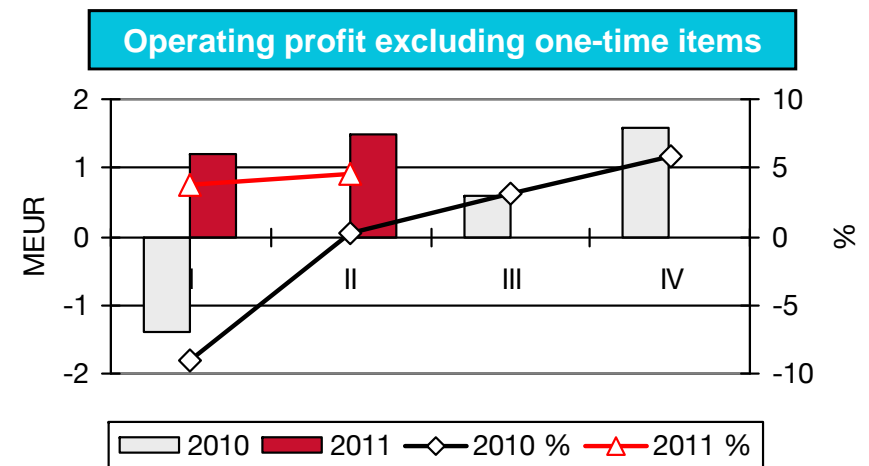
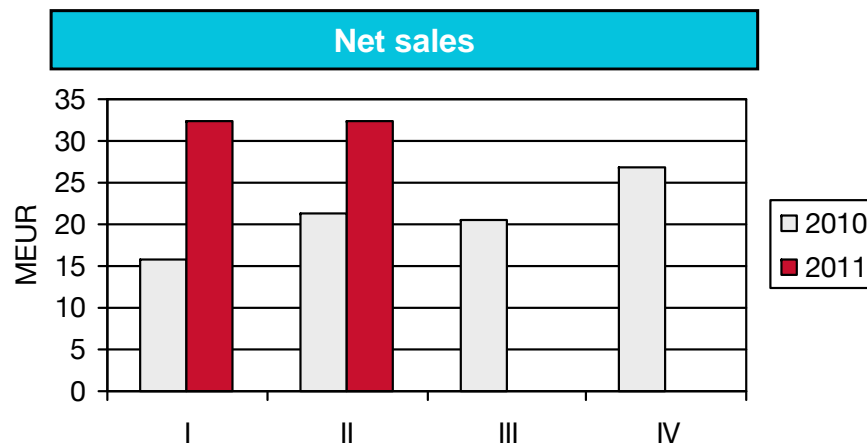
Performance of the Holland operations



MEUR	Q2/ 2011	Q2/ 2010	Change	Q1-Q2/ 2011	Q1-Q2/ 2010	Change
Order book	21.0	14.6	44%	21.0	14.6	44%
Net sales	30.7	23.4	31%	57.4	42.1	36%
Operating profit	0.9	0.2	490%	1.3	0.0	n/m
Cap. utilization rate	73%	51%	43%	67%	44%	53%

- Operating profit improved due to previously implemented cost cuts and increased production volumes.
- However, operating profit was affected by MEUR -1.4 due to rapidly increased raw material prices.

Performance of the Sweden operations



MEUR	Q2/ 2011	Q2/ 2010	Change	Q1-Q2/ 2011	Q1-Q2/ 2010	Change
Order book	22.9	16.5	39%	22.9	16.5	39%
Net sales	32.5	21.3	52%	64.8	37.1	75%
Operating profit	1.5	0.0	n/m	2.7	-1.4	n/m
Cap. utilization rate	84%	60%	39%	78%	53%	48%

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



Prospects 2011

Market outlook for 2011

- The demand outlook in the Group's all customer sectors is good at the beginning of third quarter in year 2011. However, the increased uncertainty in the financial markets may impact the business confidence negatively.
- Demand in the heavy trucks sector is expected to continue at good level, in particular because of positive market development in Europe and Northern America.
- Demand for mining machinery components is expected to continue developing favourably, mainly because of the high material prices. Demand for construction equipment is expected to continue growing in the developing countries. In the developed countries, the demand growth comes mainly from fleet renewals.

Market outlook for 2011 (cont'd)

- Demand for agricultural machinery in the second half of the year is estimated to rise from the previous year as a result of higher food prices and positive market development in Europe and Russia.
- The market development in the automotive industry is expected to be modest in Europe. However, the development in demand for aluminium alloy wheels is estimated to continue favourably in the second half of 2011.
- Demand in the wind power sector is expected to develop moderately in Europe during the year 2011.
- Demand in the machine building industry is expected to continue to grow to some extent in Northern and Central Europe.

Componenta's prospects for 2011

- Componenta's prospects for 2011 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 end of June was 33% higher than at the end of the comparison period.
- In 2011 the Group's net sales are expected to rise more than 30% and the result after financial items excluding one-time items to be positive.
- Full year cash flow from operations is expected to be positive.
- Investments in 2011 are expected to be some EUR 25 million.



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